Annual and Sustainability Report 2025

Epiroc

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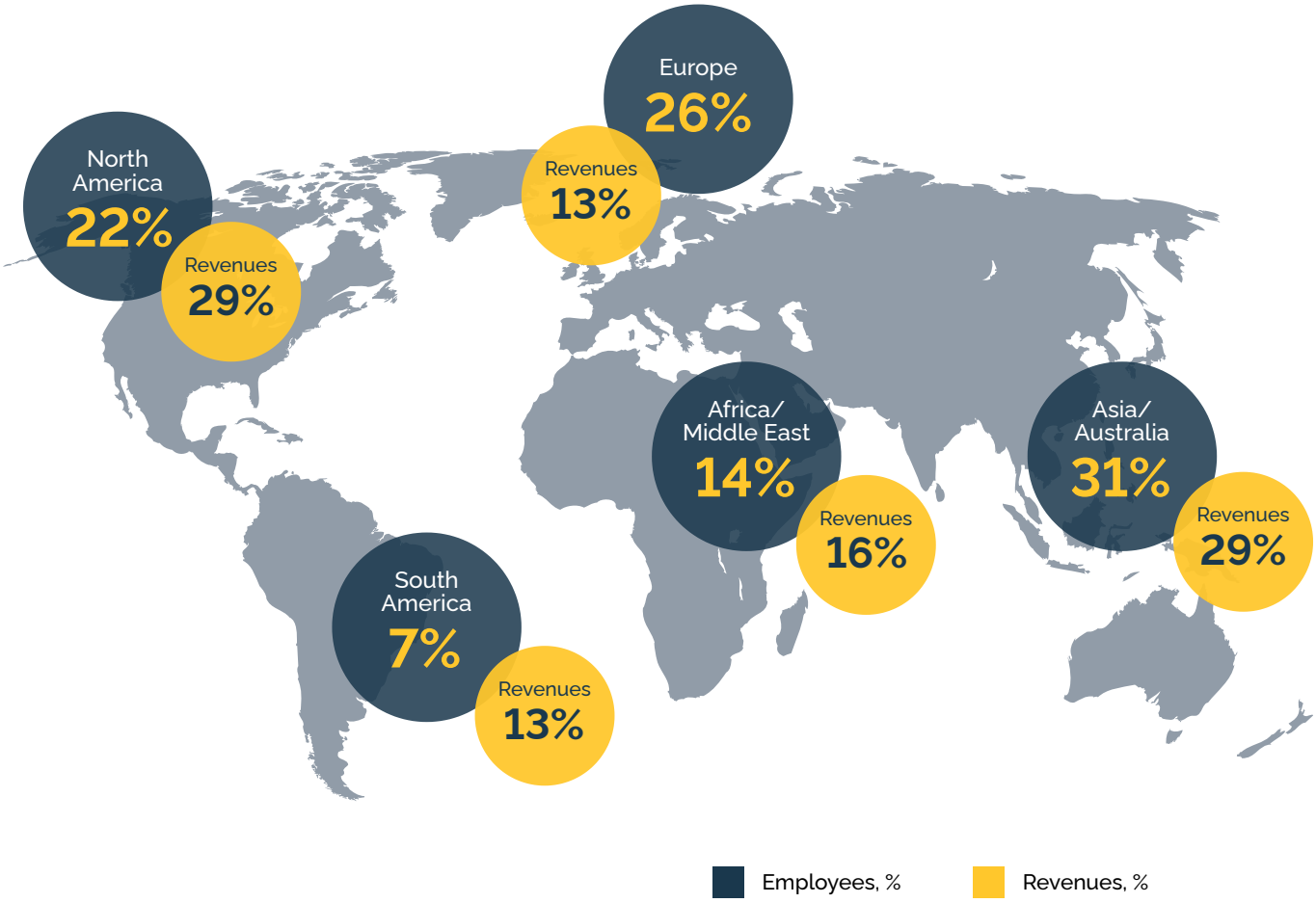
The Annual and Sustainability Report comprises the following sections: Administration Report, Corporate Governance, Sustainability Statement, Financial Information and Notes, and Signatures of the Board of Directors.

On the cover: Building on the success of Powerbit X, Epiroc has introduced the next-generation PCD (polycrystalline diamond) drill bit, a breakthrough in durability and efficiency. The PCD bit delivers up to 10 times longer service life compared to traditional bits, reducing manual interventions and enhancing safety. This innovation is ideal for automated operations.

Leading productivity and sustainability partner

With ground-breaking technology, Epiroc develops and provides innovative and safe equipment, such as drill rigs, rock excavation and construction equipment as well as tools for surface and underground hard-rock applications. We also offer world-class service and other aftermarket support as well as solutions for automation, digitalization and electrification. Our role is to ensure that our customers can work in the safest, most environmentally friendly, and efficient way possible.

Global presence



Customer segments and revenue streams

Epiroc serves two main customer segments: mining and infrastructure. In 2025, mining represented 79% (78) of orders received, and infrastructure 21% (22). We have two main revenue streams, equipment and aftermarket, which represented 34% (32) and 66% (68) respectively in 2025.

Equipment

Our equipment is mainly used when customers need to break, excavate and work with hard materials, such as rock and concrete. Our machines are often business critical for our customers, and we have a long history of providing reliable and qualitative products. We provide a wide range of battery-electric equipment and other electrification solutions, as well as hardware and software for automation and digitalization. In 2025, surface applications represented slightly more than half of equipment revenues, while underground applications represented slightly less than half of equipment revenues.

Surface mining

A large share of global copper, gold, and iron ore production comes from open-pit operations. Epiroc supports these mines with a comprehensive range of blasthole drill rigs. Our flagship Pit Viper series deliver industry-leading performance, drilling holes up to 406 mm in diameter and achieving clean hole depths of nearly 20 meters in a single pass. For added flexibility, our crawler drill rigs, such as the popular SmartROC D65, provide mobility and precision for quarrying, and smaller mining operations. Most drilling rigs have automation features, some are fully autonomous and many are available in electric versions.

In 2025, Epiroc's Pit Viper drill rig celebrated 25 years of setting industry standards for surface drilling, with the past decade featuring autonomous operations that have significantly boosted productivity and safety.

The SmartROC D65 delivers precise, high-quality blastholes with automated drilling and rod handling, and can drill 16 m holes with minimal rod changes.

Underground mining

As ore grades decline and deposits go deeper, underground mining is becoming increasingly important, especially for copper, which is an important metal for Epiroc. We offer the industry's most complete underground portfolio, including drill rigs for face and production drilling and rock reinforcement, as well as loaders, trucks, utility vehicles, and ventilation systems. Our automation-ready equipment and advanced digital solutions set the benchmark for safety, precision, and productivity in demanding environments. A large portion of our equipment is available in electric versions, and they have proven to be even more productive than the diesel-driven versions.

The Boomer M20 S jumbo drill rig features a hoseless boom design for fewer breakdowns, better visibility, and improved operator comfort, including a quieter cabin. It is the first rig of its kind to drill partly on battery power for cleaner, more efficient operations.

The Minetruck MT66 S eDrive builds on the legacy of the MT65, the most sold, highest-payload truck in its segment, now upgraded with a powerful electric drivetrain and Epiroc's strongest engine yet.

Exploration

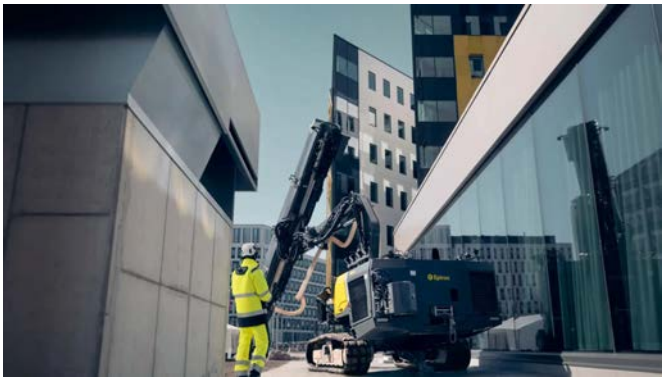
Exploration is the starting point for every mining operation. Epiroc has built a market-leading position, with exploration rigs that withstand the toughest conditions and deliver consistent results. Our portfolio covers surface and underground exploration, offering drill rigs for core drilling and reverse circulation, along with advanced tools and digital solutions for ore analysis. Unique features such as wireless rig control, automated rod handling, and digital core scanning help customers improve efficiency, safety, and decision-making throughout the exploration process. High mineral prices and strong demand generally supports exploration activity, both for new prospecting and for further exploration in existing mines.

With a drilling depth up to 2 450 meters, the Christensen CT20 is a high-performance core drilling rig, designed to extract intact rock samples (cores) for detailed geological analysis. In addition to core exploration, Epiroc also offers the industry's only reverse circulation rigs for drilling in remote areas, the Explorac range.

Diamec Smart 6M delivers accurate, reliable underground core drilling with high productivity and Boomer S2 mobility. Automation enhances safety, consistency, and efficiency.

Surface infrastructure

Above-ground construction often involves rock excavation at urban sites, aggregate production in quarries, and drilling for water or geothermal energy. Epiroc supports these applications with a full range of surface drill rigs, and well-drilling equipment. What sets Epiroc apart is its integration of automation, telematics, and digital drill plans, combined with electric-powered machines ideal for urban environments, where low emissions and reduced noise are critical.



Compact, radio-controlled, and packed with intelligence, the SmartROC T25 R conquers confined spaces and urban sites with unmatched precision and control. Its smart power management cuts fuel use and emissions while delivering top performance in the toughest conditions.

PowerROC T50 is designed and built for demanding applications in limestone and aggregate quarries, as well as in mining.

Underground infrastructure

Underground infrastructure is essential for road and railway tunnels, hydropower plants, and other large-scale projects. Epiroc offers face drilling rigs, rock reinforcement systems, grouting equipment, loaders, trucks, utility vehicles, and ventilation systems, all designed for demanding underground conditions. Our offering includes automation-ready platforms, electric machines for zero-emission tunneling, and digital solutions for precise drilling and real-time planning. These innovations improve safety, reduce ventilation costs, and enable customers to meet sustainability and productivity goals.

Epiroc's Boomer rigs are built for tunneling at any scale, from compact single-boom rigs for smaller drifts to powerful double, and triple-boom rigs for large tunnels and infrastructure projects.

Cable bolting rigs are specialized machines designed to drill deep clean holes and install long, flexible cable bolts to reinforce and stabilize large rock masses in tunneling projects and underground mining.

Aftermarket

To ensure optimal equipment performance, Epiroc provides a full range of aftermarket services. Our offering includes parts and service, rock drilling tools and attachments as well as digital solutions. Service solutions are tailored to customer needs, ranging from the supply of genuine spare parts to full-service agreements with on-site technicians available 24/7. As the fleet is larger and older than ever, our service solutions are critical to help customers maximize uptime, reduce total cost of ownership, and support a more sustainable mining and/or infrastructure operation.

Service

Thanks to our global network of workshops and service technicians, we can support our customers anytime and anywhere. We focus on availability through strategically located distribution centers and an efficient supply chain.

Examples of services:

- Replacement parts and kits.
- Service agreements and audits.
- Circular services, incl. midlife upgrades and remanufacturing solutions for components.
- Other service solutions, incl. custom-engineered solutions.
- Live Work Elimination, and training.
- Digital solutions, open and OEM-agnostic capabilities (works across different equipment manufacturers), incl. connectivity, collision avoidance systems and automation solutions.

Tools

We offer a wide range of efficient drilling tools that provide our customers with the best possible drilling quality, the most drilled meters per hour and the lowest production cost.

Examples of tools:

- Rock drilling tools for different drilling methods, such as tophammer, COPROD, down-the hole, rotary and raiseboring. Including all components of the drill strings, such as bits, rods, pipes, shanks, hammers and more.
- Tools for rock reinforcement, such as rock bolts, mesh, and accessories.
- Exploration drilling tools (reported in Equipment).

Attachments

We offer a wide range of high-quality attachments for use in, for example, rock excavation in infrastructure and mining, for deconstruction, and for recycling. We also offer advanced ground engaging tools (GET) installed on mining buckets and loaders as well as related digital solutions, mainly for the mining industry.

Examples of attachments:

- Hydraulic breakers.
- Shears and pulverizers.
- Concrete cutters and busters.
- Quick couplers and thumbs.
- Drum cutters.
- Excavator grapples.
- Excavator magnets.
- Crusher and screening buckets.
- Ground engaging tools, such as teeth, lip shrouds, and protective shrouds.
- Digital solutions for monitoring, optimization, loss detection and analytics.

The year 2025 in brief

For the full year, 2025, Epiroc saw strong demand from mining customers, driven by copper and gold, whereas the demand from infrastructure customers remained at a low level, mainly explained by a weak market for attachments. In total, our orders received grew organically by 7% to MSEK 62 974 (62 213), our revenues grew organically by 2% to MSEK 61 998 (63 604), and our adjusted operating margin was 19.6% (19.8).

Orders received +1%
MSEK 62 974 (62 213)
+7% organic

Revenues -3%
MSEK 61 998 (63 604)
+2% organic

Operating profit, EBIT, %
MSEK 11 925 (12 385)
19.2% (19.5)

Dividend (proposed)
SEK/share
3.80 (3.80)

Return on capital employed
18.9% (20.6)

Operating cash flow
MSEK 7 726 (9 132)
-15%

Saving lives
Number of Epiroc CAS 9 installed, the markets' highest level of collision avoidance system
100+

Automation leadership
3 900 (3 450) driverless machines, including mixed fleet
+13%

Planet achievements
Transition plan approved.
CO_2e emission from machines sold
-5%

CEO comments

2025 was a year when the future of mining and construction moved decisively from ambition to reality. In a world marked by geopolitical uncertainty, currency headwinds and mixed market conditions, Epiroc again demonstrated that our focus on safety, productivity and sustainability is not only strategically right, but also commercially strong and resilient. For the year, we delivered 7% organic order growth, stable profitability and strong cash flow, a clear evidence that our business model remains robust despite a volatile external environment.

"We have invested heavily in automation and autonomous solutions for decades, both underground and at surface. Beyond improving productivity, these technologies save lives. At the end of the day, the most valuable thing to come out of a mine is the miner."

Safety first

A large part of our work is centered around safety. It is about how we at Epiroc operate in the safest possible way, and how we develop products and solutions that enhance safety for our customers. We have much to be proud of. We continued to improve our internal safety metrics, and we reinforced our position as a leader in digital safety solutions for the mining industry.

One event during the year made me especially proud. A dramatic rescue at the Red Chris mine in Canada provided one of the strongest demonstrations of the value of our technology. Following an underground collapse, our teleremote solution was both installed and deployed within 24 hours to remotely operate a competitor's machine during the rescue efforts, contributing to the safe recovery of three miners. After 60 hours below ground, they were saved and taken to the surface. It is a powerful reminder of why we do what we do. At the end of the day, the most valuable thing to come out of a mine is the miner.

Strong demand from mining customers

Demand for Epiroc's products and solutions remained strong in 2025. The strongest driver was demand from our mining customers, who account for 79% of total orders. Higher mineral prices, mainly for gold and copper, supported continued high activity levels in the mining sector.

Customer demand for productivity- and efficiency-enhancing solutions remained robust, resulting in several large orders for autonomous and electric equipment, as well as multi-year agreements for connectivity and digital platforms. Our exploration business grew especially strongly in the second half of the year, a positive indicator for long-term mining activity and future equipment demand. Demand for service and aftermarket solutions also remained high throughout the year.

From customers active within infrastructure, around 21% of total orders, demand remained weak due to the continued subdued construction market, particularly for specialty attachments. However, distributor destocking of attachments came to an end towards year-end.

Our Group order intake increased 1% to MSEK 62 974 (62 213), negatively impacted by currency -8%. Organically, however, order intake grew 7%. In our Equipment & Service business area, order intake grew organically by 8% to MSEK 47 635 (47 423), with particularly strong development in equipment, which increased organically by 15%. Large equipment orders amounted to MSEK 2 370 (3 570). In our Tools & Attachments business area, order intake increased organically by 3% to MSEK 15 252 (14 663).

Leading productivity and sustainability partner

Overall, Epiroc strengthened its position during the year as a leading productivity and sustainability partner. Sustainability is a competitive advantage for us. By making the mining and infrastructure industries safer, more efficient, and less emission-intensive, we create value for our customers and society as well as for Epiroc. There are three powerful trends that are reshaping our industry: Automation, electrification, and digitalization. Let me share some of our achievements in these areas.

Our largest contract ever: autonomous and electric mining

The most significant event of the year was our largest order contract to date: a five-year contract worth approximately SEK 2.2 billion with Fortescue in Australia. We will deliver a fleet of around 50 fully autonomous and electric surface drill rigs, including cable-electric Pit Viper 271 E rigs and battery-electric SmartROC D65 BE rigs. These driverless machines will be operated from Fortescue's Integrated Operations Centre in Perth, more than 1 500 kilometers away from the mines.

When fully deployed, the fleet will enhance safety and productivity while also reducing CO_2 emissions. The order is a clear signal that automation and electrification have moved from pilot projects to implementation at full industrial scale. MSEK 100 of this contract was booked as orders received in 2025, and it will increase from 2026 onwards.

The world's largest fully autonomous mixed-fleet mine

At Hancock Iron Ore's Roy Hill mine in Australia, we have created the world's largest fully autonomous, OEM agnostic mine. All 78 non-Epiroc haul trucks have been converted from manual to autonomous operation using Epiroc's Link OA system. We also installed communications capabilities on the mine's around 250 ancillary vehicles so they and the driverless haul trucks can interact safely with each other. The result is significant productivity gains and much more efficient utilization of existing assets.

By year-end, more than 3 900 machines globally were running with Epiroc automation, up 13% year-on-year, including both Epiroc and non-Epiroc equipment. To the best of my knowledge, this makes us the world's largest enabler of autonomous mining machines.

Electrification delivering measurable value

Electrification also made strong progress. At Boliden's Rävliden mine in Sweden, we successfully implemented a five-kilometer battery trolley line using our Minetruck MT42 SG Trolley solution. The development was done together with ABB and Boliden. This Minetruck is now in operation and the results are impressive: Productivity has increased by 23%, ramp speed by 50%, maintenance costs have decreased by 25%, and diesel consumption has dropped by 80%. Regenerative energy during downhill hauls further boosts efficiency.

Another example from BEVs (Battery Electric Vehicle) in operation is at the Assmang Black Rock mine in South Africa. Our battery-electric fleet has delivered 11% more tonnes per hour and reduced ventilation and energy costs by 18% compared to diesel equipment.

In total, our electrification revenues amounted to 3.8% (4.2) of Group revenues. 40 mines worldwide have ordered our BEVs, with most 2025 orders coming from existing customers, a strong vote of confidence.

Leading in digital safety

According to research published by the European Commission, an estimated 40 million people are involved in large-scale mining. Most mines have no system in place to indicate where people or machines (assets) are located. Epiroc offers solutions that provide drivers and operators with real-time situational awareness of all mobile machines and personnel at a site. We offer the highest level of safety systems in the market, and at year end, we had more than 3 000 collision avoidance systems level 8 and more than 100 collision avoidance systems level 9 in various mines around the globe.

In 2025, we partnered with Hindustan Zinc to implement a digital collision-avoidance system across all their mines in India. The solution integrates advanced sensors, real-time positioning and intelligent alerts into a seamless digital automated ecosystem that enhances both safety and productivity.

Long-term potential for specialty attachments

In April 2024, we completed the acquisition of Stanley Infrastructure, the largest acquisition in Epiroc's history. At closing, the company had revenues of approximately BSEK 4.7. The acquisition strengthened our position in specialty attachments, expanded our presence in North America, and increased our exposure to long term structural growth in deconstruction. The integration has progressed well. Despite softer market conditions and the consolidation of several sites, the cultural fit is strong, and the teams are highly engaged. Stanley Infrastructure is strategically important for us, and we remain fully confident in its long term potential. With a solid platform in place, the business is well positioned to contribute to profitable growth in the years ahead.

"The strongest driver for the organic growth was the demand from our mining customers, who account for 79% of total orders. Higher mineral prices, particularly for gold and copper, supported continued high activity levels in the mining sector. By year-end, we delivered 7% organic order growth, stable profitability and strong cash flow, a clear evidence that our business model remains robust despite a volatile external environment."

Value creation, revenues and profitability

It is clear that our equipment and solutions are highly appreciated by our customers. We work actively to help customers achieve lower total cost of ownership, increased uptime, and safer working environments. When we create value for our customers, Epiroc is rewarded for the value we deliver. However, our ability to create value for our shareholders depends on more than innovation and customer success. It also depends on how well we navigate a changing external environment. In 2025, our result was negatively affected by currency and increased trade barriers, including tariffs.

Total revenues decreased 3% in 2025, amounting to MSEK 61 998 (63 604). Currency had a negative impact of –7%, while organic growth and structure contributed 2% each. Operating profit, EBIT, declined to MSEK 11 925 (12 385).

The EBIT margin amounted to 19.2% (19.5%) and the adjusted EBIT margin was 19.6% (19.8). The decrease is explained by tariffs, a weak construction market, mix effects, and inefficiencies. We implemented several efficiency measures to protect the margin. For example, we consolidated factories and customer centers, discontinued non-strategic product lines, and worked actively to simply do more with less. By year-end we delivered a sequential improvement in margins compared to the previous quarter.

Strong financial position and dividend

We ended the year with a solid operating cash flow of MSEK 7 726 (9 132) and a net debt/EBITDA ratio at 0.73 (0.93). We will use this financial strength to continue investing in organic growth. We will also look for bolt-on acquisitions close to our core, in areas we know well. Finally, we will pay dividend, our shareholders, through our regular dividend. The Board has proposed a dividend of SEK 3.80 (3.80) per share for the Annual General Meeting on May 5. The dividend corresponds to 53% of net profit and is in accordance with our dividend policy of stable or increasing dividend of half the net profit over the cycle.

Among the world's most sustainable companies

2025 was a strong year for Epiroc's sustainability work. We continued to make progress toward our 2030 goals, improving both safety and emissions. Epiroc received a gold medal from EcoVadis, placing us in the top 2% of more than 150 000 evaluated companies. This reflects our long-term commitment to cutting emissions and improving resource efficiency.

We also earned an A- score from CDP for climate action, confirming our strong environmental performance and clear, measurable progress. In addition, TIME Magazine and Statista recognized Epiroc as one of the world's most sustainable companies for the second consecutive year, ranking us 355th out of more than 5 700 companies reviewed.

Success powered by our employees

Our success is built on our employees, and to create lasting results we must ensure that we attract and develop the most competent people. This means drawing talent from all parts of society, regardless of gender, geographic or ethnic background, or age, and continuing to invest in developing our workforce.

We also maintain high expectations on everyone who works with us. Epiroc has signed the UN Global Compact and supports its 10 principles on human rights, labor, environment, and anti-corruption. All employees are required to sign and adhere to our Code of Conduct, and our suppliers must comply with our Business Partner Code of Conduct.

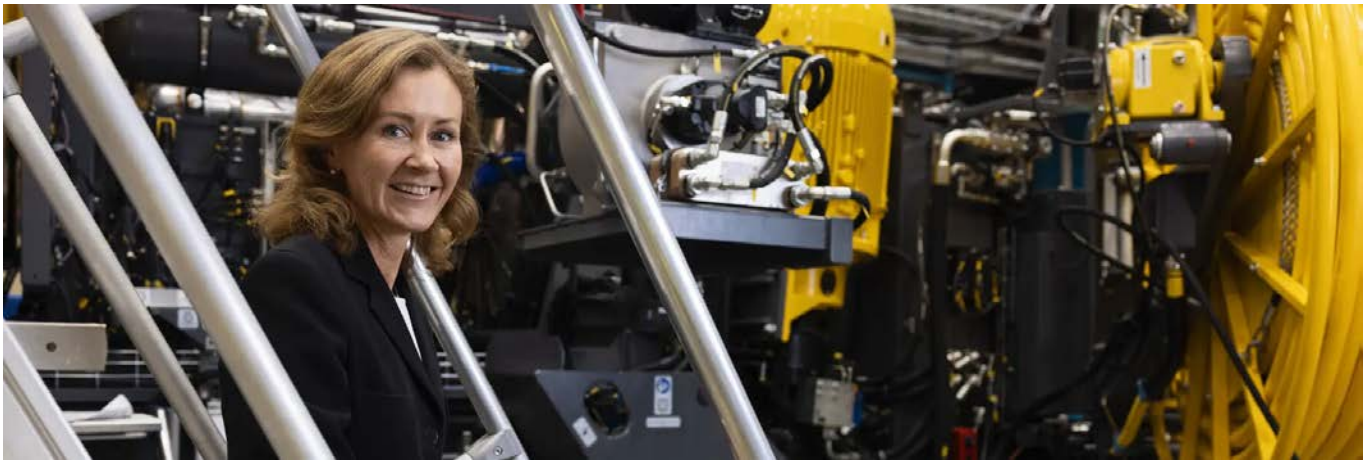
During the year, we continued to invest in competence development, leadership, and an inclusive culture. In September we implemented a new business-area structure with two clearly defined Business Areas. The purpose is to strengthen customer focus, clarify accountability, and accelerate the execution of our strategy.

Well positioned as we enter 2026

As we enter 2026, we are well positioned to capture growth. Mineral prices remain high for our key commodities copper and gold. We operate in attractive, performance-critical niches where our equipment and aftermarket offering make a meaningful difference to customer productivity. Customer interest is strong in automation, mixed-fleet automation, digital safety solutions, and electrification. We also have a comprehensive and market-leading exploration portfolio, and, most importantly, we have dedicated employees who make a real difference every day.

To our shareholders, thank you for your continued trust. We view your confidence not as something we are entitled to, but as something we must earn, every day, in every decision. We will continue to focus on profitable growth and building a stronger Epiroc. I am grateful to be on this journey with you.

Helena Hedblom, President and CEO
January 2026



The Epiroc share

Epiroc's shares were listed on Nasdaq Stockholm on June 18, 2018 at an opening price of SEK 88.0 for the A share and SEK 84.0 for the B share. Epiroc has dual share classes and A shares entitle the owner to one vote while B shares entitle the owner to one tenth of a vote. A shares and B shares carry equal rights to a part of the company's assets and profit.

A share return* since listing in 2018

Total: 165%

Yearly: 13.8%

*Including reinvested dividend.

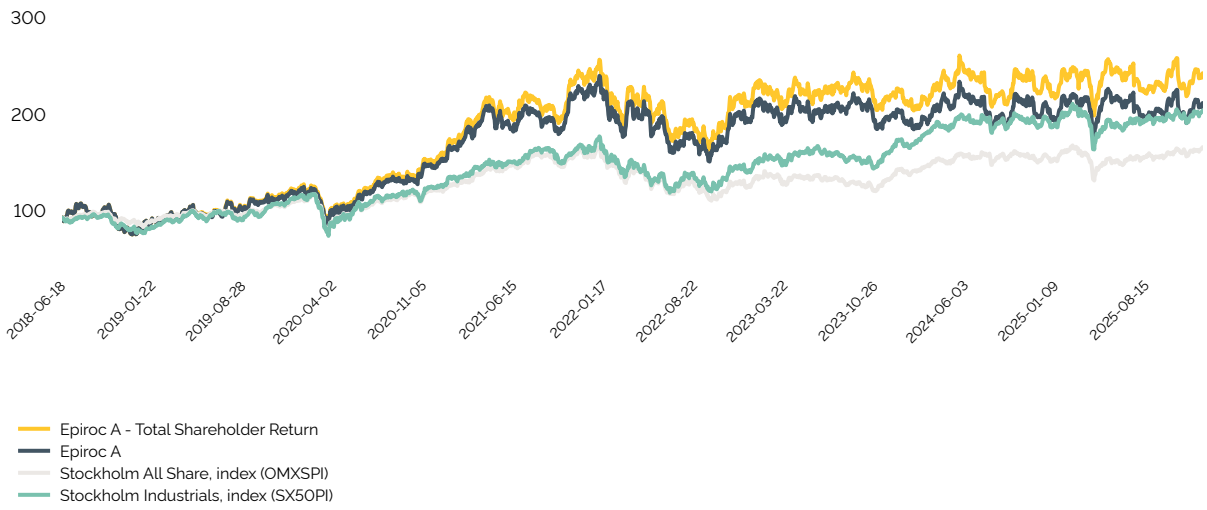
Cash distribution per share* since listing in 2018

SEK 27.80

51% pay-out

*Including the proposal by the Board to the AGM for the 2025 dividend.

Share price development, indexed at SEK 90.85 (first closing price)



Key figures per share

SEK	2025	2024
Market capitalization, year end, MSEK	245 716	225 847
Basic/diluted earnings per share	7.12/7.11	7.23/7.23
Dividend per share	3.80*	3.80
Dividend/net profit, %	53	53
Operating cash flow per share	6.39	7.56
Equity per share, year end	35.0	35.7
A/B Share price, year end	209.9/186.7	192.6/172.4
A/B Highest share closing price	224.7/199.4	232.1/209.2
A/B Lowest share closing price	174.7/153.6	182.5/161.9
A/B Average closing price	206.1/182.4	202.9/182.1
A/B Price/Earnings ratio, year end	29.5/26.2	26.6/23.8

Proposed by the Board.

Share information

December 31, 2025	A-share	B-share
Nasdaq Stockholm	EPI A	EPI B
ISIN	SE0015658109	SE0015658117
ADR	EPOAY	EPOBY
Total number of shares	823 765 854.0	389 972 849.0
- % of votes	95.5	4.5
- % of capital	68	32
Of which shares held by Epiroc	4 695 191.0	
- % of votes	0.5	
- % of capital	0	

Investment case

- We create value for our stakeholders
- We focus on attractive niches with structural growth
- We accelerate the productivity and sustainability transformation in our industry
- We have a high proportion of recurring business
- We have a well-proven business model
- Our success is based on sustainability and a strong corporate culture

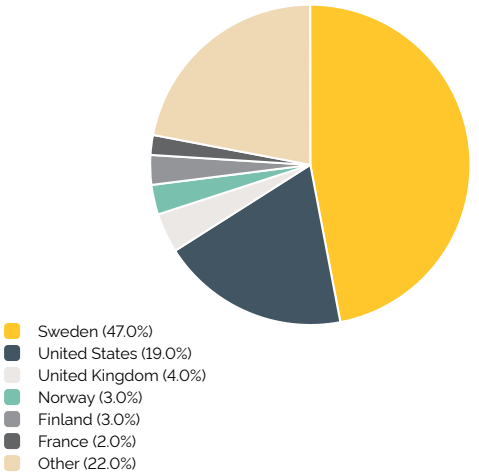
Ownership structure

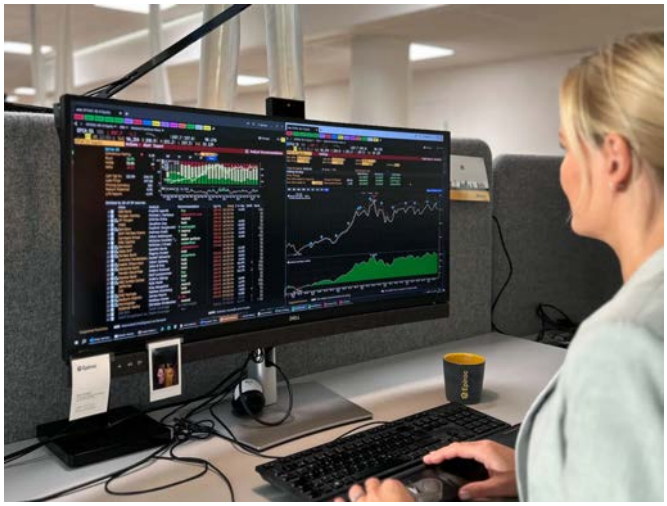
At year end, Epiroc had 69 659 (68 396) shareholders. The ten largest shareholders, by voting rights, accounted for 48% (48) of the voting rights and 42% (42) of the number of shares. Swedish investors held 47% (46) of the voting rights and 48% (47) of the capital. Shareholder data has been obtained from Monitor Holdings.

Ten largest shareholders

December 31, 2025	A shares	B shares	Total shares	Votes,%	Capital, %
Investor	194 793 737	12 841 885	207 635 622	22.7	17.1
BlackRock	29 174 099	15 962 921	45 137 020	3.6	3.7
Fidelity Investments (FMR)	30 162 209	2 693 062	32 855 271	3.5	2.7
Vanguard	26 844 460	18 464 586	45 309 046	3.3	3.7
Swedbank Robur Fonder	25 754 093	25 735 243	51 489 336	3.3	4.2
Handelsbanken Fonder	26 773 304	7 670 660	34 443 964	3.2	2.8
Nordea Funds	21 119 748	3 227 109	24 346 857	2.5	2.0
Alecta Tjänstepension	18 121 953	16 851 762	34 973 715	2.3	2.9
SEB Funds	17 271 690	174 352	17 446 042	2.0	1.4
Capital Group	16 174 072	5 990 452	22 164 524	1.9	1.8
Others	417 576 489	280 360 817	697 937 306	51.6	57.5
Total	**823 765 854**	**389 972 849**	**1 213 738 703**	**100.0**	**100.0**
Epiroc AB	*4 695 191*			*0.5*	*0.4*

Shareholders by country, December 31, 2025, % of votes





Return and market capitalization

In 2025, the price of the A share increased 9.0% (-4.8) to SEK 209.90 and the price of the B share increased 8.3% (-2.3) to SEK 186,70. The corresponding development for OMXSPI, i.e., all shares, and OMX Stockholm Industrials (SX50PI) was 9.5% (6.0) and 9.4% (8.0) respectively. The total shareholder return of the A share was 11.0% (-2.9). Epiroc's market capitalization at the end of 2025 was MSEK 245 716 (225 847). The total shareholder return since listing has been 165% for the A share and 153% for the B share.

Trading

Epiroc was the 20th (24th) most traded name on Nasdaq Stockholm during the year. The total turnover in Epiroc shares was SEK 78.5 (62.9) billion, corresponding to average daily turnover of MSEK 315 (251). Nasdaq Stockholm accounted for 24% (45) of the trading in the A-share. Around 36% (60) of the trading was conducted in the open market, while the remainder was outside the public market, e.g., through over-the-counter trading and dark pools.

Dividend, redemption and dividend policy

Epiroc's goal is to provide long-term stable and rising dividends to its shareholders. The dividend should correspond to 50% of net profit over the cycle. The Board proposes a dividend of SEK 3.80 (3.80) per share for the fiscal year 2025 to be paid in two equal installments during 2026. The proposed dividend corresponds to 53% (53) of earnings per share.

On July 1, 2025, Epiroc AB was included in the OMX Stockholm 30 Index, one of Sweden's most prestigious equity indices. This inclusion means that Epiroc qualifies among the 30 largest and most actively traded stocks on Nasdaq Stockholm.

In April 2025, Epiroc strengthened its global investor reach by establishing sponsored Level 1 American Depositary Receipt (ADR) programs in the USA. The ADRs, trading over-the-counter, replace previously unsponsored ADRs. The depositary bank is Deutsche Bank. At year end, there were 33 957 842 ADRs outstanding, of which the vast majority are A shares. In average, 4.1% of Epiroc's A shares were held as ADRs during 2025.

Personnel stock option program

The Board of Directors (the Board) will propose to the 2026 AGM a performance-based long-term incentive program similar to previous years, except that matching options for Group Management will be removed. Participation will still require a personal investment in Epiroc AB shares. Full details will be provided in the AGM Notice.

Dual share classes

Dual share classes are common in Sweden and make up most of the market capitalization of main-listed companies. They support stable, long-term ownership while maintaining high share liquidity. According to the Confederation of Swedish Enterprise, holders of non-voting multiple shares are well protected under Swedish law, which ensures equal treatment of shareholders and requires qualified majorities for key decisions.

MSCI market classification

Epiroc's global reach is reflected in the diversified revenue base across developed, emerging, and frontier markets. In 2025, approximately 51% of our revenues were generated in developed markets, including countries such as Australia, USA, Canada and Sweden. Emerging markets accounted for around 35% of revenues, with significant contributions from South Africa, Chile, Mexico, China and India. Frontier markets represented 8% of our total revenues, highlighting Epiroc's presence in fast-growing regions such as Kazakhstan, Mongolia, Zambia, and Ghana. The remaining 6% of revenues were derived from countries not currently classified within the MSCI developed, emerging, or frontier market indices.

Investor events 2026

- April 29, Q1 2026 results.
- May 5, Annual General Meeting 2026 in Nacka at 16:00 CEST.
- June 8-9, Capital Markets Day in Örebro, Sweden.
- July 17, Q2 2026 results.
- October 28, Q3 2026 results.

Dividend dates 2026

- May 7, Record date for dividend*.
- May 12, Payment date for dividend*.
- October 19, Record date for dividend*.
- October 22, Payment date for dividend*.

**Proposed by the Board.*

Strategy and investment case

By being in attractive niches and prioritizing innovation, aftermarket and operational excellence, we strive to outperform. Our success is reinforced by our strong company culture and our integrated approach to sustainability. **This is how we accelerate the transformation.**

Our roots go back to 1873 as part of Atlas Copco, and Epiroc became an independent, listed company in 2018. Our unique strengths and strategy focus on attractive niches, aiming to outperform. We see ourselves as a 152 year-old startup, enabling quick decision-making and rapid innovation. We combine the agility of a young company with the reliability of long-standing customer relationships.

Vision and mission

Vision

Dare to think new

Mission

We accelerate the productivity and sustainability transformation in our industry

Core values

Innovation

We are creative, bold and open minded, with the imagination to develop new ideas and the initiative to bring them to market.

Commitment

We are committed to meet and exceed expectations by staying connected to our customers, technology and the environment.

Collaboration

We believe in close cooperation with customers, colleagues, partners and other stakeholders.

Investment case part 1 - We create value for our stakeholders

We create value for our stakeholders by conducting responsible business while striving to achieve sustainable profitable growth. This is fundamental in our customer offering and helps us attract and retain motivated employees. Financially, we strive to provide superior value creation through a combination of strong operating performance, efficient use of capital, and stable and rising dividends to our shareholders. This will be achieved through our agile adaption to cyclical capital equipment demand, combined with a resilient and growing aftermarket business.

Stakeholders

Epiroc engages with a broad set of stakeholders who contribute to and are impacted by our operations. Our key stakeholder groups include customers, employees, investors, business partners, and society at large. We maintain an ongoing dialogue through customer interactions, workplace and management meetings, investor and analyst engagements, business partner evaluations, and collaboration with governmental bodies, communities, academia, and industry organizations. These interactions help us understand expectations, guide our strategic priorities, and ensure that we create long-term value creation.

Customers

Investors

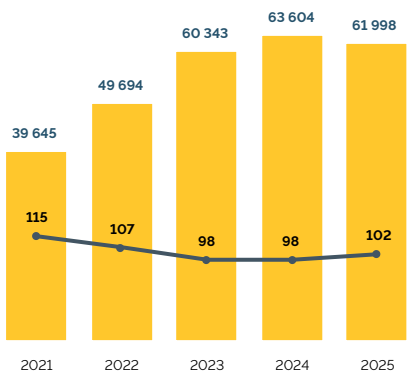
Employees

Business partners

Society at large

Financial goals

Revenues



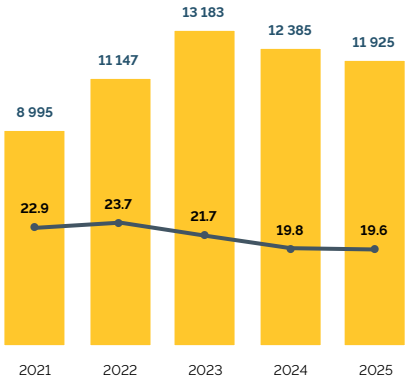
Revenues, MSEK
Book-to-bill, %

Revenue growth

Annual revenue growth of 8% over a business cycle.

- 10% CAGR since 2016.
- -3% revenue decline in 2025.

Operating profit and margin



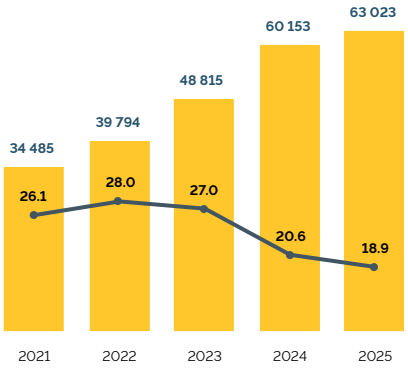
Operating profit, MSEK
Adjusted operating margin, %

Profitability (EBIT)

Industry-best operating margin, with strong resilience over the cycle.

- Average EBIT margin of 20.3% since 2016.
- EBIT margin of 19.2% in 2025.

Return on capital employed (ROCE)



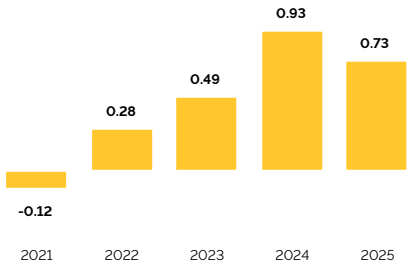
Average capital employed, MSEK
Return on capital employed, %

Capital efficiency (ROCE)

Improve capital efficiency and resilience. Investments and acquisitions shall create value.

- Average ROCE of 24.1% since 2016.
- ROCE in 2025 18.9%.

Net debt/EBITDA



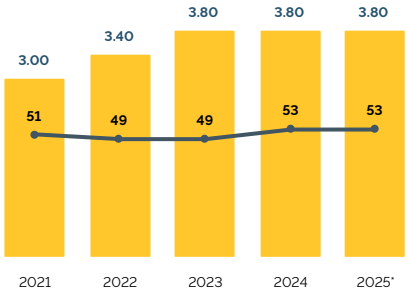
Net debt/EBITDA

Capital structure

Have an efficient capital structure and have the flexibility to make selective acquisitions. The goal is to maintain an investment grade rating.

- Rating BBB+

Dividend



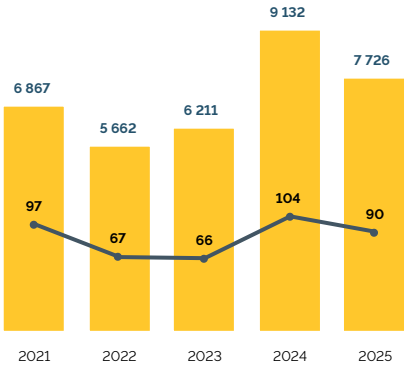
Dividend per share, SEK - *Proposed by the Board
Payout ratio, %

Dividend

Provide long-term stable and rising dividends to our shareholders. The dividend should correspond to 50% of net profit over the cycle.

- Average 51% payout since 2018.
- SEK 3.80 dividend proposed, corresponding to 53% of net profit (payout).

Operating cash flow and cash conversion ratio



Operating cash flow, MSEK
Cash conversion ratio, %

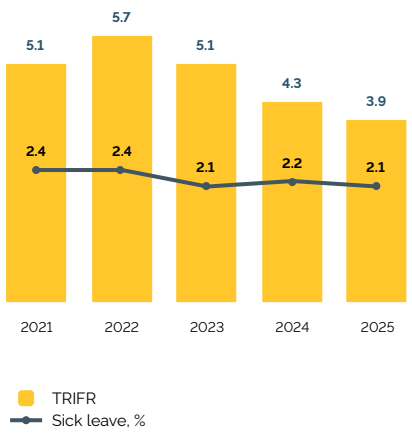
Operating cash flow

Strong operating cash flow at MSEK 7 726 (9 132), however lower than previous year's record level when cash released from working capital was higher.

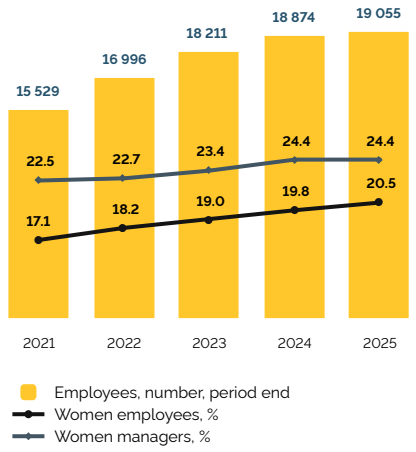
- The cash conversion rate, (operating cash flow/net profit) since 2016 has been 94% in average.
- The cash conversion rate in 2025 was 90% (104).

2030 goals for people and planet

Total recordable injury frequency rate and sick leave



Employees, and women managers and employees



People highlights in 2025

- 99% of employees signed and confirmed compliance with our Code of Conduct.
- 100% managers signed and confirmed compliance with our Code of Conduct, up from 95% in base year 2019.

Safety

No work-related injuries.

- TRIFR 3.9, an improvement from 6.0 in base year 2019.
- The sick leave was unchanged at 2.1% vs. base year.

Inclusion and diversity

Balanced workforce and double the number of women in operational roles, based on merit and competence.

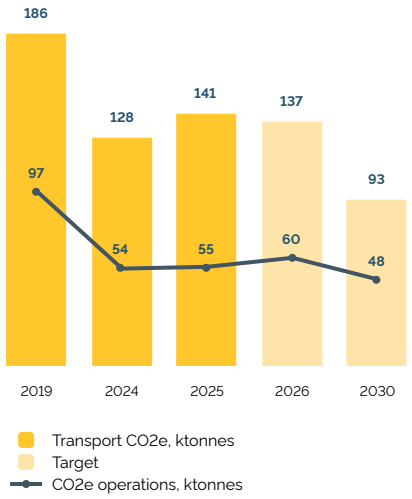
- 24.4% women managers, up from 19.3% in base year.
- Women in operational roles 15.7%, up from 11.2% in base year.

Compliance

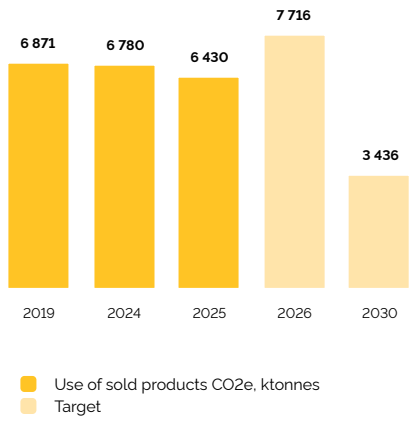
Walk the talk.

- 100% Responsible Sales Assessment process implemented for customers in scope.

CO2e emissions



CO2e emissions from use of sold products (Scope 3)



Planet highlights in 2025

- Epiroc transition plan approved.
- CO_2e emission from machines sold -5% compared to last year.
- Largest electric order contract in Epiroc's history BSEK 2.2.

Operational CO_2e reduction

- Halve CO_2e emissions in operations. -44% since base year.
- 90% renewable energy in own operation. 55% vs. 38% in base year.
- Halve transport CO_2e emission. -24% since base year.
- Require 50% reduction of CO_2e emissions from relevant suppliers. +12% since base year.

Product CO_2e reduction

- Halve CO_2e emissions from machines sold. -6% since base year.
- Offer a full range of emissions-free products. 43% of fleet available in emissions-free option vs. 35% in base year.

Read more about Epiroc's sustainability work and goals in the chapter "Our success is based on sustainability and a strong corporate culture"

Investment case part 2 - We focus on attractive niches with structural growth

Our customers operate in carefully selected niches within mining and infrastructure, serving a vital purpose: they help build communities. Access to metals and minerals is essential for a sustainable society. We ensure our customers can work in the safest, most efficient, and most sustainable way, today and for generations to come.

Performance-critical solutions

Epiroc provides equipment, aftermarket services, and integrated digital solutions for demanding applications, primarily in hard rock formations. Our products are often performance-critical to our customers' operations. We have a large number of customers, ranging from small local players to global companies.

Customers' costs for our solutions usually correspond to only a small portion of their full operating costs, but should the equipment not perform, the customer is likely to lose revenues and profits. Customers rely on us because of our deep industry and application knowledge, strong local service presence, and high availability of spare parts and components.

The greatest challenges for our customers are to increase the productivity and utilization rate of the equipment while reducing operating costs. In addition, customers place great emphasis on improving both safety and environmental performance. We continuously widen our offerings to help our customers address these challenges. We often collaborate closely with customers to develop new technologies and scale them globally once proven successful.

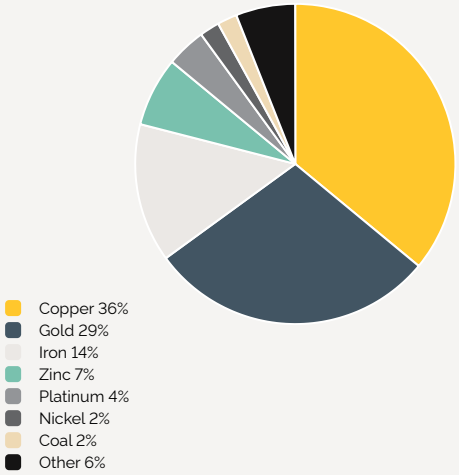
Mining

79% of our orders received derive from mining customers. They are often large companies, operating several mines, both on surface and underground, but also smaller mining companies and mining contractors.

65% of our mining orders comes from customers extracting copper and gold. In 2025, the prices of these minerals experienced continued strong development, which supported high levels of activity and good demand. Looking ahead, demand for copper, gold, and several other minerals relevant to Epiroc is expected to increase, which will drive demand for our advanced mining equipment and aftermarket solutions.

As our equipment is often used in demanding environments, regular maintenance and replacement of spare parts is necessary to ensure productivity. Customers' demand for aftermarket services is usually relatively stable over the business cycle as maintaining production is prioritized even in challenging times.

Mining exposure (orders received)



At Boliden Aitik in Sweden, Europe's largest copper mine, Epiroc Pit Viper drill rigs operate fully autonomously, enhancing safety, boosting efficiency, and reducing environmental impact. Every year, thousands of holes are drilled to extract more than 40 million tons of ore.

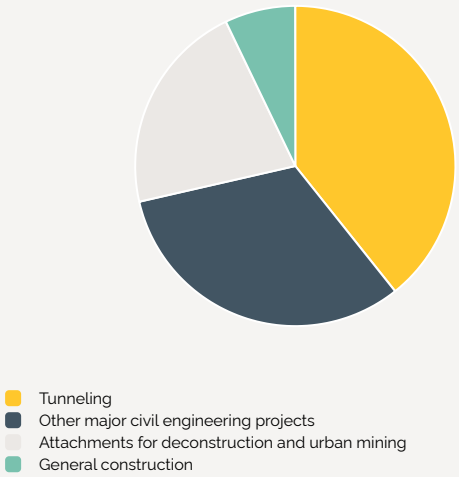
Infrastructure

Our infrastructure customers represent 21% (22) of orders and operate both underground and above ground. Underground, Epiroc's rock drilling equipment plays a vital role in tunneling for roads, railways, and hydroelectric power plants. For surface applications, we provide rock drilling solutions for infrastructure projects and quarries, as well as specialty attachments for construction and recycling.

We serve a broad customer base, from global players to small local contractors. The main markets are concentrated in the northern hemisphere, with the USA, Western Europe, China, and India as the largest. In 2024, Epiroc strengthened its position through the acquisition of Stanley Infrastructure in the USA. Due to our geographical footprint, demand and orders are typically stronger in the first half of the year.

Long-term growth within this customer segment is supported by global population growth and urbanization. While the infrastructure market is expected to grow by 4–5% annually over the long term, global conditions were weak in 2024 and 2025. Towards the end of the year 2025, we noted that the destocking among distributors selling our attachments had come to an end, which is promising as we enter 2026.

Infrastructure exposure, management's estimate



FlexiROC T35 R is a versatile tophammer drill rig built for demanding construction and quarrying jobs. With full radio remote control and smart design features like long boom reach, low center of gravity, and hydraulic support leg, it tackles the toughest terrain safely and efficiently.

Strong customer relationships

We meet our customers primarily through direct sales and local service, which contributes to strong customer relationships. Approximately 80% (84) of our revenues in 2025 derived from direct sales, reflecting the importance of close collaborations. Our customer base includes some of the world's leading mining and infrastructure companies, such as Anglo American, Barrick Gold Corporation, BHP, Freeport-McMoRan, Glencore, Kamoa Copper, Newmont Mining, Rio Tinto, Vale, and Vedanta.

Our ten largest customers accounted for 18% (20) of Epiroc's revenues in 2025. All are mining customers, but none is dominant in size, reducing dependency on any single customer. At the same time, we serve thousands of smaller customers worldwide, which diversifies our revenue streams but also requires continuous focus on service quality and operational excellence to manage complexity and mitigate risk.

Strong position in a competitive environment

We have established technology leadership in the industry. Our performance-critical products require a strong aftermarket network, which makes entry barriers high. A main competitor within equipment is Sandvik, who we meet in rock drilling, loading, and hauling in hard-rock applications. Other competitors include Caterpillar in underground loading and haulage and open-pit mining equipment, Furukawa in surface drilling equipment and hydraulic attachments, and Komatsu in underground and open-pit mining equipment and hydraulic attachments.

We protect our market share through a global presence, working closely with customers in every region. This geographic reach, combined with strong local service and partnerships, ensures resilience and customer loyalty. In markets with intense competition, we strengthen our position through deep collaboration and by leveraging trusted local brands, which reinforces our proximity and credibility with customers.

Within digitalization, automation, and electrification, we compete with several companies globally and locally, depending on technology. In our range of specialty attachments, we have a wide range of smaller local and regional competitors.

We have strong global presence and the right solutions to help customers solve their challenges and accelerate the sustainability transformation

Structural growth

- Growing population and middle class
- Urbanization
- Energy transition
- Deconstruction and recycling

Increases the underlying need for minerals and infrastructure

Challenges for customers

- Low utilization rates
- Lower ore grades
- Trend towards underground mining
- Costs and space limitations

Increases the demand for solutions to maintain, or increase, productivity and production

Sustainability

- Increased safety
- Lower emissions

Increases the demand for solutions that enhance safety and productivity while also reducing the environmental footprint

Structural growth

For the foreseeable future, we expect structural growth in the niches where Epiroc is present. Global megatrends, such as population growth, a rising middle class, and rapid urbanization, are fueling demand for metals and infrastructure investments. By 2050, nearly 70% of the world's population will live in cities, requiring expansion of roads, railways, tunnels, and utilities.

In mining, the energy transition is the most powerful structural driver. Copper is essential for electric vehicles, renewable energy systems, and grid expansion.

The demand for our specialty attachments is driven by deconstruction and recycling (urban mining), where metals such as copper, steel, and aluminum are recovered when buildings and infrastructure are dismantled. Urban mining is projected to grow by 4-5% annually through 2030.

Challenges for customers

Our customers face significant operational challenges that require advanced solutions to maintain or increase productivity while meeting sustainability goals. These challenges represent growth opportunities for Epiroc.

Challenge 1 - low utilization rate

Equipment utilization in mining and infrastructure is often below 50%. Low utilization drives higher costs and lower productivity. Through groundbreaking equipment, automation, fleet management, connectivity, and data-driven services, we help customers optimize operations by increasing utilization rates, decreasing costs and improving productivity. Our electric vehicles not only improve productivity compared to diesel alternatives but also cut emissions and ventilation costs thereby delivering both economic and environmental benefits.

Challenge 2 - declining ore grades

Global ore grades have fallen for decades. For copper, the average grade has dropped from 1.6% in 1990 to below 0.6% today, forcing miners to process more rock for the same output. We provide high-performance equipment that offsets productivity losses and digital solutions that optimize the entire mine flow, from exploration to haulage. In addition, we provide exploration equipment and solutions that help mining companies find new assets, as well as excavate existing assets in a more productive way. Our technology enables customers to mine deeper and smarter.

Challenge 3 - shift to underground mining

The share of underground mining is rising, especially for copper. Today, about 25% of global copper mining is conducted underground, and this is expected to reach 30% by 2030. Mines are also getting deeper, on average 30 meters per year, increasing complexity and safety risks. Epiroc has a strong global position within underground mining equipment and in combination with our automation solutions, collision avoidance systems, and electric machines, we benefit from the underground trend, as our solutions improve safety, reduce ventilation costs, and enable efficient operations.

Challenge 4 - costs and space limitations

Urban construction and deconstruction projects are becoming increasingly complex. Limited space, strict noise and emission regulations, and the need to minimize disruption to surrounding communities all put pressure on contractors. At the same time, they must keep workers safe, reduce emissions, and navigate economic fluctuations and market uncertainty. These constraints are reshaping the industry, with a clear trend toward fewer and smaller excavators and versatile specialty attachments.

Tightening noise and emission restrictions make traditional diesel infrastructure drilling equipment less viable, while battery-powered machines enable zero-emission performance and dramatically lower noise levels, allowing work in sensitive areas and extended hours. Tiltrotators, which were added to Epiroc's portfolio through the acquisition of ACB+ in 2024, further boost efficiency by reducing machine movements and improving safety, and their adoption is growing steadily.

Epiroc is uniquely positioned to turn these challenges into opportunities. Our innovative solutions, including attachments, tiltrotators, and battery-electric drill rigs, are designed for urban environments where space is limited and sustainability is non-negotiable.

Sustainability

Safety, reduced emissions, lower noise levels, reduced water consumption, human rights, and business ethics are important priorities for both our customers and Epiroc. Other strong trends are deconstruction and recycling (urban mining) as well as other circular solutions.

Safety is increasingly recognized as a non-negotiable priority across mining and infrastructure, driven by stricter regulations and rising customer demands. Fatality and injury rates remain too high, creating strong demand for advanced safety technologies such as automation, digital monitoring, and collision avoidance systems. Global investments in safety solutions are accelerating, with markets for connected equipment and IoT-based (Internet of Things) monitoring projected to grow at double-digit rates.

The priority towards increasingly sustainable operations aligns perfectly with Epiroc's innovation strategy, where automation, electrification and digitalization not only enhance productivity but also remove personnel from hazardous environments.

Investment case part 3 - We accelerate the productivity and sustainability transformation in our industry

We set the bar high for performance. Every innovation we deliver is designed to maximize productivity, enhance safety, and minimize environmental impact.

Innovating for the mining and infrastructure of the future

Innovation is in our DNA and we are investing heavily in R&D to accelerate progress. By fostering a culture of creativity and working closely with customers, suppliers, and partners, we strive to develop innovations that create meaningful value. Since becoming an independent company in 2018, we have pioneered mixed-fleet automation at scale, introduced a complete electrification offering that goes beyond machines to include charging stations, electrical infrastructure, and service components, and developed a full suite of digital solutions to enable the mine of the future. Our leadership in safety further strengthens our position as a trusted partner.

Leverage innovation

Internal R&D

(Research & Development)

We concentrate our internal R&D on core solutions and components.

3.2%

R&D expenses of revenues

Collaborations for success

We co-create with customers, universities, and industry partners, turning shared insights into leading solutions.

Supplier innovation

Purchased material makes up about 75% of our product costs. By working with strong global suppliers, we ensure consistent quality and reliability.

Acquisitions to gain speed

We strengthen our leadership by acquiring companies that complement and expand our innovation capabilities.

Internal R&D

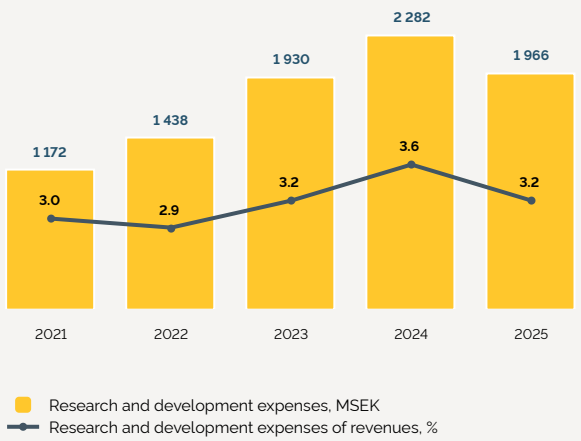
Innovation is at the core of Epiroc's profitable growth strategy. With more than 2 000 R&D engineers worldwide, representing 11% of our workforce, we dedicate significant expertise to developing solutions that enhance productivity, safety, and sustainability for our customers. Our approach is deliberate: we manufacture critical core components in-house to ensure quality and reliability, while leveraging suppliers for specialized parts. This balance gives us efficiency, agility, and the ability to scale innovation quickly. Epiroc is a trusted choice for mining and infrastructure applications. We lead in the three transformative trends shaping the industry:

- Digitalization: Delivering real-time asset visibility, data-driven insights, collision-avoidance systems and operational optimization.
- Automation: Enabling OEM-agnostic automation at scale, including mixed-fleet solutions and wireless control systems.
- Electrification: Supporting the shift to electric-powered operations with electric vehicles in all forms and charging infrastructure.

Epiroc applies **modularization** principles early in the R&D phase to create products and solutions that are efficient to produce, easy to service, and ready for future technological shifts. By designing equipment around standardized, interchangeable modules, we ensure that complex systems can be assembled, upgraded, and maintained with speed and precision across our global operations. In the aftermarket, standardized modules simplify troubleshooting, shorten service interventions, and improve spare parts availability, ultimately increasing uptime and reducing total cost of ownership for our customers.

Artificial Intelligence is reshaping how we innovate and at Epiroc, AI is treated as a company-wide transformation, integrated in our ambition to deliver safer, more efficient, and sustainable solutions. Across engineering and R&D, AI tools are improving design work, diagnostics, documentation, and decision support. The tools are boosting efficiency and quality, AI enables our teams to focus on higher-value tasks and accelerates development cycles. We are investing in upskilling engineers through structured training in AI-assisted workflows. In the coming years, new role profiles will emerge in areas such as data fluency, automation oversight, digital product development, and human–machine collaboration, reinforcing our innovation leadership.

Research and development expenses



In 2025, we invested 3.2% (3.6) of our annual revenues in research and development. The vast majority of these investments related to equipment, which accounts for 34% (34) of our revenues. In absolute terms, R&D investments amounted to MSEK 1 966, compared with MSEK 2 282 in 2024. It is worth noting that MSEK 302 of the 2024 R&D expense was attributable to an impairment of intangible assets from acquisitions.

Supplier innovation

We leverage a global network of more than 3 000 significant suppliers, ensuring access to the best components while maintaining flexibility and resilience. Approximately 75% of our product cost is derived from purchased materials and components. Our core components are developed and manufactured in-house to guarantee quality and reliability.

Our suppliers are innovation partners, which means that a part of our supplier spending includes technological advancement. This collaborative approach accelerates innovation while optimizing cost efficiency.

Importantly, our broad supplier base across multiple countries reduces dependency on any single region, helping us mitigate geopolitical risks such as tariffs, trade restrictions, and supply chain disruptions. By diversifying sourcing and maintaining strong relationships globally, we safeguard continuity and competitiveness.

Collaborations for success

We believe in partnerships and shape the future of mining and infrastructure through collaborations that drive automation, electrification, and digitalization. In 2025, we made significant progress in these areas.

Automation: We are creating the world's largest OEM-agnostic autonomous mine with **Hancock Iron Ore's Roy Hill** in Australia, a unique achievement that improves safety and productivity at scale and proves open autonomy works across mixed fleets. Beyond Roy Hill, which is a surface mine, we also work with mixed-fleet automation underground. For example, at **Newmont Cadia,** demonstrating OEM-agnostic control of loaders and auxiliary equipment.

Digitalization: We are leading one of the largest Collision Avoidance System (CAS) deployments in global mining. **Hindustan Zinc** is rolling out our advanced CAS across all underground mines in India, reducing accident risk in high-traffic environments.

Electrification: Together with **ABB** and **Boliden**, we are implementing the first large-scale underground trolley integration on a 5-km ramp in the Kristineberg mine, Sweden, enabling zero-emission ramp haulage and lowering ventilation costs. We also partnered with **Capital Limited** to demonstrate battery-electric surface drilling with SmartROC D65 BE, proving BEV viability beyond underground mining. Charging is critical for BEVs, and through our **CharIN** membership we promote OEM-agnostic standards (CCS/MCS) to ensure interoperability and scalability.

Collaborations including automation, digitalization and/or electrification: We are especially proud of our collaboration with **Fortescue** to deploy an autonomous and electric fleet of around 50 surface rigs, thereby setting a new standard for electrified autonomy in large-scale mining and delivering major CO_2 reductions.

Acquisitions to gain speed

Acquisitions allow us to accelerate growth and secure leadership positions in niches where organic development would take too long.

Key criteria:

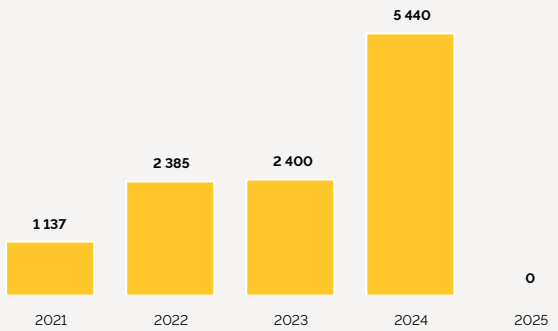
1. The target must be attractive on its own merits. It has to be well-run, with valuable products, strong culture, and supported by long-term favorable trends in attractive niches.
2. There must be a clear strategic fit and synergies with Epiroc, including cultural alignment.
3. The acquisition should give Epiroc a leading market position or a clear strategy to achieve it.

Many recent acquisitions strengthen our capabilities in automation, digitalization, and electrification, extending our offering and advancing R&D. We also pursue complementary acquisitions in niches or geographies where we seek exposure.

Acquisitions in 2025

In April 2025, Epiroc acquired the remaining share, 47%, of Radlink, an Australian leader in mine connectivity solutions, bringing ownership to 100%. With approximately 415 employees and annual revenues of about MSEK 1 330, Radlink provides wireless communication networks and LTE/5G infrastructure essential for automation and digitalization. This acquisition strengthens Epiroc's position in mission-critical connectivity, a key enabler for autonomous fleets and electrified operations, and accelerates our strategy to deliver safer, more productive, and sustainable mining solutions.

Acquisitions, annual revenues

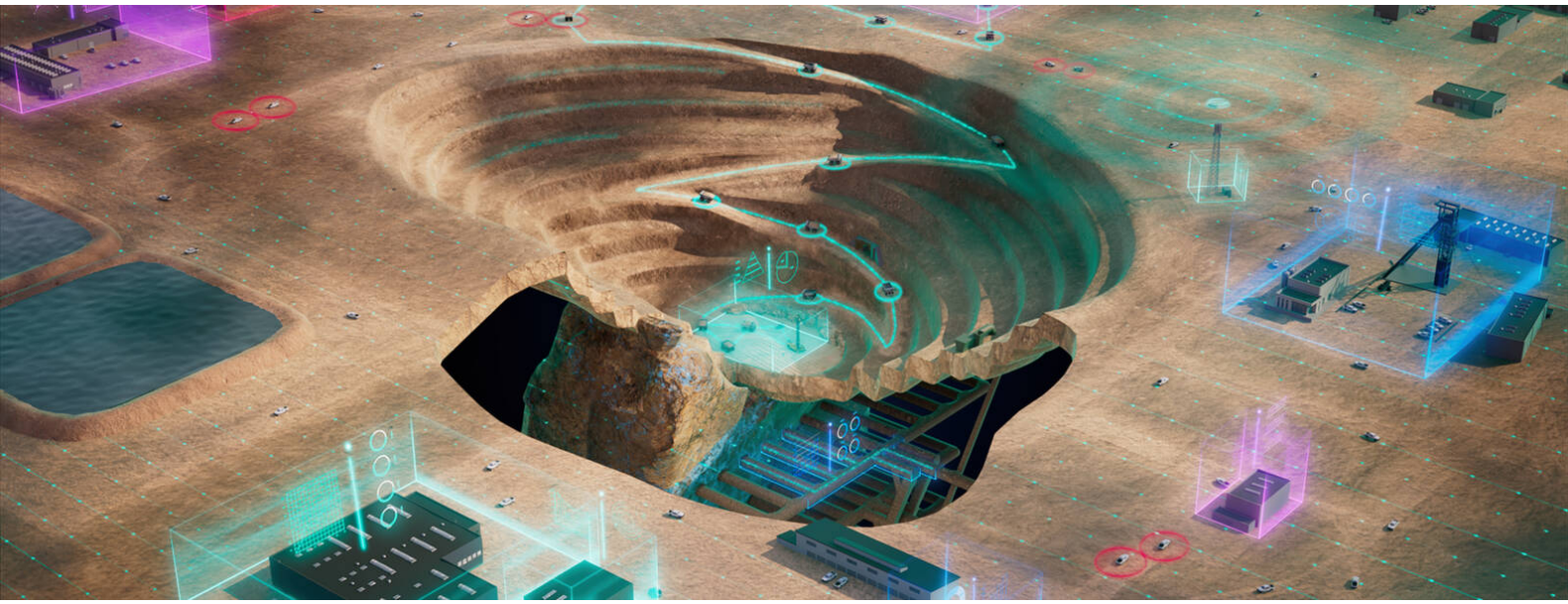


Annual revenues, MSEK, at the time of completed acquisitions

One of Radlink's telecommunications towers

Acquisitions

Date finalized	Acquisitions	Segment	Revenue stream	Revenues, MSEK	No. of employees
Apr 2, 2025	Radlink (remaining share)	Equipment & Service	Service	NA	NA
Sep 4, 2024	ACB+	Tools & Attachments	T&A	325	140
July 3, 2024	ASI Mining (remaining share)	Equipment & Service	Equipment (Underground)	300	49
June 17, 2024	Yieldpoint	Tools & Attachments	T&A	NA	10
May 3, 2024	Weco Proprietary Limited	Equipment & Service	Service	90	80
Apr 1, 2024	Stanley Infrastructure	Tools & Attachments	T&A	4 725	1 380



Trend: Digitalization

Digitalization is transforming our industry, enabling operations that are safer, more efficient, and more sustainable. By connecting equipment, people, and data, we help customers unlock new levels of performance. Our approach is OEM-agnostic, meaning our solutions work seamlessly across all types of machines, regardless of manufacturer. This flexibility gives customers the freedom to optimize their entire fleet without limitations.

How digitalization accelerates productivity and sustainability transformation

- Increasing safety with advanced collision avoidance and faster evacuations.
- Delivering real-time insights and control of fleet, equipment, and personnel.
- Improving mine planning, reducing traffic congestion and optimizing production plans with continuous feedback loops.
- Enhancing reliability through predictive maintenance and asset health monitoring.
- Measuring environmental impact in real time (CO_2e, water) and enabling ventilation-on-demand.
- Supporting electrification and energy efficiency for zero-harm, low-carbon mining.

Support customers throughout their production

Mining and construction sites are becoming more complex. They become deeper, wider, and smaller, and involving countless machines and people. To manage this complexity, customers need real-time information to make smarter decisions and optimize processes. Epiroc's broad portfolio of digital tools and offering spans the entire value chain: from digital infrastructure and data integration platforms to design and planning systems, process optimization, and full fleet automation - including mixed fleets. It also includes advanced digital safety solutions.

Our goal is to support customers throughout their whole production flow. In mining, that means: Fully automated from pit to port. Demand for digital solutions is accelerating as safety, sustainability and productivity remain top priorities.

Connect: the digital backbone

High-quality connectivity is the foundation for automation, digitalization, and electrification in mining and infrastructure. With our OEM-agnostic approach, Epiroc delivers mission-critical network and infrastructure solutions such as private LTE/4G/5G, digital two-way radio, Wi-Fi, and hybrid power systems for use both on surface and in underground operations.

In 2025, we strengthened our capabilities by acquiring the remaining shares of Radlink, Australia's leading mine connectivity provider. This milestone expands our capacity to design, deliver, and support large-scale connectivity projects, ensuring our customers have the robust "data highway" needed for autonomous fleets, real-time safety systems, and battery-electric operations, even in the most remote environments.

Connectivity revenues are primarily project-based and can be lumpy, but good connectivity should be seen as a critical enabler. By standardizing solutions, partnering regionally, and bundling with our automation and safety offerings, we are improving profitability and scalability, helping our customers accelerate their digital transformation.

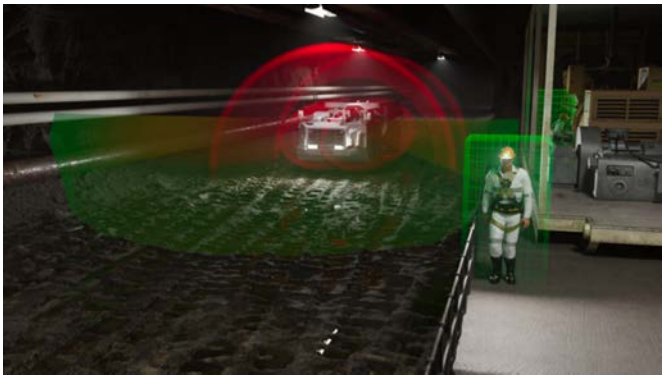
Protect: the highest safety standards in the industry

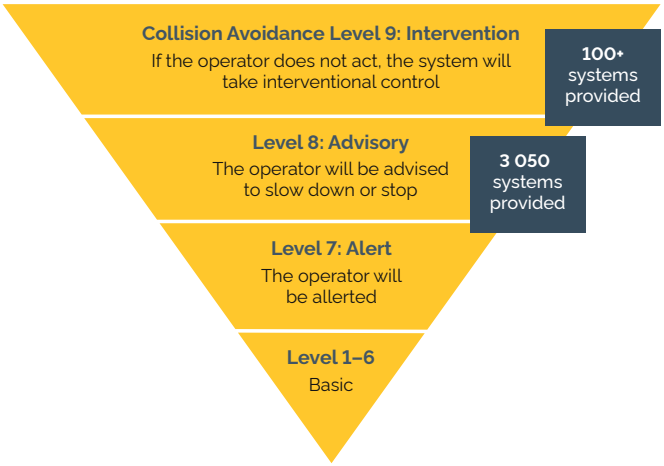
Epiroc remains committed to transforming safety standards in mining and construction environments worldwide. These sites are complex, making it challenging to track people and assets, yet doing so is critical for both safety and productivity. Through advanced digitalization, customers can achieve safer operations while improving efficiency.

Mining involves thousands of sites and millions of workers globally. According to the European Commission, an estimated 40 million people are engaged in large-scale mining, representing about 1% of the world's workforce. Most mines still lack systems to indicate where people or machines are located. Epiroc addresses this gap with solutions that provide real-time situational awareness of all mobile machines and personnel. In emergencies, our systems can guide workers to the nearest exit or rescue chamber, reducing evacuation time by up to 50%.

Epiroc's Titan Collision Avoidance System (CAS) meets the highest standards of collision avoidance system, meeting EMESRT Level 9 standards. When paired with our smart Onboard system, customers gain comprehensive protection across all machines and mining environments. These innovations are already being deployed globally, including a major partnership with Hindustan Zinc, which in 2025 decided to implement CAS across all their underground mines in India, demonstrating Epiroc's role in driving digital safety transformation worldwide.

Epiroc offers the highest Collision Avoidance Level for safer mining operations





Plan, Operate and Sustain: driving efficiency and sustainability through digital intelligence

Effective planning is essential for productivity, yet difficult without accurate real-time data. Epiroc's Plan, Operate and Sustain solutions integrate data across systems, helping customers optimize operations and track performance with high precision. Digital mine plans and schedules enable dynamic production adjustments, supported by real-time planning, tunneling intelligence, situational awareness, ventilation-on-demand, drill tracking, and shift support. Customers have achieved up to 8% higher productivity, demonstrating the clear value of digitalization.

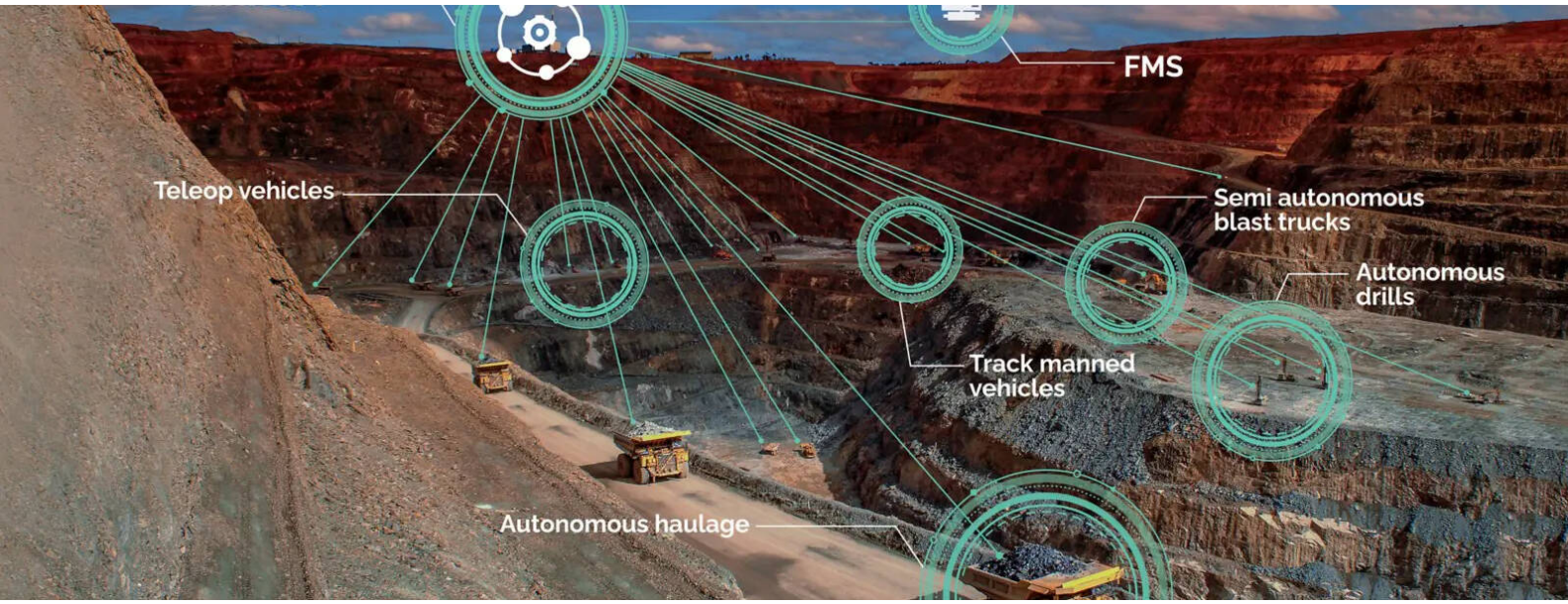
In 2025, we advanced our digital offering further. Mobilaris Tunneling Intelligence evolved into a powerful decision-support platform combining planning data, progress tracking, and personnel and asset location. With real-time positioning, CO_2e logging, and ventilation-on-demand, we helped customers cut environmental impact while improving safety. The solution supported major projects such as Rogfast in Norway, providing real-time 3D visualization and reporting for complex underground operations.

We also launched Total Tunneling at Bauma 2025 – a comprehensive concept uniting automation, electrification, digital solutions, and optimized ventilation. Strong market uptake followed, including major orders in Chile and Ghana for Fleet+ ShiftGoals and Asset Health Information Service. Overall, the results show that digitalization, with relatively small investments, can unlock significant customer value.

In 2025, Epiroc won a MSEK 115 order from Asante Gold for underground mining trucks, loaders, and drill rigs in Ghana. In addition to the equipment order, Asante Gold also selected a digital situational awareness solution that enables real-time tracking of machines and delivers near real-time production metrics.

Epiroc partners with Hindustan Zinc to deploy digital, OEM-agnostic Collision Avoidance Systems across five underground mines in India. The systems enhance underground safety by automatically detecting potential collisions and intervening when needed, while supporting mixed-fleet operations.

Epiroc's Tunneling Intelligence is a digital analytics solution that uses real-time operational data to support safer and more efficient tunnel development, providing actionable insights to improve productivity and drilling precision.



Trend: Automation

Epiroc has a market-leading position in automation and autonomous operations for mixed-fleet drilling, loading and hauling. All our automation solutions aim to boost productivity and enhance safety by removing operators from hazardous areas and enabling continuous operations. At year end, Epiroc has supplied software to more than 3 900 (3 450) driverless mining vehicles globally, a 13% increase year-on-year, including load/haul fleets, drill rigs, and teleremote systems.

How automation accelerates the productivity and sustainability transformation

- Protecting people by removing operators from hazardous areas and enabling remote or autonomous control.
- Boosting production output and precision by having automated and/or autonomous drilling and hauling.
- Reducing energy consumption and CO_2e emissions through automated speed control, optimized routes, and integration with electrified fleets.
- Lowering total cost of ownership by minimizing downtime, improving asset utilization, and enabling predictive maintenance.
- Enhancing interoperability with OEM-agnostic solutions, allowing mixed fleets to operate together.

Market-leading and OEM-agnostic automation solutions

Our automation approach is OEM-agnostic, designed for interoperability. This means customers can integrate automation across mixed fleets, existing equipment, and existing partners and avoiding vendor lock-in. Today, Epiroc's mixed-fleet automation solutions are installed at locations worldwide, and keeps growing at a rapid pace. There are different levels of automation:

- Driver assist and remote control: Basic solutions that allow operators to control machines from a safe distance, "in line of sight."
- Teleremote: Operators control machines using cameras and sensors, from anywhere in the world with connectivity.
- Multi-machine automation: Enables high-precision guidance and centralized control of entire fleets, including machines from different manufacturers.
- Fully autonomous: The most advanced level, where machines operate fully autonomously. Our Rig Control Systems as well as our mixed-fleet project in the Roy Hill mine exemplify this capability.

In 2025, Epiroc reached new milestones with record-breaking orders, including its largest-ever SEK 2.2 billion contract for autonomous and battery-electric equipment in Australia, and a major MSEK 235 order in Chile for advanced mine trucks and cutting-edge digital solutions.

Epiroc's mixed-fleet operations

3 900+ driverless machines +13% vs. 2024

Autonomous load/haul

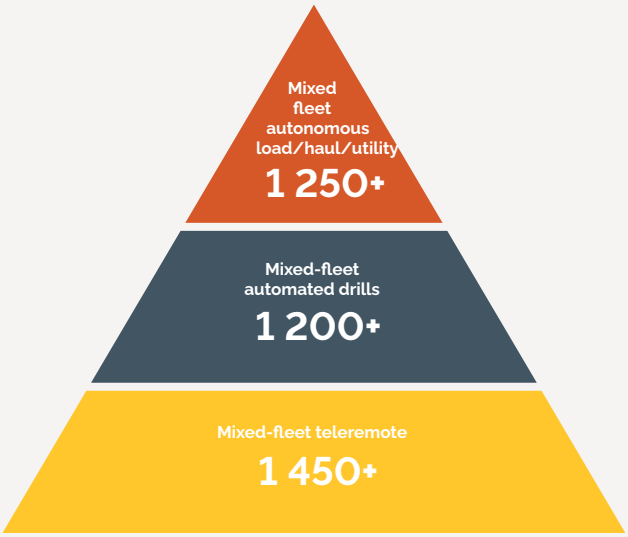
Epiroc equipment that is fully autonomous in operation as well as other OEMs equipment that have Epiroc's fully autonomous tramming capabilities.

Autonomous drill rigs

Mainly Epiroc equipment that is autonomous in operation, but in some cases need operator for tramming between different areas.

Teleremote

Remotely controlled equipment (Epiroc and other OEMs), surface and underground using cameras and monitors.



Creation of the world's largest autonomous and driverless mixed fleet mine

2020-2022: Automation partnership established
Epiroc, together with ASI Mining, signs an agreement with Roy Hill to begin automating its haul truck fleet. This marks the start of a long-term transformation from manned operations to an OEM-agnostic autonomous haulage system, designed to work across mixed truck brands and existing assets.

Initial haul trucks are converted and operated autonomously in controlled production zones. The project validates interoperability, safety systems, and 24/7 autonomous operations, proving that a third-party (OEM-agnostic) autonomy stack can function at scale in an active iron ore mine.

2023: Transition to full-scale deployment
Epiroc secures its largest automation order ever, MSEK 500, confirming Roy Hill's commitment to building the world's largest single autonomous mine. This milestone formally shifts the project from staged deployment to industrial-scale implementation, covering dozens of haul trucks across multiple OEMs.

Roy Hill enters the final project stage, moving from pilot operations to mine-wide rollout. Autonomous haulage expands beyond testing, with production-level performance, continuous operation, and plans to scale toward the full haul truck fleet.

2024–2025: Fleet-wide autonomy and operational maturity
Autonomous operations expand rapidly across haul trucks using Epiroc's LinkOA system. Autonomous trucks accumulate millions of kilometers driven and hundreds of millions of tonnes hauled, demonstrating reliability, safety, and productivity at unprecedented scale.

October 2025: Global milestone achieved
Epiroc and Hancock Iron Ore announce that Roy Hill has become the world's largest fully OEM-agnostic autonomous mine. The majority of the haulage fleet operates driverless, establishing a new global benchmark for vendor-independent, large-scale mine automation, with full project completion by the end of 2025.

Trend: Electrification

There are clear benefits for our customers to invest in electrical equipment. It improves the health of employees, saves ventilation costs in underground operations, and reduces greenhouse gas emissions. In addition, our electric-powered equipment outperforms the productivity of corresponding diesel equipment. We strive to be our customers' partner when it comes to full-fleet electrification. We provide electric vehicles, advanced battery solutions, charging systems, and full electrification infrastructure.

How electrification accelerates productivity and sustainability

- Boosts machine performance for higher productivity.
- Protects people by reducing exposure to fumes, noise, and heat.
- Cuts CO_2e emissions by eliminating or reducing diesel use.
- Lowers energy consumption and ventilation costs in underground operations, improving operational efficiency.
- Avoids costly ventilation investments in underground operations.
- Supports compliance with evolving legislation, rules, and sustainability standards.

High ambition and good progress

Epiroc has a long history in electrification. Underground drilling rigs have been cable-powered for decades, and large rotary drill rigs were already cable electric in the 1960s. In 2012, we tested our first battery-electric loader, and by 2016 launched our first fully battery-powered machines. Since then, we have deployed BEVs at more than 40 sites worldwide, building deep expertise and establishing Epiroc as a leader in battery safety and reliability.

The electrification trend is accelerating, and our ambition is clear: to offer a complete range of emission-free equipment by 2030. By year-end 2025, 43% (42) of our fleet was available in emissions-free option. Electrification accounted for 3.8% of revenues, slightly down from 4.2% in 2024. As the BEV installed base grows, so do aftermarket opportunities. All BEVs are delivered with service contracts, many with extended premium offerings such as Battery-as-a-Service (BaaS) and Battery-with-Service (BwS). We expect continued growth not only in electric equipment but also in electrical infrastructure, which becomes increasingly critical as fleets expand.

Collaboration remains central to our innovation journey. In 2025, we engaged with customers through Voice-of-Customer events in Canada, Future Tech Days in Sweden with Boliden and ABB, and customer days in Australia. These forums showcased next-generation solutions, including the Minetruck MT66 S eDrive and trolley-assisted trucks, ensuring our technologies reflect real operational needs and accelerate adoption.

Today, Epiroc takes a holistic approach to electrification, spanning electric machines, advanced batteries, charging solutions, and infrastructure, complemented by OEM-agnostic tools and full-fleet electrification capabilities. Together, these efforts position Epiroc to lead the transition to a future where electrification is the natural choice for mining and related segments.

Productivity-enhancing equipment

We know that our customers share our ambition to reduce emissions, but we are also aware that every mine is different and needs different solutions to succeed. In addition, we must make sure that we provide the most productive and reliable machine, regardless of energy source and therefore, we offer these types of electric machines:

- Cable-electric equipment
- High performing BEVs (NMC batteries) with universal/standard charging and thermal management system
- Trolley-electric equipment
- Diesel-electric equipment (hybrid)
- Engines compatible with HVO renewable diesel
- .....and we are continuously exploring more solutions.

Resilient and safe electrification solutions

Our electric equipment is designed to deliver top performance with higher productivity than diesel machines. With a power-agnostic platform that can use a diesel engine, diesel generator, or battery, we can produce BEVs at the same sites as our conventional equipment.

Safety is built into every BEV and battery. Each battery component is individually monitored and controlled, and the robust design ensures reliable operation in tough underground and surface conditions. The batteries can be used in both Epiroc equipment and other manufacturers' machines.

We use NMC battery chemistry for high energy density, long range, and strong performance. The battery system supports onboard charging and fast, efficient swapping to keep machines running with minimal downtime. An integrated Thermal Management System maintains optimal temperature, improving lifespan, charging efficiency, and overall safety.

Our standardized, modular production approach builds battery cells into modules, which are combined into subpacks for different machine types. This accelerates BEV roll-out, supports fleet conversions, and enables efficient scaling as volumes grow. We also offer the mining industry's first CE-certified battery compliant with the Low Voltage Directive, ensuring safety and reliability before market release.

Robust and safe batteries

Since the launch of our BEVs in 2018 until the end of 2025, we have not had any injury-causing accidents. We have had two fire incidents, which were caused by flooding and misuse of the batteries, and not by the design or chemistry of the battery.

- In 2024, one battery (of three on site) caught fire in a tunnel in Norway. The fire was caused by flooding in the tunnel, and not by the design or chemistry of the battery.
- In 2025, one battery pack in a South African mine caught fire. The thermal management system, which functions as the lid of the battery system, had been removed, leaving the battery exposed to dust and water.

**Generation 2018-2025*

Electrical infrastructure solutions

It's however not just about delivering a groundbreaking machine, it's about ensuring power requirements are met. Epiroc provides versatile and scalable infrastructure solutions. Our OEM-agnostic chargers enable mixed-fleet charging and help reduce total cost of ownership. The system supports both battery swapping and onboard charging, giving customers flexibility in their charging strategies. Charging posts can be installed at multiple levels, placing them closer to operations for maximum efficiency. Our drive-through battery swapping design minimizes space requirements and eliminates costly excavations often needed with other solutions.

In response to customer feedback, we have developed a mine-ready charging solution from the ground up, designed for rugged reliability and scalability. This modular system can grow with fleet size, while maintaining dynamic charging capabilities. Epiroc follows the global Combined Charging System (CCS) standard and is a proud member of CharIN, a leading global association promoting unified standards for BEV charging.

Beyond charging, we offer a full range of infrastructure solutions that set Epiroc apart by covering the entire electric value chain. Our distinct advantage lies in our ability to provide tailored solutions such as substations that bring high and medium voltage into mines, power distribution products (such as mine starters) to energize all electrical appliances, and even a cable service business designed to help customers reduce their total cost of ownership (TCO) for damaged infrastructure.

Batteries as a Service

We offer a flexible range of service solutions designed to meet diverse customer needs. Customers can choose to purchase batteries outright or opt for Batteries as a Service (BaaS)—a model that delivers all the benefits of electric power without the responsibility of battery ownership. BaaS remains the first choice for the majority of our customers, as it allows them to focus on the outcome of our products while we ensure, with our certified service technicians, that the technology works. We also provide access to technology upgrades and support with recycling. By owning and managing the batteries, we can optimize utilization, guaranteeing customers always have the most efficient battery available. At the same time, this approach secures predictable revenue streams for Epiroc and supports long-term partnerships.

Electrification highlights 2025

By year-end, our fleet of electric drill rigs, loaders, and mining trucks exceeded 600 units. 40 mine sites have ordered BEV equipment, and of those in operation, more than 40% have placed repeat orders. To our knowledge, Epiroc operates the largest active fleet of underground BEVs globally. In 2025, we took significant steps forward:

- We launched the Scooptram ST10 G, our smallest battery-electric underground loader, designed for narrow drifts. With a 10-tonnes payload, up to four hours of runtime per charge, and CCS-standard opportunity charging, it combines flexibility with safety. One Scooptram ST10 G can reduce CO_2e emissions by up to 262 tonnes per year compared to a diesel loader.
- The diesel-electric Minetruck MT66 S eDrive was introduced to the Australian market and is now in field trials with Gold Fields. This innovation delivers up to 11% higher ramp speed and 7% lower fuel consumption, combining the cost-effectiveness of diesel with electric performance.
- We also expanded our partnership with Jama, adding battery-electric scalers to our portfolio, enabling integrated drill-and-blast cycles and extending customer benefits globally.
- Another example that makes a real positive difference is the electrified ramp haulage solution in Boliden's Kristineberg mine in Sweden, the result of our collaboration with Boliden and ABB. Compared to a diesel-driven equivalent, the trolley solution has increased productivity by 23%.
- And finally, we entered a historic collaboration with Fortescue for a fleet of fully autonomous and electric surface mining equipment, including the cable-electric Pit Viper 271 E and battery-electric SmartROC D65 BE, for operations in Western Australia.

In 2025, Epiroc and Boliden advanced mining electrification with the world's first battery-electric trolley truck system underground, cutting emissions and boosting productivity at Boliden's Kristineberg mine in Sweden.

Epiroc aims to be a global leader in electrification infrastructure within mining, delivering scalable, high-power charging, energy storage, and grid solutions that enable full electric operations with minimal grid impact.

In the Assmang Black Rock Mine in South Africa, our BEV fleet operating in full production has delivered an 11% increase in tonnes per hour while cutting ventilation needs by 42% and reducing energy cost by 18%.

Investment case part 4 - We have a high proportion of recurring business

Epiroc has a broad aftermarket offering that includes service, rock drilling tools, ground engaging tools, hydraulic attachments, a dynamic range of technology agnostic digital solutions, training, and more. We continuously invest in developing our offering to provide best-in-class service and enable successful implementation of new technologies, such as automation.

Recurring business

Our equipment operates in performance-critical and harsh environments, driving high demand for consumables and spare parts. In 2025, the aftermarket accounted for 66% (66) of revenues. This includes service and digitalization; 42% (43) of Group revenues and Tools & Attachments; 24% (23).

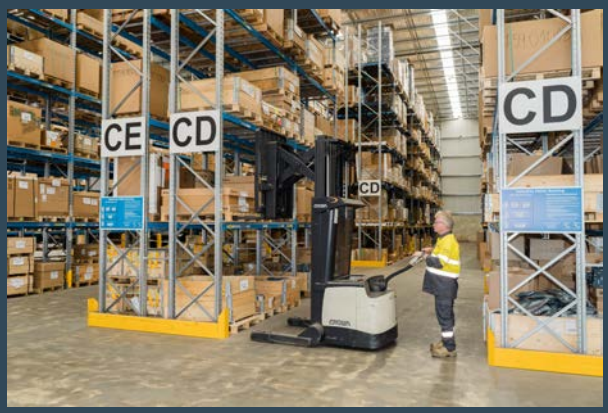
Aftermarket revenues are both resilient and growing, up 8% annually on average since 2016. Reliability, productivity, and availability are key to retaining customers and expanding our business. Our customers trust that we deliver the solutions they need, when they need them. Roughly 71% (72) of our employees work in aftermarket, often on-site with customers. Their technical expertise is critical to ensuring uptime and performance.

Aftermarket

66% (66)

of revenues 2025

"As our equipment is often performance critical and used in harsh environments, the use of both consumables and spare part is high."



Service

42% of revenues 2025

Reports in Equipment & Service

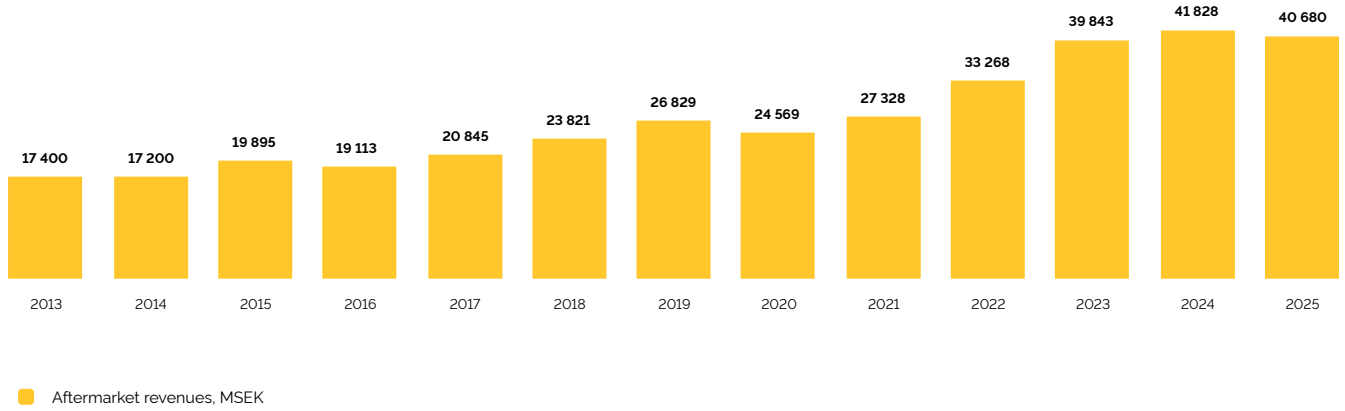
- **Replacement parts and kits.**
- **Service agreements and audits.**
- **Circular services, incl. midlife services and remanufacturing solutions for components.**
- **Other service solutions, incl. custom-engineered solutions, Live Work Elimination, and training.**
- **Digital solutions, open and OEM agnostic capabilities, incl. connectivity, collision avoidance systems and automation solutions.**

Tools & Attachments

24% of revenues 2025

- **Tools, such as rock drilling tools, tools for rock reinforcement and exploration drilling tools.**
- **Attachments, such as hydraulic breakers, shears and pulverizers, concrete cutters and busters, quick couplers and thumbs, excavator grapples, excavator magnets and ground engaging tools, such as teeth, lip shrouds, and protective shrouds.**

Aftermarket revenues



With a global network of service technicians and workshops we are committed to supporting our customers anytime, anywhere.

Epiroc offers a complete range of rock drilling tools. Examples are drill bits, rods, shank adapters, and ground reinforcement solutions like bolts and mesh for mining and construction.

Epiroc delivers one of the industry's most comprehensive attachment portfolios for niche applications such as rock excavation, demolition, recycling, and material handling.

Service

Well-executed maintenance, genuine spare parts, and midlife services boost productivity and extend equipment life, thereby reducing environmental impact and total cost of ownership. Some customers rely on Epiroc technicians on-site 24/7, while others manage their own maintenance and turn to us for parts, technical advice, or training.

We offer a broad portfolio of service agreements and products, including component remanufacturing, midlife upgrades, cost-per-meter contracts, and conversion kits that add new features such as connectivity and battery power. Today, 31% (32) of our equipment operates under a service contract, and we see strong potential to grow this share.

Ensuring high availability to an older fleet

Epiroc has provided rock drilling equipment for more than a hundred years. In fact, the first rock drill was produced in 1905. We have a large fleet of machines around the world and thanks to quality equipment in combination with our wide aftermarket offering, the average fleet age is continuously increasing. At year end, the average age of our equipment fleet in operations was 8.6 (8.4) years and 38% (38) of it was older than 10 years. This bodes well for future aftermarket growth.

To serve this aging fleet, we maintain a supply chain with global and regional distribution centers*. Standardized order flows shorten delivery times, reduce transport costs, optimize inventory, and improve cash flow, while ensuring customers have the parts and consumables they need.

Digital Solutions

Revenues from the Digital Solutions division are reported in the Service revenue stream. Our digital offering is industry-leading, works across all machine brands and improves productivity, safety, and sustainability. (See chapter "Digitalization" for more details.)

*Örebro and Fagersta in Sweden, Garland in USA, Ghent in Belgium, Johannesburg in South Africa, Singapore, Nanjing in China, Mississauga in Canada, Allen in USA, and Santiago in Chile.

Tools

Epiroc offers a broad range of high-performance rock drilling consumables for underground and surface applications, including drill bits, rods, exploration tools, and rock reinforcement products, all compatible with both Epiroc and other manufacturers' equipment. Designed for durability and efficiency, our tools enable faster drilling, lower energy use, reduced cost per meter, and extended life through re-sharpening services.

As mining automation advances, reliable drill bits have become increasingly critical. Fewer manual interventions mean that performance, uptime, and safety are paramount. High-quality bits reduce unplanned stops, minimize operator exposure to high-risk areas, and improve productivity. Our Powerbit X exemplifies this with extended replacement intervals that maximize drilling efficiency. In 2025, we introduced next-generation PCD (polycrystalline diamond) drill bits offering up to ten times longer life than traditional bits.

Epiroc develops, manufactures, and distributes the highest quality, most cost-effective rotary drilling system for the mining industry.

The Epiroc Grey line is a series of cost-effective, high-quality rock drilling tools specifically designed for surface construction and quarrying in less demanding rock conditions, focusing on drilling economy (Cost Per Meter - CPM), consistent performance, and lower total cost of ownership.

With Epiroc's Automatic Bit Changer (ABC) customers can complete drill changes with a single touch of a button. Operators can make or break joints, select drill bits, add them or remove them without leaving the drill cabin.

Attachments

Epiroc offers one of the most comprehensive portfolios of specialty attachments and quick couplers for rock excavation, demolition, recycling, and material handling. Our solutions cover applications such as building and infrastructure deconstruction, asphalt and concrete removal, steel cutting, trenching, material separation, and waste management.

Attachments are designed for excavators and similar carriers and are marketed under a multi-brand approach, giving customers flexibility and choice. By using attachments, customers gain increased versatility and cost efficiency. One carrier can handle multiple applications, reducing capital expenditure, storage needs, and environmental footprint.

Attachments play a critical role in enabling a more sustainable society. The ability to separate metals and materials during demolition supports "urban mining", a fast-growing market driven by stricter regulations and the global push for circularity.

Since acquiring Stanley Infrastructure in 2024, we have significantly strengthened our offering with industry-leading hydraulic attachments such as breakers, shears, pulverizers, and grapples. This acquisition expanded our reach into construction, demolition, and recycling markets, especially in the USA, complementing Epiroc's mining expertise and creating a one-stop-shop attachment business.

With digitalization, we can further improve productivity, safety, and lifecycle management for our attachments. One example is the Epiroc InSite, which was launched in 2025. It gives customers total visibility and intelligent control of their operations. It unifies data from mixed fleets into one platform. By optimizing maintenance and consumables planning, InSite lowers cost per meter and extends equipment life. Its OEM-agnostic design ensures flexibility and seamless integration with existing systems. InSite strengthens our aftermarket leadership and accelerates the shift toward more automated, efficient, and sustainable mining and infrastructure industries.

Ground Engaging Tools

Within our Tools & Attachments Business Area, Epiroc provides advanced Ground Engaging Tools (GET), including cast lips, teeth, and protective shrouds for mining buckets and loaders, supported by digital solutions for wear monitoring and predictive maintenance. Engineered for strength and longevity, our lips and teeth deliver optimal penetration and material flow, while proprietary locking systems ensure secure fit and quick replacement. Modular components and protective shrouds extend bucket life and reduce downtime. Combined with digital monitoring, it helps customers lower cost per tonne, improve safety, and maintain predictable performance in demanding mining environments.

LaBounty, which came into Epiroc through the acquisition of Stanley Infrastructure, deliver unmatched cutting power and durability for steel demolition, scrap processing, and heavy industrial applications.

Epiroc InSite™ provides real-time insights into location, usage, and maintenance needs across an entire mixed fleet of attachments. Whether factory-installed or retrofit-ready, it operates on a robust network for seamless connectivity.

Epiroc's GET Trakka is a smart, sensor-based system for mining that provides real-time detection and location of lost Ground Engaging Tools like teeth and shrouds on shovels and loaders, preventing costly crusher damage, reducing downtime, and improving safety by alerting operators immediately and helping locate lost components with a portable scanner.

Aftermarket products used mainly within mining

Tophammer rock drilling tools

Rotary drilling tools

Rock-reinforcement systems

Down-the-hole hammers and drill bits

Exploration consumables

Ground Engaging Tools (GET), such as teeth, lip shrouds, and protective shrouds

Aftermarket products used mainly within infrastructure

Hydraulic breakers for deconstruction

Combi cutters for deconstruction

Drum cutters for hard material profiling

Magnets for picking up scrap metal

Quick couplers for excavators

Pulverizers for deconstruction

Investment case part 5 - We have a well-proven business model

We operate a focused, decentralized business model that adapts quickly to changing market conditions. Our strength lies in a strong innovation focus, a high share of direct sales, a resilient aftermarket, and a flexible manufacturing philosophy. Combined with relentless pursuit of operational excellence, these capabilities position Epiroc to deliver profitable growth.

Focus and decentralization

Our decentralized organization, a legacy since 1976, enables fast decision-making close to the customer. We operate through two Business Areas, each overseeing several global divisions. Cross-divisional councils in R&D, sourcing, and production ensure collaboration, economies of scale, and efficient processes.

High degree of direct sales

We generate sales in around 150 countries, primarily through direct sales and service, which accounted for 80% (84) of revenues in 2025. This model strengthens customer relationships and ensures deep application knowledge. In certain cases, mainly within attachments, we complement direct sales with distributors to expand reach and penetrate new markets efficiently.

AI - accelerating operational excellence

We apply AI across the value chain to boost efficiency, from product recommendations and digital passports to automated inventory. Divisions drive their own AI work, supported by shared standards from the AI & Data Hub. We continue to strengthen AI skills through ongoing training, EU AI Act e-learning, and regular knowledge-sharing.

Flexible manufacturing

Our asset-light manufacturing model, characterized by low capital needs and a high share of purchased components, allows us to scale quickly with changing demand. About 75% of product cost comes from externally sourced components, with 25% from in-house core parts and assembly. Through design modularization, we speed up assembly, simplify upgrades, and streamline service and maintenance.

Leveraging innovation

Innovation is central to Epiroc's success. We develop solutions that address customer challenges and advance automation, electrification, and digitalization. Collaboration across purchasing, service, and R&D ensures we deliver products that combine performance, safety, and sustainability.

See chapter "We accelerate the productivity and sustainability in our industry".

Strong aftermarket business

Epiroc has a broad aftermarket offering that includes service, tools, and specialty attachments. In total, the aftermarket represents 66% (66) of revenues.

See chapter "We have a high proportion of recurring business"

In 2025

We took action to strengthen resilience, including supply chain diversification, regional sourcing, and footprint optimization to mitigate geopolitical risks. We also consolidated selected operations to improve efficiency and scalability.

Investment case part 6 - Our success is based on sustainability and a strong corporate culture

Sustainability guides us on what we do and our innovation agenda goes hand-in-hand with our customers' sustainability agenda. Epiroc has a strong corporate culture with passionate employees, which is our foundation for being an attractive employer and a high-performing organization. Our culture is a competitive advantage.

Accelerate the sustainability transformation

Access to metals and minerals is a prerequisite for modern society to function. Our customers are crucial for providing society with what is needed for a transition to a low-carbon economy. It is, however, evident that operations must be sustainable. Our products and services focused on safety and technological development—are critical to customers´success, decarbonization of our industry and for accelerating the sustainability transformation. We have a wide range of solutions and services that help our customers improve their safety performance and lower their environmental and climate impact. Automation solutions, electrification, remanufacturing of products and parts for a second life and services are examples of this.

To maintain our innovation leadership, we collaborate with customers, suppliers, and industry leaders to develop more sustainable, safe and low-carbon mining and infrastructure operations. Through innovation, particularly within automation, digitalization, and electrification, we are achieving measurable safety and environmental gains.

Epiroc's contribution to our customers' decarbonization journey

This illustration exemplifies how our offerings today have the potential to reduce our customers' CO_2e emissions, by using electrification but also in many other ways. Our long-term commitment to offer a full range of emissions-free products, improving the energy performance through product development and compatibility with HVO renewable diesel are also important. We have ambitious 2030 sustainability goals to halve our own Scope 1 and 2 emissions, from transportation and from significant suppliers. This will contribute to lower the upstream CO_2e emissions for our customers.

Digitalization

By monitoring energy usage in real time, operations can be optimized to lower both energy consumption and emissions.

Automation

Improving energy efficiency through advanced automation solutions can enable reduced energy consumption.

Electrification

An electrified fleet enables zero tailpipe CO_2e emissions and energy savings due to reduced need for ventilation.

Operations

Energy efficiency actions and shift to sea freight transportation enable reduced upstream emissions for customers and lower embodied emissions in products.

Aftermarket

Service

Circular business models (Batteries as a Service, midlife services, remanufacturing solutions, recycling of consumables) enable circulation of products and materials.

Aftermarket

Tools & Attachments

Specialty attachments enable deconstruction and recycling of metals. Rock drilling tools, such as the PCD drill bit, enables energy savings and resource efficiency. Ground engaging tools reduce fuel consumption for mining excavators.

Integrating sustainability

We are committed to integrating sustainability into our strategy and operations. In 2020, we set ambitious sustainability goals for People and Planet for 2030, aligning with the UN Sustainable Development Goals (SDGs) and the Paris Agreement.

Sustainability is integrated in our strategic framework, ensuring that environmental, social, and governance (ESG) considerations are embedded in the decision-making processes. Through the double materiality assessment (DMA) we have identified the environmental, social and governance impacts, risks and opportunities in our operations and our value chain. Our key focus is enhancing the safety of workers in the industries where we are active as well as the transition to a low carbon and circular economy. As a global company, ethical business practices and respect for human rights are fundamental for us. Our governance structure supports the oversight and management of sustainability, ensuring that sustainability is monitored and addressed at the highest levels of the organization. Sustainability strategies, internal guidance tools and activities are in place to reach our goals.

We measure our progress through short-term (1-year) targets and long-term 2030 goals. The results are reported to the Board of Directors and Group Management on a regular basis. Since 2021, sustainability targets have been part of the variable compensation plans for all members of Group Management, including our President and CEO. The outcome for each member is conditional on the tangible progress made towards fulfilling our 2030 sustainability goals.

Epiroc 2030 goals for People and Planet

Safe, healthy, ethical

Safety and health
No work-related injuries

Balanced Workspace
Double the number of women in operational roles*

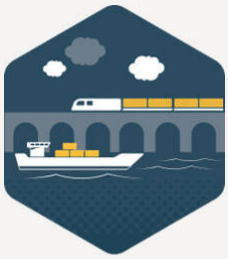
Walk the talk
Have all employees and business partners comply with our Code of Conduct

Responsible Sales Assessment Process implemented

Halve CO_2e emissions

Operations
Halve CO_2e emissions in operations**

90% renewable energy in own operations



Transport
Halve CO_2e emissions from transport

Products
Offer a full range of emissions-free*** products

Halve CO_2e emissions from machines sold**

Suppliers
Require 50% reduction of CO_2e emissions from relevant suppliers

* Based on merit and competence.
** Validated by the Science Based Targets initiative (SBTi). Baseline year is 2019.
***Emissions-free products do not emit exhaust gas or other pollution from the onboard source of power, also referred to as zero tailpipe emissions.

Environment

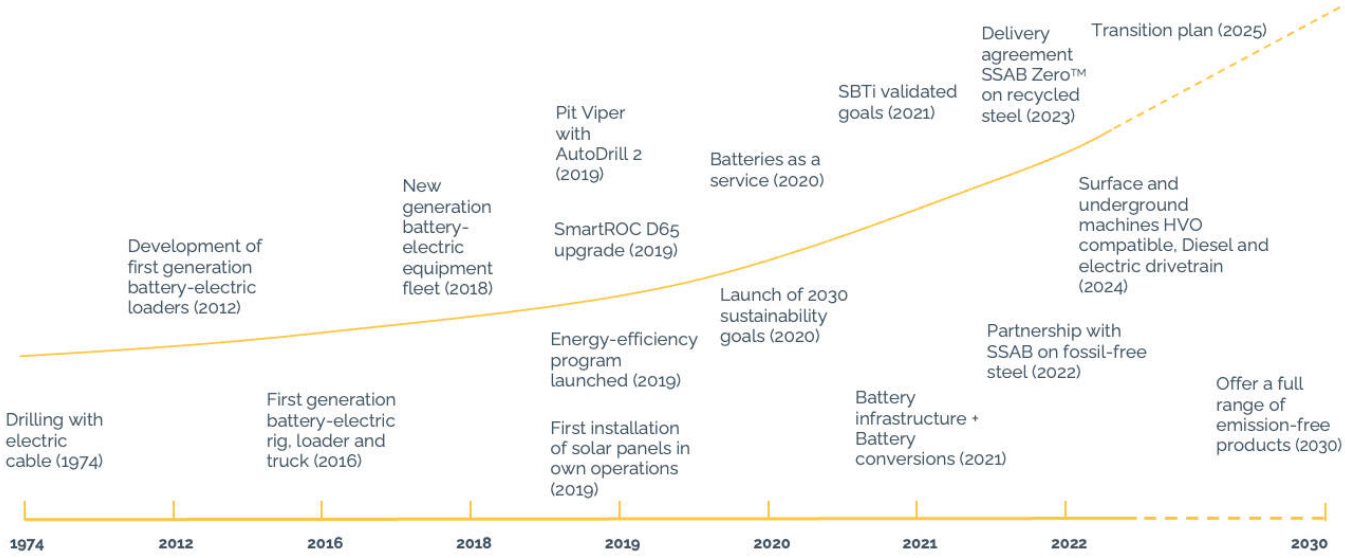
The responsible use of resources is an important aspect of our strategy. This involves optimizing energy consumption, circularity, reducing waste, and enhancing the efficiency of products and operations. We have implemented various measures to minimize environmental impact, such as utilizing renewable energy sources, improving energy efficiency, and electrifying our equipment. By leveraging innovative technologies, Epiroc contributes to a reduced environmental footprint for our customers.

About two-thirds of our revenues are derived from aftermarket services and solutions which contribute to prolonging the life of our equipment. With midlife services, retrofit and use of secondary raw materials, we need fewer virgin materials, leading to more sustainable use of resources and facilitating circularity. Midlife services can also include the latest technology, such as automation or electrification upgrades, leading to measurable sustainability gains. Our automation-equipped surface drill rigs enable more energy-efficient operations for our customers, with reduced CO_2e emissions. Our specialty attachments, often used for deconstruction and recycling, are also important in enabling more efficient use of resources.

More than 80% of our total CO_2e emissions come from the use of sold products. We have therefore set ambitious goals, validated by Science Based Targets initiative (SBTi), to reduce greenhouse gas (GHG) emissions from both our own operations and our value chain. These targets reflect our commitment to mitigating climate-related risks and enhancing the resilience of our business model against future climate challenges. We are however dependent on several external factors, many of which are beyond our direct control, such as global decarbonization, regional policy development and broader market and societal shifts. We aim to offer a full range of emissions-free products by 2030. We reached 43% in 2025. Other solutions will also be needed to reach our climate goals, and some examples are illustrated in Epiroc contribution to our customers` decarbonization journey above.

2025 has been a year focused on further developing our transition plan. In addition to developing our Group transition plan we have also developed divisional transition plans to understand what our prioritized gaps are and what actions we need to take to reach our goals. We have also implemented our internal carbon price during 2025 and it will guide our decision and investments towards lower carbon alternatives going forward. Our 2030 climate targets enable a long-term ambition of net-zero CO_2e emissions by 2050 and go hand in hand with EU's goal of a climate-neutral economy in 2050.

Epiroc's decarbonization journey up to today: selected initiatives



Social

The safety and health of customers and employees are at the forefront of Epiroc's strategic and operational priorities. We have a 2030 goal of no work-related injuries. Comprehensive safety protocols and continuous training programs designed to foster a culture of safety across all operations have been implemented. Moreover, we support occupational health through wellness programs and support systems.

Safety is key for our customers and our equipment is designed with advanced safety features to protect operators and service technicians and reduce accidents. With our Collision Avoidance System Level 9, which is the market's highest level of collision avoidance system, we can help customers save lives. Epiroc's deployment of battery-electric equipment has also contributed to better working conditions by lowering emissions in the mining and infrastructure sectors.

Epiroc recognizes that our success is driven by passionate and skilled employees within our decentralized organization. All recruitments are based fully on merit and competence, choosing the best candidate for each role. We invest in professional growth through extensive training, leadership development programs, and an inclusive work culture. We are committed to fostering strong leadership within the organization and aim to cultivate a culture of innovation. Our leadership programs are designed to equip leaders with the skills necessary to drive the company's strategic goals and sustainability initiatives. The Sustainability Idea Challenge, which encouraged all employees to submit suggestions for new sustainable solutions, rendered great interest and engagement across the organization.

Epiroc places a high value on diversity and inclusion, recognizing it as important for driving innovation and reflecting the global market we serve. We have set a 2030 goal for a more balanced workforce, implemented policies and practices to promote a diverse and inclusive workplace.

The safety and health of customers and employees are at the forefront of Epiroc's strategic and operational priorities. We have a 2030 goal of no work-related injuries.

Comprehensive safety protocols and continuous training programs are designed to foster a culture of safety across all operations.

Governance

Epiroc's customers are located in around 150 countries. In every market where we operate, we act in accordance with applicable laws and regulations. We conduct our business with integrity and uphold high ethical standards. The geographical locations of our sites, suppliers and customers play a central role in identifying risks. Some markets are complex and challenging, and environmental, social and governance related laws and regulations can vary considerably. We have 2030 goals in place to walk the talk. Different programs and processes help us better understand where we may have risks of non-compliance in our whole value chain, also when risks are beyond our direct control.

Epiroc is a signatory to the UN Global Compact, and we incorporate its ten principles on human and labor rights, environment and anti-corruption into our policies and way of operating. In our Code of Conduct (CoC), we have committed to conducting business responsibly in accordance with several international standards, for example the UN Guiding Principles on Business and Human Rights. All Epiroc employees must adhere to our CoC, and our business partners must comply with the Epiroc Business Partner Code of Conduct. We have zero tolerance for corruption. Breaches of the CoC, laws, regulations, or Group policies can be reported in our Speak Up system.

Epiroc strongly believes in respect for human rights across our business operations. We identify and manage these issues through responsible sales assessments and a responsible sourcing process. We work closely with customers and suppliers to ensure they meet the same ethical standards. The company's robust compliance programs include risk identification, policies, training, and digital tools, to manage compliance risks in all countries where we conduct business.

Through our holistic approach to sustainability, innovative technologies, and ethical practices, we demonstrate a robust commitment to accelerating the transformation towards a sustainable and resilient future, aligning our operations with global sustainability standards and contributing to more sustainable mining and infrastructure sectors.

Performance summary (Long-term goals)

2030 goal	Base year	Result 2025	Sustainability Development Goals (SDGs)
Offer a full range of emissions-free products. Goal: 100%	2021: 35%	43%	9, 12, 13, 17
Halve CO_2e emissions from machines sold (SBTi validated). Goal: 3 436 ktonnes	2019: 6 871	6 430	9, 12, 13, 17
Halve CO_2e emissions in operations (SBTi validated). Goal: 48 ktonnes	2019: 97	55	7, 12, 13
90% renewable energy in operations. Goal: 90%	2019: 38%	55%	7, 12, 13
Halve CO_2e emissions from transport. Goal: 93 ktonnes	2019: 186	141	13, 17
Require 50% reduction of CO_2e emissions from relevant suppliers. Goal: 619 ktonnes	2019: 1 255	1 401	7, 12, 13
No work-related injuries. Goal: TRIFR=0	2019: 6.0	3.9	8
Double the number of women in operational roles (based on merit and competence). Goal: 22%	2019: 11.2%	15.7%	5
Have all managers sign and comply with our Code of Conduct. Goal: 100%	2019: 95%	100%	16
Have all significant business partners comply with our Business Partner Code of Conduct. Goal: 100%	2019: 99%	98%	16

Responsible Sales Assessment Process implemented. Goal: 100%	2022: 40%	100%	8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Base year emissions for our CO_2e emissions reduction goals have been recalculated. Read more about our progress and details about definitions and methodologies in **ESRS E1**, **ESRS S1**, **ESRS S2**, **ESRS S3** and **ESRS G1.**			

Transitioning from GRI Standards to the ESRS framework

We have measured our sustainability performance and externally reported progress for many years in accordance with the Global Reporting Initiative (GRI) and other voluntary reporting standards. For the financial year 2025, we report in accordance with the legal requirement in the European Sustainability Reporting Standards (ESRS), EU taxonomy regulation as well as UN Global Compact. Sustainability information is presented in the **Sustainability statement**.

Other sustainability information, including non-material topics, can be found on the company **website**.

Community engagement

Water for All

Access to clean water is a human right. Since 1984, Water for All has been Epiroc's main community-engagement initiative, funding projects that provide clean drinking water, sanitation, and hygiene—particularly benefiting women and girls. Local Water for All organizations select partners and projects, such as drilling wells, protecting water sources, harvesting rainwater, or building sanitation systems. Water for All is run voluntarily by employees in the Epiroc and Atlas Copco Groups, with employee donations matched two-to-one by the companies. More information is available at www.water4all.org.

Bridging the gap between the mining industry and academia

The complexity in mining has highlighted the need to accelerate the implementation of new technologies, such as connectivity, interoperability, automation, digitalization of processes, data analytics, and electrification. As a result, professionals in our industry need to adapt to the new requirements of the mining operations and develop new profiles and skills.

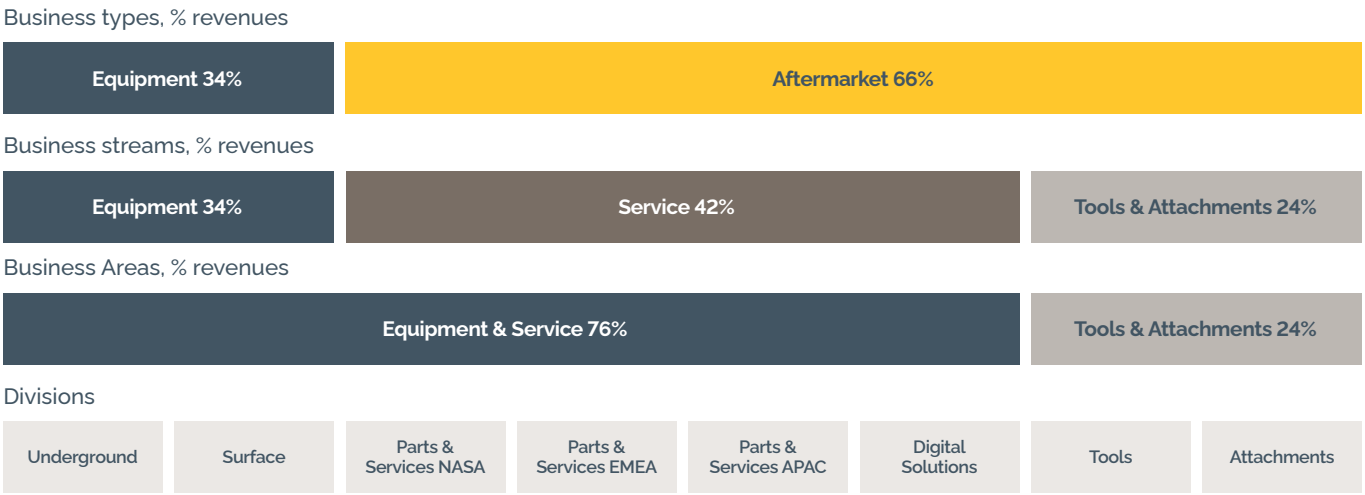
Recognizing these challenges, Epiroc has taken a global initiative to reshape the landscape of mining education in collaboration with academia. One of the most effective formulas to attain educated professionals is the Company-University Chair model. In 2018, Epiroc Iberia started the partnership with a university which in 2021 expanded to also include the Epiroc Andean Region, forming the global Epiroc – University Hub-and-Spokes Network.

Administration report

Epiroc's organization

Epiroc AB is a public company headquartered in Nacka, Sweden, with corporate identity number 556041-2149. Epiroc has sales in around 150 countries and customer centers in around 65 countries. The Group is organized in eight separate and focused but still integrated divisions, which in turn are organized in two Business Areas: Equipment & Service and Tools & Attachments. Common group functions, including Group Management, Financial Solutions, and support functions serve the entire Group. At the end of 2025, Epiroc had 53 (56) production facilities in 11 (11) countries. Equipment & Service had 22 (24) facilities and Tools & Attachments had 32 (33), with one facility serving both segments.

Our offering and reporting structure



Highlights 2025

Large and/or strategic orders

- 2025-03-13 - Epiroc secured an MSEK 100 order from Hudbay Minerals for an underground fleet at its Lalor gold and copper mine in Manitoba, Canada. The contract includes battery-electric versions of Boomer M20 SG drill, Scooptram ST18 and ST14 loaders, and Minetruck MT42 hauler, all designed to reduce emissions, improve operator conditions, and cut ventilation costs.
- 2025-04-15 - Epiroc won a MSEK 280 order from Hindustan Zinc in India for underground equipment, including MT42 S and MT65 S mine trucks, Simba E70 S production rigs, and Boomer M2D face drills, supported by a 6–8-year service agreement. Half of the machines will be produced in Nashik to support "Make in India" efforts, with deliveries through 2025.
- 2025-04-16 – Epiroc won its largest ever contract, valued at MAUD 350 (SEK 2.2 billion), to supply Fortescue with a fleet of cable-electric Pit Viper 271 E and battery-electric SmartROC D65 BE rigs. These drill rigs, to be operated autonomously from an operations center in Perth, Australia, are expected to cut diesel use by 35 million liters and CO_2e emissions by 90,000 tonnes annually.
- 2025-07-08 - Epiroc secured a significant order, MSEK 235, from Pucobre in Chile for Minetruck MT65 S haulers and advanced digital solutions, including Fleet+ and Asset Health services. These technologies will help optimize productivity and safety while reducing fuel consumption. The order reflects strong demand for integrated equipment and digital solutions in Latin America.
- 2025-08-29 - Epiroc partnered with Hindustan Zinc to implement an OEM-agnostic collision avoidance system across multiple underground mines in India. The solution enhances safety by providing real-time proximity alerts for vehicles and personnel. This collaboration demonstrates Epiroc's focus on digital technologies that improve operational safety and efficiency.
- 2025-10-08 - Epiroc received a major order from Asante Gold for underground mining equipment and digital solutions at the Chirano mine in Ghana of MSEK 115. The order includes trucks, loaders, and drill rigs, supported by real-time monitoring technology. It highlights Epiroc's growing presence in West Africa and its role in enabling safer, more productive mining.

Management changes

- 2025-09-01 - To strengthen focus and efficiency, Epiroc implemented two Business Areas effective September 1, 2025: Equipment & Service, led by Jess Kindler, and Tools & Attachments, led by José Manuel Sánchez. The divisions in the Business Areas remain operationally responsible and will report to the respective Business Area President instead of the CEO. This change supports Epiroc's ambition of 8% annual revenue growth and industry-best operating margin.

Other relevant information

- 2025-04-02 - Epiroc announced it has acquired the remaining share of Radlink, taking full ownership. Radlink, based in Perth with around 415 employees and 2024 revenues of MSEK 1 330, strengthens Epiroc's portfolio in wireless connectivity essential for mine automation and digital transformation.
- 2025-04-09 - Epiroc has expanded its manufacturing footprint in India with the inauguration of a new rock drilling tools facility in Hyderabad. The 5 280 m^2 addition will produce rock reinforcement products and rotary/DTH drilling tools, supporting the growing mining and infrastructure markets. The expansion, aligned with the "Make in India" initiative, creates about 35 new jobs and strengthens Epiroc's commitment to sustainable productivity and regional supply capabilities.
- 2025-04-24 - Epiroc established sponsored Level 1 American Depositary Receipt (ADR) programs in the United States, replacing previous unsponsored ADRs that represented 3–5 % of its outstanding shares. These new ADRs, trading over-the-counter under the tickers EPOAY (A shares) and EPOBY (B shares), are supported by Deutsche Bank as the depositary provider. The initiative aims to reduce costs and make it easier for U.S. and global investors to invest in Epiroc.
- 2025-05-21 - Epiroc will consolidate rotary and raiseboring drilling tools production from Langley, Canada, to its Matehuala facility in Mexico, beginning Q3 2025 and completing by Q1 2027. Around 65 employees are affected, with estimated restructuring costs of MSEK 70.
- 2025-08-26 - Epiroc broke ground on a major facility in Nashik, India, which will include production lines, an R&D lab, and a test track. The site will strengthen innovation and regional supply capabilities, with operations expected to start in 2026. This investment underlines Epiroc's commitment to the growing Indian market and sustainable development.
- 2025-09-02 - Epiroc earned a Gold Medal from EcoVadis, ranking among the top 5% of companies assessed globally for sustainability performance. The recognition reflects strong progress in environmental, ethical, and supply chain practices. It reinforces Epiroc's commitment to its climate targets and transparent reporting.
- 2025-09-18 - Epiroc began construction of a new automated global distribution center in Örebro, Sweden. The facility will streamline logistics, improve delivery times, and incorporate sustainable features such as solar power. This investment will enhance customer service and operational efficiency worldwide.
- 2025-10-22 - Epiroc celebrated 25 years of its Pit Viper drill rig series, including a decade of autonomous operations. The technology has delivered significant productivity gains, fuel savings, and CO_2e reductions across global mining sites. The Pit Viper series remains a cornerstone of Epiroc's automation strategy and innovation leadership.
- 2025-10-24 - Epiroc and Hancock Iron Ore reached a milestone as Roy Hill, Australia, became the world's largest fully agnostic autonomous mine. The achievement includes converting an entire haul truck fleet to autonomous operation using Epiroc's LinkOA platform. This breakthrough sets a new benchmark for interoperability and mining automation globally.

Highlights after the period end

Other relevant information

- 2026-03-09 - Epiroc agreed to acquire Eventspec Proprietary Limited, a South African mining aftermarket solutions provider. The company manufactures parts for drill rigs, mine trucks and loaders, and provides related rebuilds, repairs and services, has around 120 employees and had revenues in 2025 of around MSEK 160. The acquisition is subject to customary regulatory filings and is expected to be completed in the early part of the third quarter 2026.

Epiroc Group

Epiroc is a global productivity partner for mining and infrastructure customers and accelerates the transformation toward a sustainable society. With ground-breaking technology, Epiroc develops and provides innovative and safe equipment, such as drill rigs, rock excavation and construction equipment and tools for surface and underground applications. The company also offers world-class service and other aftermarket support as well as solutions for automation, digitalization and electrification. Epiroc is based in Stockholm, Sweden, had revenues of around SEK 62 billion in 2025, and has around 19 000 employees supporting and collaborating with customers in around 150 countries.

Strong mining demand

In 2025, Epiroc delivered solid growth driven by strong mining activity. Customer demand remained high, resulting in several large orders for autonomous and electric equipment, as well as multi-year contracts for connectivity and digital platforms. The demand for service and tools also remained at a high level. On the construction side, the demand remained low, particularly for specialty attachments. Towards the end of the year, the destocking phase of attachments among distributors came to an end.

Orders received

Orders received increased 1% to MSEK 62 974 (62 213), corresponding to an organic growth of 7%. Structure contributed with 2% whereas currency impacted negatively with -8%.

Sales bridge	Orders received	Revenues
	MSEK, Δ,%	MSEK, Δ,%
2024	**62 213**	**63 604**
Organic	7	2
Currency	-8	-7
Structure/other	2	2
Total	1	-3
2025	**62 974**	**61 998**

Development by region, currency adjusted

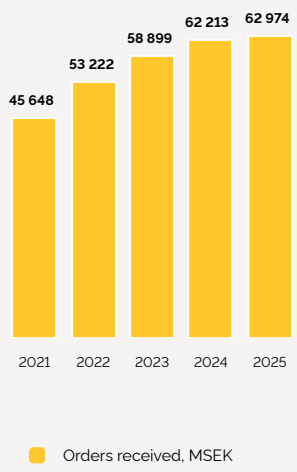
- North America (29% of orders received): +9%
- South America (13% of orders received): +5%
- Europe (14% of orders received): +4%.
- Africa/Middle East (16% of orders received): -4%
- Asia/Australia (28% of orders received): -6%

Revenues

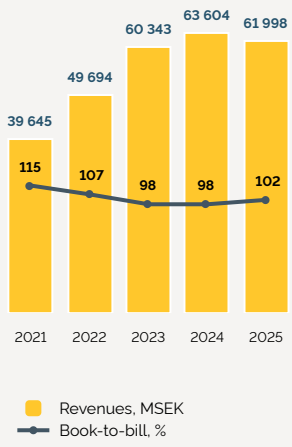
Revenues decreased 3% to MSEK 61 998 (63 604), corresponding to an organic growth of 2%. Structure impacted revenues positively by 2% while currency impacted negatively by -7%. The book-to-bill ratio was 102% (98).

Epiroc's goal is to achieve annual revenue growth of 8% over a business cycle. The average annual revenue growth rate was 10% in the period 2016-2025.

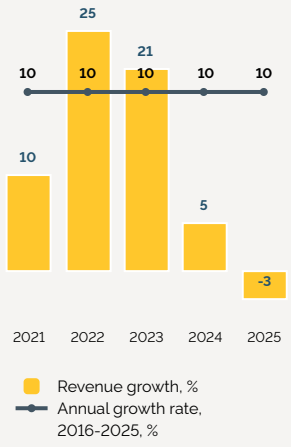
Orders received



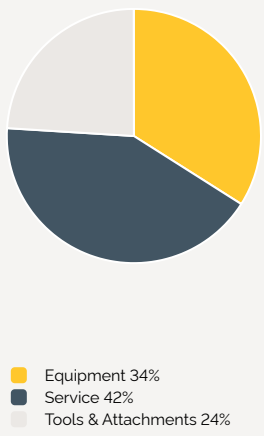
Revenues and book-to-bill



Annual and average revenue growth



Revenues by business type



Profit

Operating profit, EBIT, decreased -4% to MSEK 11 925 (12 385). This includes items affecting comparability of MSEK -200 (-239), mainly related to mainly relating to costs for efficiency measures throughout the year and a positive income from an insurance settlement. The change in provision for the share-based long-term incentive programs was MSEK -20 (0). The items affecting comparability for the previous year included transaction and integration costs for acquisitions, positive revaluation effect of the shares held prior to the acquisition of ASI Mining, impairments of intangible assets related to acquisitions and earn-outs.

Profit bridge	Operating profit	
	MSEK, Δ	Margin, Δ, pp
2024	**12 385**	**19.5**
Organic	181	-0.4
Currency	-685	0.4
Structure/other*	44	-0.3
Total	-460	-0.3
2025	**11 925**	**19.2**

Epiroc's goal is to have an industry-best operating margin, with strong resilience over the business cycle. The Group's operating margin averaged 20.3% in 2016-2025.

**Includes operating profit/loss from acquisitions and divestments, one-time items affecting comparability (incl. change in provision for share-based long-term incentive programs).*

Operating profit, EBIT, for Equipment & Service decreased -8% to MSEK 10 458 (11 310), corresponding to a margin of 22.2% (23.1). The operating profit, EBIT, for Tools & Attachments increased 32% to MSEK 1 810 (1 373). corresponding to a margin of 12.2% (9.4). Common Group Functions reported an operating loss of MSEK -343 (-298). The Group's operating margin, EBIT, was 19.2% (19.5). The adjusted margin was 19.6% (19.8), negatively impacted by tariffs and mix, while supported by efficiency measures taken. The dilution from acquisitions was -0.3 (-1.0) percentage points.

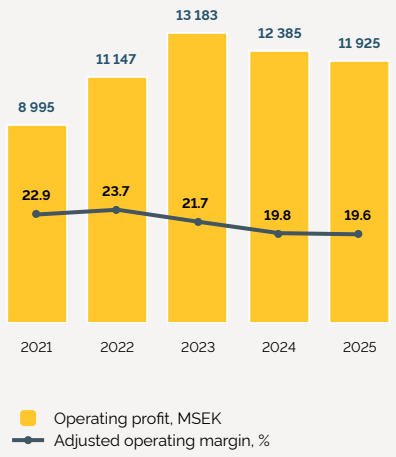
Depreciation, amortization and impairment costs were MSEK -3 088 (-3 444). Earnings before depreciation and amortization, EBITDA, were MSEK 15 011 (15 827), corresponding to a margin of 24.2% (24.9). Financial income was MSEK 476 (470) and financial expenses were MSEK -1 165 (-1 416). Net financial items were MSEK -689 (-946), negatively impacted by interest expenses of MSEK -869 (-1 324). Interest net was MSEK -765 (-857). Profit before tax amounted to MSEK 11 236 (11 439), corresponding to a margin of 18.1% (18.0). Income tax expense amounted to MSEK -2 637 (-2 683), corresponding to an effective tax rate of 23.5% (23.5). Basic earnings per share were SEK 7.12 (7.23).

Return

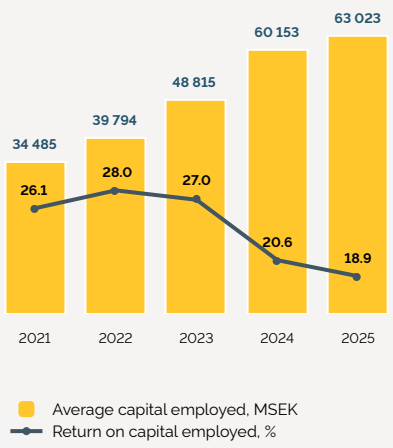
Return on capital employed was 18.9% (20.6) and the return on equity was 20.9% (22.2).

Epiroc's goal is to improve capital efficiency and resilience. Investments and acquisitions should create value.

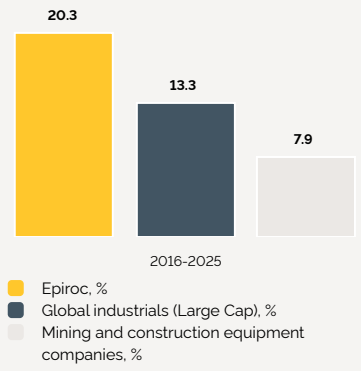
Operating profit and adjusted margin



Capital employed and return on capital employed



Operating margin (EBIT) average 2016-2025 vs. peers and industrial companies



Global industrials (Large cap):
ABB Ltd, Alfa Laval AB, Assa Abloy AB, Atlas Copco AB, Danaher Corporation, Deere & Company, Dover Corporation, Eaton Corporation plc, Emerson Electric Co., FLSmidth & Co. A/S, Fortive Corporation, Geberit AG, General Electric Company, Graco Inc., Hitachi Ltd, Honeywell International Inc., Kennametal Inc., Kone Oyj, Legrand SA, Mitsubishi Heavy Industries, Ltd., Nordson Corporation, Parker Hannifin Corporation, Rockwell Automation, Inc., Rolls Royce Holdings plc, Roper Technologies, Inc., Schindler Holding Ltd., Schneider Electric SE, Siemens AG, Siemens Energy AG, SKF AB, Smiths Group plc, 3M Company, Trelleborg AB, Ultratrex, Inc., Volvo AB, Wacker Neuson SE, Wärtsilä Oyj Abp, Xylem Inc.

Mining and construction equipment companies:
Caterpillar Inc., Furukawa Co., Ltd., Hyundai Everdigm Corp., Komatsu Ltd., Metso Corporation, Robit Oyj, Sandvik AB, The Weir Group plc, XCMG Construction Machinery Co., Ltd.

Data reported through March 9, 2026.

Actions for operational excellence in 2025

In 2025, Epiroc continued to strengthen its foundation for profitable growth through efficiency and agility across its global operations. Focus was mitigating the impact of tariffs, which required proactive measures to protect competitiveness. The company optimized logistics and distribution flows, leveraged its global manufacturing footprint, and explored alternative suppliers, including steel sourcing, to reduce cost pressures. Tariff impacts and pricing were discussed with customers, and joint mitigating actions were implemented where needed.

Epiroc further focused on optimizing logistics and distribution flows, leveraging its global manufacturing footprint, and consolidating production sites to achieve economies of scale. Key actions included moving a tools manufacturing site from Canada to Mexico (expected to be finalized in 2027), investing in a new global equipment hub in Nashik, India, and consolidating customer centers. Epiroc also discontinued non-strategic product lines.

Efficiency measures were implemented and yielded positive results toward the end of the year, especially within Tools & Attachments. The introduction of two Business Areas; Equipment & Service and Tools & Attachments, further enhanced organizational agility, enabling faster decision-making and improved global reach.

Towards the end of the year, Epiroc successfully completed the move of the Essen manufacturing site in Germany, marking a major milestone in our strategic consolidation of European hydraulic attachments operations. Announced in November 2023, this initiative progressed as planned, with Kalmar, Sweden, now firmly established as our central hub for breaker production. Enhanced automation and a strengthened team have positioned the site to deliver combined production capacity with greater efficiency and resilience.

Balance sheet

MSEK	2025	% of total assets	2024	% of total assets
Intangible assets	21 923	27	25 075	30
- of which goodwill	14 531		16 699	
Rental equipment	1 300	2	1 543	2
Other property, plant and equipment	7 449	9	7 932	9
Other non-current assets	4 172	5	3 835	5
Inventories	18 100	22	19 191	23
Trade receivables	11 155	14	12 424	15
Other receivables	5 338	7	4 927	6
Financial assets	1 366	2	1 483	2
Cash and cash equivalents	9 574	12	7 179	8
Total assets	**80 377**	**100**	**83 589**	**100**
Total equity	42 272	53	43 180	52
Interest bearing liabilities	21 201	26	22 218	26
Non-interest bearing liabilities	16 904	21	18 191	22
Total equity and liabilities	**80 377**	**100**	**83 589**	**100**

Total assets decreased to MSEK 80 377 (83 589), mainly explained by FX. Epiroc ended the year with a cash and cash equivalents position of MSEK 9 574 (7 179) and a net debt position of MSEK 11 004 (14 778). Net debt/EBITDA was 0.73 (0.93). The net debt/ equity ratio was 26.0 (34.2).

Group financing consists of capital market borrowings of MSEK 11 350 and loan facilities of MSEK 5 296, with maturities in 2026–2034. As back-up, the Group has a MSEK 4 000 revolving credit facility (unutilized) and a MSEK 2 000 commercial paper program, whereof MSEK 482 was utilized at year-end. See note 22.

Group equity including non-controlling interests was MSEK 42 272 (43 180), corresponding to 52.6% (51.7) of total assets. Equity per share was SEK 34.97 (35.75). Total comprehensive income for the year was MSEK 3 947 (10 345).

Net working capital decreased -9% to MSEK 22 026 (24 322). For comparable units and currency-adjusted, net working capital increased 3%, due to increased inventories. Average net working capital was MSEK 22 883 (23 803). As a percentage of revenues last 12 months, the average net working capital was 36.9% (37.4).

Cash flow

The operating cash flow decreased -15% to MSEK 7 726 (9 132) and the cash conversion ratio decreased to 90% (104). Net cash flow from operating activities was MSEK 10 675 (10 460). Net financial items paid were MSEK -1 (-447). Taxes paid were MSEK -2 824 (-3 039).

Cash flow from change in working capital was MSEK -1 078 (-574). Net investments in rental equipment were MSEK -353 (-283). Gross investments in property, plant and equipment were MSEK -1 120 (-890) and divestments were MSEK 18 (16), thus net investments in property, plant and equipment were MSEK -1 102 (-874). Investments in intangible assets, mainly related to capitalization of development expenditures and investments in IT systems, were MSEK -875 (-966).

No (five) acquisitions and one (no) divestments were completed and the net cash flow effect was MSEK -87 (-9 658), see notes 3 and 15. Proceeds to/from other financial assets were MSEK -182 (-192), net.

Dividends paid to shareholders were MSEK -4 594 (-4 591) and dividends paid to non-controlling interests were MSEK -16 (-2). The acquisition of the remaining share of Radlink of MSEK -355, is reported as acquisition of non-controlling interest. Cash flow from sales and repurchases of own shares was MSEK 142 (290), net, all related to hedging or deliveries of shares for the long-term incentive programs described in note 25. Change in interest-bearing liabilities was MSEK -795 (6 202).

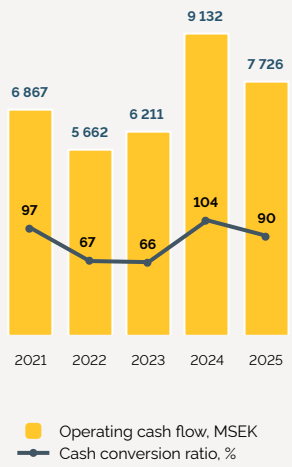
Dividend

The Board of Directors proposes to the Annual General Meeting an ordinary dividend to shareholders of SEK 3.80 (3.80) per share, equal to MSEK 4 594 (4 594). The dividend is proposed to be paid in two equal installments with record dates May 7 and October 19, 2026.

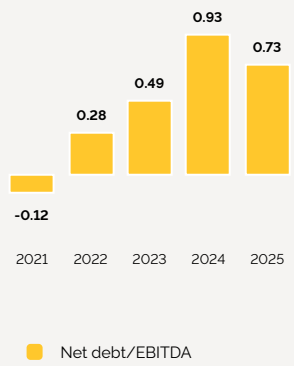
Epiroc's goal is to provide long-term stable and rising dividends. The dividend should correspond to 50% of net profit over the cycle. The Board of Directors proposes a dividend of SEK 3.80 (3.80) per share, corresponding to 53% (53) of net profit.

Net working capital

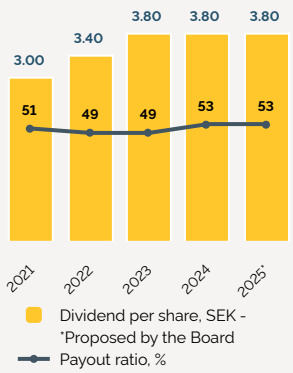
Operating cash flow and cash conversion ratio



Capital structure



Dividend and payout ratio



Credit rating

There were no changes in Epiroc's credit rating in 2025. In May 2023, S&P Global Ratings affirmed Epiroc's BBB+ credit rating with a stable outlook.

Epiroc's goal is to have an efficient capital structure and the flexibility to make selective acquisitions. The goal is to maintain an investment grade rating. Epiroc has a BBB+ credit rating with a stable outlook.

Employees

The average number of employees increased 1% to 19 054 (18 778) and at year end 2025, the number of employees was 19 055 (18 874). External workforce amounted to 1 600 (1 495). For comparable units, the workforce increased by 286 (-1 135), mainly within service. Epiroc uses external workforce to handle temporary fluctuations in demand, mainly within manufacturing.

The proportion of female employees increased to 20.5% (19.8) during the year, while the proportion of female managers was unchanged at 24.4% (24.4). We provide gender representation metrics as part of our reporting, yet our recruitment and development processes are uncompromisingly merit-based, ensuring that roles are filled by the candidates best suited to deliver long-term value.

Number of employees, average

	2025	% of total	2024	% of total
North America	4 187	22	3 987	21
South America	1 391	7	1 470	8
Europe	4 861	26	4 776	25
- Sweden	*3 566*	*19*	*3 560*	*19*
Africa/Middle East	2 758	14	2 806	15
Asia/Australia	5 857	31	5 739	31
Total	**19 054**	**100**	**18 778**	**100**

Employees by professional category, %

	2025	2024
Service & supply chain	37	36
Production	24	25
Administration	19	18
Marketing, sales & support	10	11
Research & development	10	10
Total	**100**	**100**

In 2025, Epiroc reaffirmed its commitment to employee engagement through the global My Voice survey, which saw strong participation and improved results compared to the previous year. The survey confirmed that employees are proud to work at Epiroc and believe in the company's purpose of driving productivity and sustainability in mining and infrastructure. Notably, both the Engagement Index and Leadership Expectations showed a strong upward trend, reflecting a motivated and satisfied workforce. Listening to and acting on employee feedback remains central to building a stronger, more inclusive Epiroc for the future.

Equipment & Service

The Equipment & Service Business Area provides market-leading rock drilling equipment, equipment for rock excavation, rock reinforcement, loading and haulage, ventilation systems, drilling equipment for exploration, water and energy, exploration tools and solutions, as well as related spare parts and services for the mining and infrastructure industries. The major innovation and production sites are in Sweden, USA, India, China and Australia. The Business Area provides OEM-agnostic digital solutions such as connectivity, collision avoidance systems, automation, and mine planning, as well as electrification, thereby enhancing safety, productivity, and sustainability across operations.

Innovations

Epiroc launched the new PowerROC T45 MKII, setting a new benchmark for surface drilling in quarry and construction applications. The rig combines improved fuel efficiency, up to 40% lower consumption—with advanced operator ergonomics and a modular design for easier maintenance.

Epiroc launched the Minetruck MT33, a compact underground haul truck with 33 tonne payload for medium-drift mines. Built on the proven MT436B and refined through customer input, it delivers safety with emergency stops, fail-safe brakes, and integrated cameras —with enhanced productivity and operator comfort. Its automatic transmission, high ramp speed capabilities, and low-profile design improve efficiency and access in tight spaces.

Strong mining demand

Equipment & Service delivered strong performance throughout 2025, supported mainly by robust mining demand. Orders received grew organically in all quarters, with equipment seeing particularly strong development. Demand was especially strong from customers in gold and copper mining, while the nickel segment weakened. Most orders came from brownfield replacement or expansion projects. In the second half of the year, exploration became one of the fastest-growing business lines, supported by a strengthening exploration market and Epiroc's leading offering of advanced drill rigs and tools.

Large equipment orders above MSEK 100 amounted to MSEK 2 370 (3 570). Among major orders was one from Hindustan Zinc, in India, for underground trucks and a BEV fleet valued at MSEK 280, and an order from Sociedad Punta del Cobre SA (Pucobre) in Chile for a fleet of underground mine trucks, including digital solutions, valued at MSEK 235. A large share of equipment orders included automation and electrification technologies. In April, Epiroc secured its largest equipment order contract to date, BSEK 2.2, to deliver fully autonomous and electric surface mining equipment to Fortescue in Australia over five years. Only MSEK 100 of this contract was booked as orders received in 2025.

Equipment for infrastructure applications, such as drill rigs for tunneling and civil engineering, experienced stable demand throughout the year.

Orders received

Orders received were flat and amounted to MSEK 47 635 (47 423), corresponding to organic growth of 8%. Currency impacted negatively with -8%. For equipment, orders received increased 7% to MSEK 21 553 (20 102), corresponding to an organic increase of 15%. The share of orders from equipment was 45% (42) in the business area. For service, orders received decreased -5% to MSEK 26 082 (27 321), corresponding to 3% organic growth. The growth was supported by a combination of high customer activity and an enhanced service offering. The share of orders from service was 55% (58) in the Business Area.

Development by region, currency adjusted

- North America (25% of orders received): +9%
- South America (15% of orders received): +5%
- Europe (12% of orders received): 0%
- Africa/Middle East (16% of orders received): -3%
- Asia/Australia (32% of orders received): -5%

Revenues

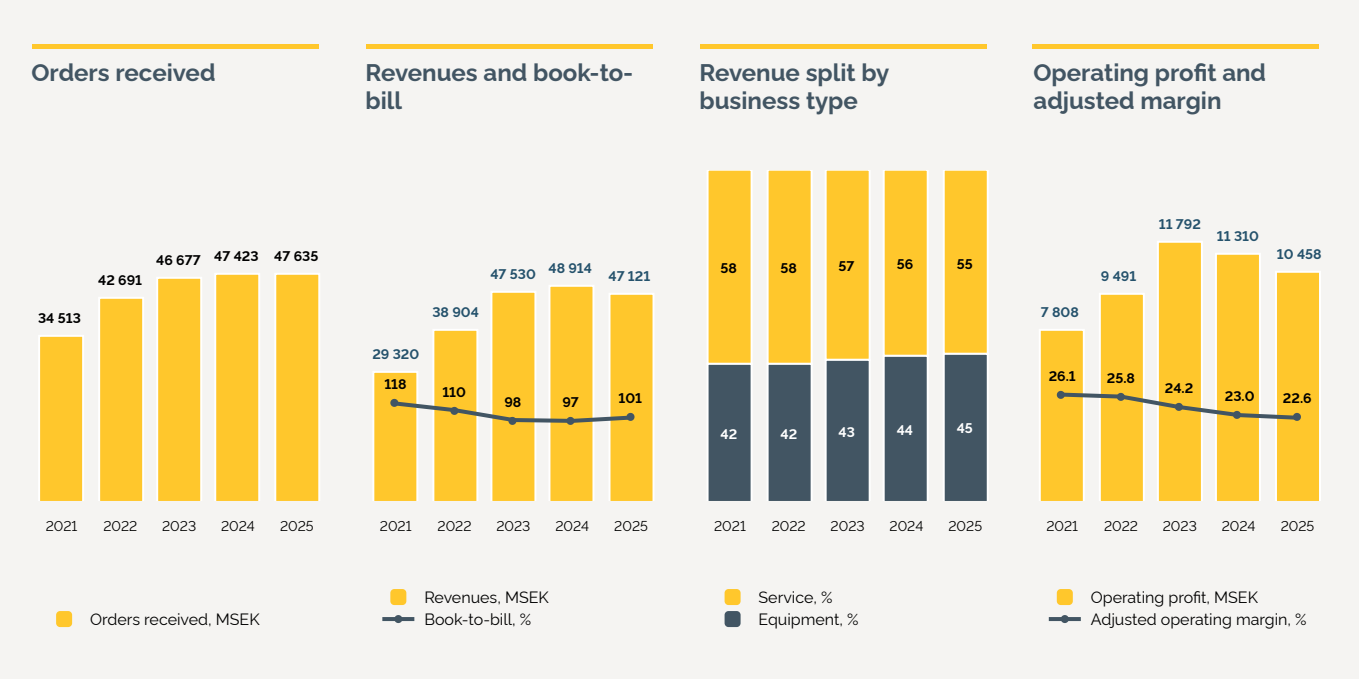
Revenues decreased -4% to MSEK 47 121 (48 914), corresponding to an organic growth of 4%. Currency impacted negatively with -8%. Revenues for equipment increased 5% and service increased 3% organically. The share of revenues from service was 55% (56). The book-to-bill ratio was 101% (97).

	Equipment & Service		Equipment		Service	
Sales bridge	Orders received	Revenues	Orders received	Revenues	Orders received	Revenues
	MSEK, Δ,%	MSEK, Δ,%	MSEK, Δ,%	MSEK, Δ,%	MSEK, Δ,%	MSEK, Δ,%
2024	**47 423**	**48 914**	**20 102**	**21 726**	**27 321**	**27 188**
Organic	8	4	15	5	3	3
Currency	-8	-8	-8	-7	-8	-8
Structure/other	0	0	0	0	0	0
Total	**0**	**-4**	**7**	**-2**	**-5**	**-5**
2025	**47 635**	**47 121**	**21 553**	**21 229**	**26 082**	**25 892**

Operating profit and margin

Operating profit decreased -8% to MSEK 10 458 (11 310). Items affecting comparability were MSEK -180 (51), relating to efficiency measures. The previous year included a revaluation effect of the shares held prior to the acquisition of ASI Mining of MSEK +554 and an impairment of acquisition-related intangible assets of MSEK -346 and earn-outs. The operating margin was 22.2% (23.1) and the adjusted operating margin was 22.6% (23.0). The negative organic impact is mainly explained by the higher proportion of equipment invoiced, tariffs, as well as negative mix effects within service. Cost measures initiated yielded positive results, but not enough to compensate for the mix effects. Currency contributed positively to the margin. There was no dilution from acquisitions.

Profit bridge	Operating profit	
	MSEK, Δ	Margin, Δ, pp
2024	**11 310**	**23.1**
Organic	28	-0.8
Currency	-627	0.4
Structure/other	-253	-0.5
Total	-852	-0.9
2025	**10 458**	**22.2**



Acquisitions

Equipment & Service completed no (two) acquisitions in 2025. In April 2025, Epiroc acquired the remaining shares of Radlink, a leading provider of mine connectivity solutions, thereby taking full ownership. Since Epiroc already held a majority stake, this transaction is considered a step to consolidate and strengthen its digital offering rather than a new acquisition for reporting purposes. See note 3.

Equipment & Service Business Area management

Business Area President: Jess Kindler

Jess Kindler has more than 20 years of experience within the Group and has a proven track record of driving profitable growth across global markets in both service and equipment. He is a U.S. citizen, born in 1975, and holds a B.Sc. in Mining Engineering from Colorado School of Mines and an MBA from the Wharton School of Business. Previously, Jess served as Senior Consulting Advisor, specializing in growth and operational excellence for global companies. Jess is based in the USA.

Divisions within the Equipment & Service Business Area

Epiroc operates in a decentralized way through divisions, all with global responsibility for their respective businesses. As per January 31, 2026, the Equipment & Service had the following divisions/functions:

Surface division President Omar Allel

Underground division President Wayne Symes

Digital Solutions division President Paul Bergström

Chief Technology Officer Jonas Albertson

Parts & Services division NASA President Nelson Trejo

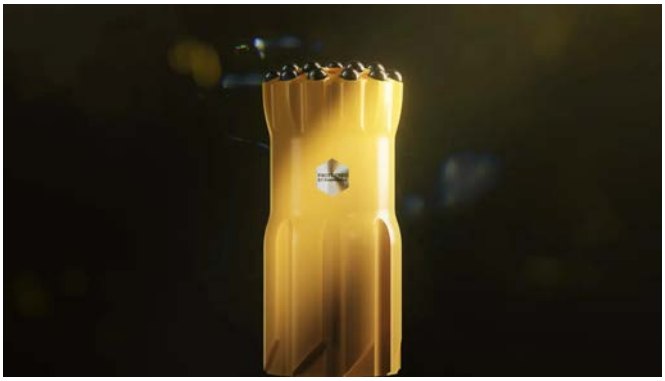
Parts & Services division EMEA acting President Jess Kindler

Parts & Services division APAC division President Jodie Velasquez

Tools & Attachments

The Tools & Attachments Business Area offers leading and specialized products and solutions that support efficient operations across mining, infrastructure, and recycling. The offering includes rock drilling tools, ground support products, excavator attachments, ground engaging tools and digital technologies that improve safety and productivity. The major innovation and production sites are in Sweden, USA, India and South Africa. The Business Area also manages the global supply chain for spare parts and rock drilling tools.

Innovations



Epiroc launched its next-generation polycrystalline diamond (PCD) drill bits, setting a new benchmark in rock drilling. Designed for extreme durability and precision, these bits deliver longer service life, fewer bit changes, and reduced downtime, resulting in lower total drilling costs and improved safety.

Epiroc introduced InSite™, a telematics solution that transforms fleet management for hydraulic attachment tools. By providing real-time visibility of location, usage, and maintenance needs across mixed fleets, InSite™ helps customers maximize uptime, reduce theft risk, and plan service proactively.

Mixed demand - strong mining and weak construction

Tools & Attachments achieved organic growth in every quarter despite mixed market conditions during 2025. The rock drilling tools business recorded solid order growth, supported by strong demand from mining, particularly in gold and copper. The attachments business, however, faced another challenging year as demand in construction remained weak. The year was marked by an inventory destocking phase among construction equipment distributors. By the third quarter, this destocking was described as "largely complete," and by the fourth quarter, demand had stabilized at seasonally low levels.

Orders received

Orders received increased 4% to MSEK 15 252 (14 663). The organic increase was 3% and currency was negative -7%. Structure contributed with 8%.

Revenues

Revenues increased 1% to MSEK 14 788 (14 640), corresponding to an organic increase of 1%. Currency contributed negatively with -7%, while structure contributed with 7%. The book-to-bill ratio was 103% (100).

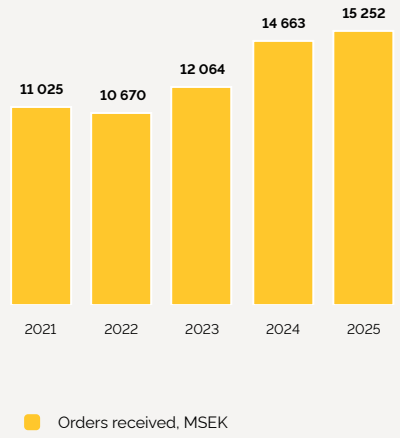
Sales bridge	Orders received	Revenues
	MSEK, Δ,%	MSEK, Δ,%
2024	**14 663**	**14 640**
Organic	3	1
Currency	-7	-7
Structure/other	8	7
Total	4	1
2025	**15 252**	**14 788**

Operating profit and margin

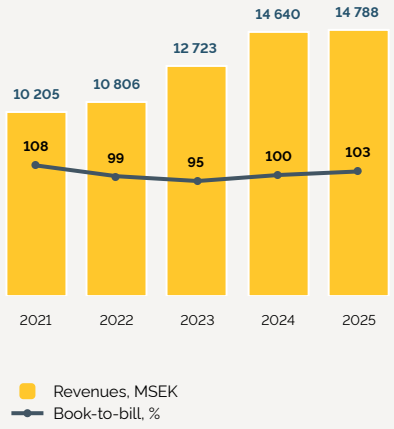
Operating profit increased 32% to MSEK 1 810 (1 373). This included items affecting comparability of MSEK 0 (-290), including an insurance settlement gain for the Stanley acquisition and costs for closure of the manufacturing site in Langley, Canada. The items affecting comparability in the previous year included transaction and integration costs for acquisitions of MSEK -255 and restructuring costs of MSEK -35. The operating margin was 12.2% (9.4) and the adjusted operating margin was 12.2% (11.4). The margin was negatively impacted by tariffs, while supported by efficiency measures taken. The dilution from acquisitions was -0.7 percentage points.

Profit bridge	Operating profit	
	MSEK, Δ	Margin, Δ, pp
2024	**1 373**	**9.4**
Organic	227	1.5
Currency	-107	0.1
Structure/other	317	1.2
Total	437	2.8
2025	**1 810**	**12.2**

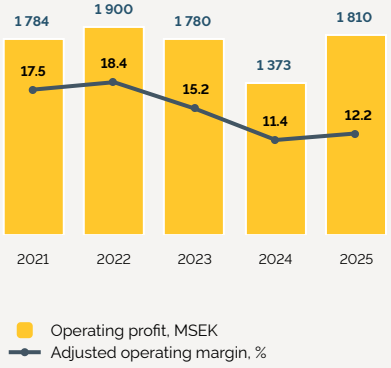
Orders received



Revenues and book-to-bill



Operating profit and adjusted margin



Acquisitions

Tools & Attachments completed no (three) acquisitions in 2025. See note 3.

Tools & Attachments Business Area management

Business Area President: José Manuel Sanchez

José Manuel has spent his whole career within the Group and is an appreciated leader. He has a strong track record driving profitable growth, most recently within surface drilling and exploration. José Manuel is a Spanish citizen born in 1963 and holds a M.Sc. in Mining from Universidad Politécnica de Madrid, Spain, as well as a Master of Marketing and Sales Management from Cerem International Business School, Spain. José Manuel is based in the USA.

Divisions within the Tools & Attachments Business Area

Epiroc operates in a decentralized way through divisions, all with global responsibility for their respective businesses. As per January 31, 2026, the Tools & Attachments Business area had the following two division presidents:

Tools division President Martin Hjerpe

Attachments division President Wayne Sterley

Parent Company

Epiroc AB is the ultimate Parent Company of the Epiroc Group and is headquartered in Nacka, Sweden. Its operations include administrative functions for the Group.

Earnings

The operating loss was MSEK -146 (-111). Profit before tax totaled MSEK 3 985 (5 143). Profit for the year amounted to MSEK 3 168 (4 097).

Financing

Total assets were MSEK 65 997 (68 299) at year-end. Interest bearing liabilities, excluding. post-employment benefits, totaled MSEK 17 056 (18 147). Equity represented 73% (73) of total assets and non-restricted equity totaled MSEK 47 825 (49 141).

Employees

The average number of employees was 54 (53), of which 57% were women. On December 31, 2025, the number of employees was 57 (51).

Remuneration

Principles for remuneration, fees and other remuneration paid to the Board of Directors (Board), the President and CEO, and other members of Group Management, other statistics and the guidelines regarding remuneration and benefits to Group Management as approved by the Annual General Meeting (AGM) are specified in the "Corporate Governance Report" and in note 5.

Financial risks

Epiroc is subject to currency risks, interest rate risks and other financial risks. Epiroc has adopted a policy to control the financial risks to which Epiroc AB and the Group are exposed. A financial risk management committee meets regularly to make decisions about how to manage these risks. See "Risk Management" and note 29.

Shares and share capital

At year-end, Epiroc AB's share capital totaled MSEK 500 (500). The total number of issued Epiroc shares was 1 213 738 703 shares, of which 823 765 854 shares were class A and 389 972 849 shares were class B.

Performance-based long-term incentive program

The Board of Epiroc has been authorized to purchase, transfer and sell the company's own shares in relation to Epiroc's performance-based personnel option plans. At year-end 2025, Epiroc held 4 695 191 A shares. The Board will propose to the Annual General Meeting (AGM) 2026 a similar performance-based long-term incentive program as in the previous year. The participation in the plan will continue to require own investment in Epiroc AB shares for Group Management. The details of the proposal will be communicated in connection with the Notice of the AGM. See "The Epiroc Share" and notes 21 and 25.

Appropriation of profit

The Board proposes to the AGM a dividend of SEK 3.80 (3.80) per share, which corresponds to a total of MSEK 4 594 (4 594). The dividend is proposed to be paid in two equal installments with record dates May 7 and October 19, 2026. It is also proposed that the balance of retained earnings after the dividend shall be retained in the business.

The Board hereby makes the statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act. The Board notes that there will be full coverage for the company's restricted equity. The Board makes the assessment that the company's and the Group's equity after the distribution to shareholders will be able to sustain the requirements, which the nature, size and risks of the business present. The Board further considers the actions reasonable in light of the company's and the Group's consolidation requirements, liquidity and position in general. The distribution is not assumed to present any risk for the company's or the Group's ability to fulfill its short or long-term payment obligations, nor the ability of the company to make required investments. Reflecting this, the Board considers the proposed dividend distribution to be compatible with the rules of reason expressed in the Swedish Companies Act (2005:551) chapter 17 § 3 paragraphs 2-3.

SEK	
Retained earnings incl. fair value reserve	44 656 785 351
Profit for the year	3 168 444 236
Total	**47 825 229 587**
The Board of Directors proposes that these earnings shall be appropriated as follows:	
To the shareholders,	
- a dividend of SEK 3.80 per share*	4 594 365 346
- to be retained in the business	43 230 864 241
Total	**47 825 229 587**

* Based on number of shares outstanding at the balance sheet date.

Corporate governance report

Corporate governance refers to the decision-making system through which the shareholders, directly or indirectly, control the company. Epiroc's corporate governance is designed to support the Group's long-term strategy for profitable growth by good internal control and a healthy corporate culture.

Comment from Ronnie Leten, Chair of the Board

Dear shareholders,

2025 was a year that both tested our resilience and reinforced our belief in the direction we have chosen. Across our businesses, we continued to help customers transform their operations, making them safer, more productive, and less emission-intensive. Our advances in automation, digitalization, and electrification moved from ambition to execution, and our leadership in mixed-fleet automation demonstrated the power of OEM-agnostic solutions to unlock value across diverse fleets and operating environments. By solving real challenges for customers today, we are shaping durable value creation for tomorrow.

The long-term fundamentals of the mining sector remain strong. While commodity prices fluctuate, demand for critical materials, particularly copper, continues to be driven by electrification, urbanization, and the global energy transition. These trends position us well and provide a strong foundation for sustainable growth in the years ahead.

We also navigated a more complex external environment. Tariffs, geopolitical uncertainty, and persistent weakness in parts of the construction market added pressure to costs and demand. We responded with clarity and discipline. We are reshaping our footprint, simplifying our operations, strengthening our supply base, and sharpening our portfolio to focus on strategic, high-value solutions. These actions are decisive and ongoing, guided by our ambition to deliver industry-leading operating margins and long-term resilience.

Crucially, transformation and innovation go hand in hand. Our focus on efficiency strengthens our ability to invest in what matters most. By directing capital toward technologies and solutions that drive customer performance, we reinforce our competitive position while enhancing returns. With more than a century of experience, we know that lasting success comes from consistency, courage, and a willingness to evolve while staying true to our core values.

This vision is underpinned by strong governance. Operating in around 150 countries, we hold ourselves to the highest standards of transparency, accountability, and ethical conduct. Equally important is our commitment to our people. Attracting, developing, and empowering talented employees is essential to bringing our strategy to life and ensuring the company continues to thrive for generations to come.

Thank you for your continued trust and confidence as we build the future together.

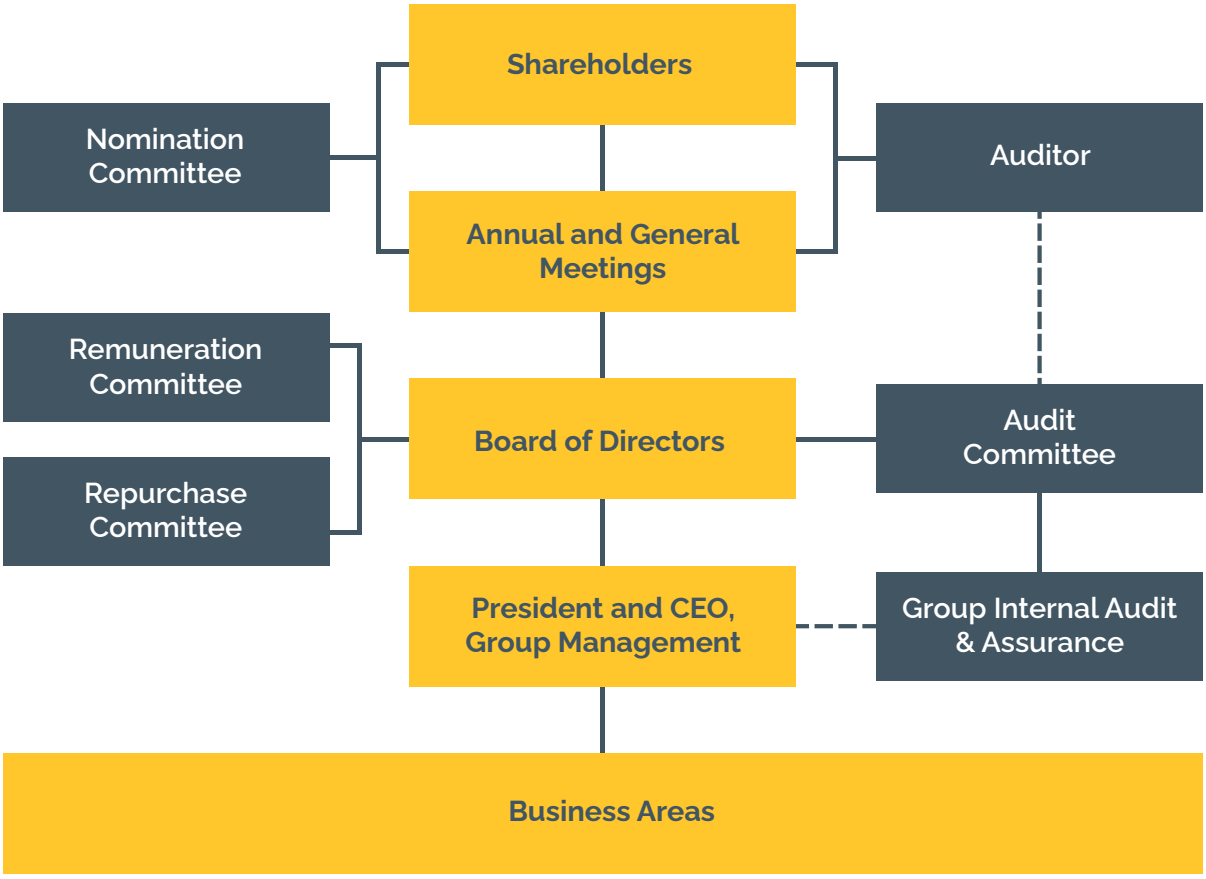
"We are reshaping our footprint, simplifying our operations, strengthening our supply base, and sharpening our portfolio to focus on strategic, high-value solutions. These actions are decisive and ongoing, guided by our ambition to deliver industry-leading operating margins and long-term resilience."

Ronnie Leten, Chair of the Board

The Annual General Meeting will be held on May 5, 2026 at 4:00 PM CEST in Nacka, Sweden.

Shareholders who wish to contact the Board and/or submit proposals to the Nomination Committee can do so by e-mail: **nominations@epiroc.com** or by letter to: Charlotta Grähs, Senior Vice President General Counsel, Epiroc AB, Box 4015, SE-13104 Nacka, Sweden.

Corporate governance structure



Governance

Besides relevant laws and regulations, Epiroc, as a company listed on Nasdaq Stockholm, also adheres to the Nordic Main Market Rulebook for Issuers of Shares, as well as the Swedish Corporate Governance Code (the Code). Epiroc has not reported any deviations from the Code, the Nordic Main Market Rulebook for Issuers of Shares, nor from good stock market practice for the financial year. The most important internal control document is the Articles of Association, which is adopted by the Annual General Meeting. This is followed by the Board's, including its committees', rules of procedure, Epiroc's Code of Conduct (CoC), as well as a number of Group policies that cover the entire operation.

To make it easy for employees, the Epiroc Way, a management system, is available on the intranet, in which all documents and processes for how Epiroc conducts business are available. The Group policies together with the CoC help Epiroc and its employees to comply with applicable laws and maintain high ethical and environmental standards throughout the value chain.

Examples of relevant control documents

External

- Swedish Companies Act
- Swedish Annual Accounts Act
- Securities Market Act
- Nordic Main Market Rulebook for issuers of Shares
- Swedish Corporate Governance Code
- UN Global Compact

Internal

- Articles of Association
- Rules of procedure for the Board
- Board committees' charters
- Instructions for the President and CEO
- Instruction regarding financial reporting
- Code of Conduct
- Business Partner Code of Conduct
- Group tax policy
- Policies and other guidelines and instructions contained in the Epiroc Way, incl. AI policy

Shareholders

At year-end, the total number of shareholders was 69 659 (68 396). The company's largest owner is Investor AB, which at the end of the year held 17.1% of the shares and 22.7% of the votes. The share of Swedish ownership was 48% (47) of the number of outstanding shares. See more information in the section for **"The Epiroc share"**.

Annual and General Meetings

The Annual General Meeting (AGM) is Epiroc's highest decision-making body, where shareholders exercise their voting rights and decide on, e.g., the company's Articles of Association, governance and more. In addition to the AGM, Extraordinary General Meetings may be convened. Notices of general meetings are posted on Epiroc's website and in the Official Swedish Gazette (Post- och Inrikes Tidningar). Information about the general meeting is also published in the two national newspapers, Svenska Dagbladet and Dagens Nyheter. An open shareholder dialogue is important to Epiroc, and shareholders are given the opportunity to ask questions at or before general meetings. The decisions made are announced via a press release and minutes of the meeting are published on Epiroc's website.

Nomination Committee

The Nomination Committee's task is to propose Board members and auditors as well as remuneration for them to the AGM. The four largest shareholders, registered directly or as a group with Euroclear Sweden (the Swedish Central Securities Depository) at the end of August, who wish to appoint a member will form a Nomination Committee. In addition, the Chair of the Board shall also be a member of the Nomination Committee. Should the ownership structure change before the time of the AGM, there are procedures in place.

The Nomination Committee's proposal and opinion are published at the latest when the notice is issued. The Nomination Committee shall perform its tasks in accordance with the Code and pay special attention to the requirements for breadth and diversity when in terms of competence, experience and background of proposed Board members.

Member	Represents	Votes, % August 31, 2025
Petra Hedengran	Investor AB (Chair)	22.7
Caroline Sjösten	Swedbank Robur Fonder AB	3.0
Helen Fasth Gillstedt	Handelsbanken Fonder	2.8
Gustav Österberg	Nordea Funds	2.4
Ronnie Leten	Chair of Epiroc AB's Board of Directors	

The Board of Directors

Epiroc's Board has the ultimate responsibility for the organization and its administration. The Board's work follows a written procedure and the Board is assisted by three committees that have an administrative and preparatory role: the Remuneration Committee, the Audit Committee and the Repurchase Committee. The Board's tasks include establishing and monitoring overall goals and strategies, business plans, financial reports and adopting the necessary internal governing documents. The Board shall ensure that there are appropriate systems for follow-up and control as well as ensuring the quality of the financial reporting. The Board must also identify how sustainability issues affect the company's risks and business opportunities, and report the sustainability development in the Annual and Sustainability Report. The Board appoints, evaluates, and if necessary, dismisses the President and CEO. Other tasks include deciding on the Group's major investments, acquisitions and divestments. The Board also has the responsibility for ensuring that succession planning takes place to a reasonable extent.

The Chair of the Board leads the Board's work, is responsible for efficiency of this work, and also ensures that the Board fulfills its obligations. The Chair of the Board represents the Board in relation to Epiroc's shareholders. The Board may delegate tasks to one or more of the Board members, or to others, but shall then ensure that the tasks are performed correctly. In line with this, the Board can also on its own initiative let people outside the company, e.g., consultants, investigate and prepare matters. The Board held 9 (8) Board meetings in 2025 including the statutory meeting. Epiroc's General Counsel was secretary at all the meetings.

Epiroc's Board of Directors had a strategy meeting at Epiroc in Örebro, Sweden, in 2025, focus was on innovation and long-term growth. Pictured from the left: Gustav El Rachidi, deputy, employee rep.; Kristina Kanestad, member, employee rep.; Anthea Bath, member; Ulla Litzén, member; Fredric Stahl, member; Helena Hedblom, member; Johan Forssell, member; Jeane Hull, member; Jenny Lindqvist, member; Sigurd Mareels, member; Ulf Ström, deputy, employee rep. Ronnie Leten, Chair of the Board, was not present.

Board composition

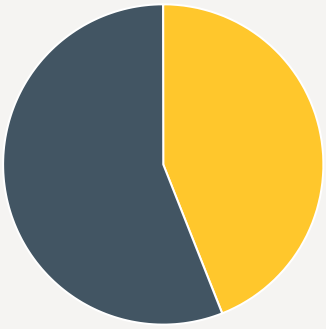
According to the Articles of Association (Articles), the Board members appointed by the AGM shall consist of a minimum of six and a maximum of twelve members. They are appointed annually for the period up to and including the next AGM. As prescribed by the Articles, the AGM has sole authority for the election of Board members and there are no other rules relating to the election or dismissal of Board members or changes in the Articles of Association. Further, there are no agreements with Board members or employees regarding compensation in case of changes of current position reflecting a public takeover bid.

The Nomination Committee has applied the Code's diversity policy when preparing its proposal for the Board. At the AGM in 2025, Jenny Lindqvist and Fredric Stahl were elected as new members of the Board. Lennart Evrell and Astrid Skarheim Onsum declined re-election.

A number of Board members have extensive experience in the mining industry and/or the mechanical engineering industry, in which there has been a focus on sustainability, such as increased safety (mining), reduced emissions (mining and engineering) as well digitalization and automation. A majority of the Board members also have experience from executive and financial positions, with strong ethical and governmental focus. Thus, the Board has good prerequisites to provide support to the company's senior executives. Several Board Members are born in countries outside of Sweden and have vast experience from leading international organizations, bringing expertise on how to conduct business with customers, and lead employees, from all continents.

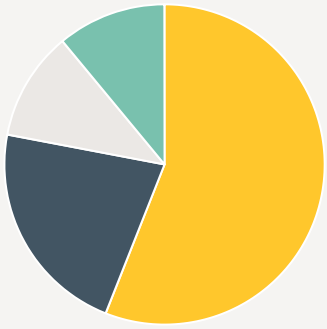
Of the nine elected Board members appointed by the AGM, five are women and four are men. Of the non-executive Board members, four are women and four are men. In addition, the Board has four employee representatives. Apart from the President and CEO and the employee representatives with deputies, none of the Board members are employed by the Group.

Gender of elected members



Men 44%
Women 56%

Nationality of elected members



Sweden 56%
Belgium 22%
South Africa 11%
USA 11%

Independent elected members

Non-independent 33%
Independent 67%

Board remuneration

The remuneration for the Board was approved at the AGM 2025 and is presented in detail in note 5. In total, the non-executive Board members had total fees of KSEK 6 940 (6 583) and the expense recognized for the Board was KSEK 11 664 (9 844).

Evaluation of the Board

The Chair of the Board conducts an annual evaluation of the work of the Board and its committees. The evaluation aims, for example, to prioritize issues to which the Board should give more attention and in which areas additional competence may be required. The Board evaluation for 2025 has been presented to the Nomination Committee.

Outgoing Board members Lennart Evrell and Astrid Skarheim Onsum, who declined re-election at the 2025 AGM, pictured with Epiroc's President and CEO Helena Hedblom and Chair of the Board Ronnie Leten. They were thanked for their dedicated service and valuable contributions to Epiroc's governance, including their work on the Audit Committee.

The Board's work in 2025

January
- Q4 2024 and FY 2024
- Targets 2025
- Evaluation of Board of Directors
- Evaluation of President and CEO
- Audit process review
- Litigation and compliance status
- Investments
- AGM preparations

March
- Annual report 2024
- Remuneration report

April
- Q1 2025

May
- Presentation by Tools division
- Presentation by Supply chain
- Presentation by Underground division
- Enterprise Risk Management
- Sustainability report
- New organization

May
- Statutory meeting

July
- Q2 2025
- CSRD

September
- Meeting in Örebro, Sweden
- Succession planning

October
- Q3 2025
- Acquisitions

December
- Outlook
- Strategic initiatives

Audit Committee

The Audit Committee oversees financial reporting, financial risk management, internal control, sustainability reporting, and auditing. It has the accounting expertise required by the Swedish Companies Act. The Committee meets regularly with the external auditor, who attends all meetings, and at least once a year without management present. It also supervises Group Internal Audit & Assurance and Internal Control, and reviews sustainability topics quarterly. In 2025, the Committee met several times with the CSRD project team to follow progress, integration into strategy, data collection, and internal controls. It also supports the Nomination Committee in proposing an external audit firm.

The Committee has at least three members, the majority independent of the Group and its management. Current members are Ulla Litzén (Chair), Ronnie Leten and Fredric Stahl, all independent of the Group and its management. Ulla Litzén and Ronnie Leten are independent in relation to the largest shareholder.

Remuneration Committee

The Remuneration Committee proposes remuneration principles and employment terms for Group Management and key personnel. It has three members, none employed by the Group. The Chair of the Board also chairs the Committee. Current members are Ronnie Leten (Chair), Anthea Bath and Johan Forssell, all independent in relation to the Group and its management. Ronnie Leten and Anthea Bath are independent in relation to the largest shareholder.

Remuneration of the President and CEO, Group Management and key personnel

A prerequisite for a successful implementation of Epiroc's strategy and the safeguarding of its long-term interests, including sustainability, is that the company can recruit and retain qualified employees. This requires competitive remuneration. As Epiroc is a global company with senior executives in several countries, the composition of the remuneration may vary. As a general rule, however, the compensation consists of the following:

- Cash base salary, based on position, qualification and individual performance.
- Variable cash compensation, based on degree of fulfillment of predetermined individual financial or non-financial criteria. The financial goals can, for example, relate to value creation, development of operating profit and working capital.

- Non-financial criteria can be, for example, improved key sustainability figures, development and launch of innovative products, organizational changes, and improved work processes. The variable remuneration is set to a maximum of 70% of the base salary.
- Pension premiums and additional market-based benefits.
- Long-term performance-based incentive program for key employees.

If a senior executive's employment is terminated by the Group, the remuneration depends on age, length of employment and possible remuneration from other economic activity or employment. However, the compensation is set to a maximum of a 24-month base salary. See note 5 for information on compensation.

Sustainability targets are included in both the short-term variable compensation and long-term incentive program for all Group Management members. Each individual's final outcome depends on measurable progress toward Epiroc's 2030 sustainability goals, such as environment and safety. For 2025, sustainability targets represented 14% of the President and CEO's maximum short-term variable compensation and 10% for other Group Management members. The President and CEO achieved 39% of the maximum outcome, including 7.9% for Planet-related goals, while the rest of Group Management reached 40–65%, including 5.5% for Planet-related goals.

Goal fulfillment

	Short-term	Long-term
Financial goals	Red	Green
Planet goals	Yellow	Green
People goals	Yellow	Yellow

Financial goals: Epiroc's financial targets focus on operating profit, EBIT, and net working capital. In 2025, the EBIT and working-capital-to-revenue targets were partly met. With strong niche positions and ongoing operational improvements, the company remains well positioned for long-term profitable growth.

Planet goals: In 2025, 43% of Epiroc's equipment portfolio was available in electric or emissions-free versions, supported by advances in automation and electrification. The most challenging target remains reducing Scope 3 emissions, which depends on customer adoption.

People goals: Epiroc progressed well on people targets in 2025. Safety improved further across the Group, and gender diversity continued to rise. The company remains committed to strengthening diversity based on merit and competence.

Green = On track.
Yellow = Improvement needed.
Red = Not on track.

Long-term performance-based incentive program

The Board believes it benefits shareholders when Epiroc's key personnel have a long-term stake in the company's share performance. A share-related option program supports recruitment and retention of key employees. At the 2025 AGM, a performance-based employee stock option program for up to 140 key employees was approved. Participation is determined annually by the Board. Group Management and Divisional Presidents must invest in their own shares and remain with the company for several years to receive full compensation, aligning incentives with long-term value creation. A grant will be made for the 2025 reporting year. See note 25.

Repurchase Committee

In order to prepare and execute the repurchase of the company's own shares in accordance with the authorization of the AGM, the Board has appointed a repurchase committee. It consists of Ulla Litzén (Chair) and Ronnie Leten.

President and CEO

The President and CEO is appointed by the Board and is responsible for the day-to-day management. The work shall be done in accordance with the instructions established by the Board. Helena Hedblom has been President and CEO of Epiroc since March 1, 2020.

Group Management

Group Management is appointed by the President and CEO and shall assist her/him in the day-to-day management. Based on goals set by the Board (financial, people and planet), Group Management sets up objectives for operational activities, allocates resources and monitors the result. Group Management meets monthly to review the financial result, update forecasts and discuss strategic issues.

External auditor

The external auditor reviews Epiroc AB's and the Group's Annual and Sustainability Report, accounts, consolidated financial statements, major subsidiaries, and the work of the Board and the President and CEO. The principal auditor attends all Audit Committee meetings and presents annual audit results to the Board without management present, and later reports the results to the AGM. At the 2025 AGM, Ernst & Young AB was elected auditor until the 2026 AGM, with Erik Sandström serving as lead auditor since 2022.

Board of Directors

Ronnie Leten

Chair of Board since 2017
Full-time Board member and/or Chair.
Belgian. Born 1956.

Education:
M.Sc. in Applied Economics, the University of Hasselt, Belgium.
Other assignments:
-
Principal work experience:
Chair of the Board of Ericsson AB, Piab AB and Electrolux AB.
Member of the Board of AB SKF and President and CEO of Atlas Copco AB.
Independent:
Yes.
Holdings in Epiroc AB, incl. related parties:
11 308 A shares, 55 650 B shares and 42 643 options[1]

Johan Forssell

Member since 2017
Full-time Board member and/or Chair.
Swedish. Born 1971.

Education:
M.Sc. in Economics and Business Administration, the Stockholm School of Economics, Sweden.
Other assignments:
Member of the Boards of Atlas Copco AB, Wärtsilä Oyj Abp, ABB and the Royal Swedish Academy of Engineering Sciences (IVA).
Principal work experience:
President and CEO of Investor AB, Sweden.
Independent:
No, not to larger shareholder as he was CEO and a member of the Board of Investor AB during the last five years. Yes, independent of Epiroc and its management.
Holdings in Epiroc AB, incl. related parties:
5 000 B shares and 10 693 synthetic shares.

Ulla Litzén

Member since 2017
Full-time Board member and/or Chair.
Swedish. Born 1956.

Education:
B.Sc. in Economics and Business Administration, the Stockholm School of Economics, Sweden. MBA, the Massachusetts Institute of Technology (MIT), USA.
Other assignments:
Member of the Board, and Chair of the Audit Committee, of AB Electrolux. Board member Stockholm School of Economics Association and Ruth and Richard Julin's Foundation.
Principal work experience:
Member of the Board, and Chair of the Audit Committee of Atlas Copco AB, Boliden AB, NCC AB and AB SKF.
Managing Director and Member of Group Management, responsible for Core Holdings and Analysis, at Investor AB.
CEO of W Capital Management AB, wholly owned by the Wallenberg Foundations.
Independent:
Yes.
Holdings in Epiroc AB, incl. related parties:
75 800 A shares, 3 000 B shares and 1 303 synthetic shares.

[1] Options issued by Investor AB that entitle the holder to purchase A shares in Epiroc.

Helena Hedblom

Member since 2020
President and CEO, Epiroc AB.
Swedish. Born 1973.

Education:
M.Sc. in Material Technology, the Royal Institute of Technology (KTH), Sweden.
Other assignments:
Member of the Board of Stora Enso Oy, the Royal Swedish Academy of Engineering Sciences (IVA) and Wallenberg Investments AB.
Principal work experience:
Senior Executive Vice President Mining and Infrastructure of Epiroc AB.
Independent:
No, not independent of Epiroc and its management as she is the President and CEO. Yes, independent of larger shareholders.
Holdings in Epiroc AB, incl. related parties:
24 040 A shares, 357 232 personnel options, 36 986 matching options.

Jeane Hull

Member since 2018
Full-time Board member and/or Chair.
American. Born 1955.

Education:
B.Sc. in Civil Engineering, South Dakota School of Mines and Technology, USA.
MBA, Nova Southeastern University, USA.
Other assignments:
Member of the Boards of Wheaton Precious Metals Corp, Coeur Mining, Inc.,and Hudbay Minerals, Inc.
Principal work experience:
Executive Vice President and Chief Technical Officer of Peabody Energy.
Chief Operating Officer for Rio Tinto at the Kennecott Utah Copper Mine, USA.
Independent:
Yes.
Holdings in Epiroc AB, incl. related parties:
-

Sigurd Mareels

Member since 2020
Senior Partner Emeritus and Special Advisor at McKinsey & Co, Belgium.
Belgian. Born 1961.

Education:
PhD in Metallurgy and a M.Sc. in Engineering, Ghent University, Belgium.
Other assignments:
Chair of the Board of La Fortuna SA.
Principal work experience:
Partner at McKinsey & Co.
Independent:
Yes.
Holdings in Epiroc AB, incl. related parties:
10 693 synthetic shares.

Anthea Bath

Member since 2022
President and CEO of Wesdome Gold Mines Ltd, Canada.
South African. Born 1976.

Education:
M.Eng. in Environmental Engineering, Department of Chemical Engineering, the University of Pretoria, South Africa.
Other assignments:
President and CEO of Wesdome Gold Mines Ltd, Canada.
Principal work experience:
COO of Ero Copper Corporation, Canada, Vice President Commercial Services, Sibanye Stillwater; Head of Market Development, Anglo Platinum, South Africa.
Independent:
Yes.
Holdings in Epiroc AB, incl. related parties:
5 508 synthetic shares.

Jenny Lindqvist

Member since 2025
SVP, Head of Business Area Cloud Software and Services, Ericsson AB, Sweden.
Swedish. Born 1982.

Education:
M.Sc. in Business and Economics, the Stockholm School of Economics, Sweden.
Other assignments:
Member of the Board of TechSweden.
Principal work experience:
SVP, Head of Business Area Cloud Software and Services, Ericsson AB, Sweden.
Independent:
Yes.
Holdings in Epiroc AB, incl. related parties:
-

Fredric Stahl

Member since 2025
Managing Director, Listed Companies at Investor AB, Sweden.
Swedish. Born 1978.

Education:
M.Sc. in Business Administration and Economics, Stockholm University, Sweden.
Other assignments:
-
Principal work experience:
Managing Director, Listed Companies at Investor AB, Sweden.
Independent:
No, not to larger shareholders as he is employed by Investor AB. Yes, independent of Epiroc and its management.
Holdings in Epiroc AB, incl. related parties:
-

Attendence	Ronnie Leten	Johan Forssell	Ulla Litzén	Lennart Evrell*	Jeane Hull	Astrid Skarheim Onsum*	Helena Hedblom	Sigurd Mareels	Anthea Bath	Jenny Lindqvist*	Fredric Stahl*
Board meetings	9/9	9/9	9/9	4/9	9/9	4/9	9/9	9/9	9/9	5/9	5/9
Audit Committee	7/7		7/7	3/7		3/7					4/7
Remuneration Committee	5/5	5/5		1/5			4/5		3/5		
Repurchase Committee**											

*At the AGM in 2025, Astrid Skarheim Onsum and Lennart Evrell declined reelection. Jenny Lindqvist and Fredric Stahl were elected to serve.
**The repurchase Committee held no meetings in 2025.

Kristina Kanestad

Appointed 2018
Board member and employee representative.
Swedish. Born 1966.

Holdings in Epiroc AB
1 200 B shares

Gustav El Rachidi

Appointed 2018
Deputy employee representative.
Swedish. Born 1970.

Holdings in Epiroc AB
100 B shares

Niclas Bergström

Appointed 2020
Board member and employee representative.
Swedish. Born 1969.

Holdings in Epiroc AB
-

Ulf Ström

Appointed 2024
Deputy employee representative.
Swedish. Born 1961.

Holdings in Epiroc AB
-

Information as of February 28, 2026 and holdings in Epiroc AB as of December 31, 2025. For more information and remuneration, **see note 5**.

Group Management

Helena Hedblom

President and CEO
In current position since 2020. Member of Group Management since 2017.
Swedish. Born 1973.

Education:
M.Sc. in Material Technology, the Royal Institute of Technology (KTH), Sweden.
Principal work experience:
Senior Executive Vice President Mining and Infrastructure at Epiroc AB.
Holdings*:
24 040 A shares, 357 232 personnel options, 36 986 matching options.

Håkan Folin

Senior Vice President Controlling, Finance and Sustainability (CFO)
In current position since 2021.
Swedish. Born 1976.

Education:
M.Sc. in Engineering and Industrial Management, the Royal Institute of Technology (KTH), Sweden.
Principal work experience:
CFO and various management positions at SSAB AB and Tibnor.
Holdings*:
11 175 A shares, 39 117 personnel options, 7 133 matching options.

Jess Kindler

Business Area President Equipment & Service
In current position since 2025.
American. Born 1975.

Education:
B.Sc. in Mining Engineering, Colorado School of Mines, USA. MBA, the University of Pennsylvania, Wharton School of Business, USA.
Principal work experience:
President of the Parts & Services division and senior management positions at Epiroc and Atlas Copco
Holdings*:
4 982 Epiroc A shares.

José Manuel Sánchez

Business Area President Tools & Attachments
In current position since 2025. Division President since 2014.
Spanish. Born 1963.

Education:
M.Sc. in Mining, Universidad Politécnica de Madrid, Spain. Master of Marketing and Sales Management, Cerem International Business School, Spain.
Principal work experience:
President of the Drilling Solutions division and various management positions at Atlas Copco.
Holdings*:
16 724 A shares, 112 897 personnel options, 14 807 matching options.

Charlotta Grähs

Senior Vice President General Counsel
In current position since 2022.
Swedish. Born 1971.

Education:
Master of Law, Gothenburg University, Sweden.
Principal work experience:
General Counsel at Trelleborg AB and Dometic AB. Corporate lawyer at Husqvarna AB, lawyer at Mannheimer Swartling Advokatbyrå and Hengeler Mueller Rechtsanwälte.
Holdings*:
4 750 A shares, 1 145 B shares, 24 655 personnel options, 4 483 matching options.

Nadim Penser

Senior Vice President Brand & Communications, Human Resources
In current position since 2020.
Swedish. Born 1967.

Education:
B.Sc. in Physics and Electronic Engineering, University of Lancaster, UK.
Principal work experience:
Vice President Human Resources for the Epiroc Mining and Infrastructure business area. Various management positions in human resources at Atlas Copco.
Holdings*:
6 750 A shares, 53 052 personnel options, 6 236 matching options.

*Information as of February 28, 2026 and holdings, incl. related parties, in Epiroc AB as of December 31, 2025. For some members, the matching options and stock options are in the form of Share Appreciation Rights (SARs).

Internal control over financial reporting

This chapter describes Epiroc's internal control over financial reporting in accordance with the requirements specified in the Swedish Code of Corporate Governance and the Swedish Companies Act.

Financial reporting risk management

Epiroc's system for internal control over financial reporting is implemented in accordance with the requirements specified in the Swedish Corporate Governance Code and the Swedish Companies Act, which ensures a high degree of reliability in the preparation of financial reports. The regulations used for internal control have been issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

1. Control environment

The Board of Directors (Board) is responsible for internal control and governs the work through the Audit Committee. Group Management sets the tone for the organization and influences the control awareness of employees. An important success factor is well-defined and well-communicated authority. Epiroc has dedicated Internal Control and Internal Audit functions. The Internal Audit function reports directly to the Board through the Audit Committee.

2. Risk assessment

An assessment of the financial reporting risks is conducted annually. If necessary, further control activities are introduced or existing ones are strengthened. The most significant risks in financial reporting are listed on the next page.

3. Control activities

To mitigate financial reporting risks, there are control activities in place. They are performed at all levels and at different stages of the business processes. Global financial key controls are being tested on a regular basis to ensure they are implemented and effective. The results are reported to the Audit Committee.

4. Information and communication

Epiroc has several information and communication channels that aim to ensure that information is identified, captured and communicated in a way and within a time that enables employees and managers to fulfill their responsibilities. Examples are the Group's policies and guidelines, the Epiroc Way (management system), business reviews and training.

5. Monitoring

The internal control activities are monitored by, for example, independent internal audits, balance sheet reviews, and external audits of financial information and results. Observations and deficiencies of significant importance are reported to Group Management, the Audit Committee and/ or the Board.

Key financial reporting risks and related internal controls

Inventory is not appropriately valued at the lower of cost or net realizable value	• Inventories are reconciled at each reporting date. • Inventory costs and production variances are reviewed and approved by the divisions and net realizable values are compared to carrying values to identify need for adjustments of inventory values. • Inventory level and saleability of inventory are assessed at each reporting date.
Income taxes are not accounted for in accordance with applicable tax legislation	• Tax calculations are prepared and reviewed at each reporting date. • The effective tax rate for each company is analyzed at each reporting date by Group Tax. • Compliance with transfer pricing policies is monitored regularly. • Ongoing tax audits and disputes are monitored and provision levels are evaluated by Group tax specialists.
Provision for bad debt is not calculated based on Group guidelines	• A strong process and tools are in place for collection of trade receivables. • Bad debt provision calculation guidelines are available on the Group's intranet. • Bad debt provision needs are recalculated and booked during each reporting cycle. • Independent balance sheet reviews are conducted to ensure entities have followed Group guidelines when calculating provisions.
Provision for inventory obsolescence is not calculated based on Group guidelines	• Automated reports for calculation of the inventory obsolescence provision are in place. • Inventory obsolescence provision calculation guidelines are available on the Group's intranet. • Inventory obsolescence provision needs are recalculated and booked during each reporting cycle. • Independent balance sheet reviews are conducted to ensure entities have followed Group guidelines when calculating provisions.
Balance Sheet account reconciliations are not properly documented. Balances are not justified	• A standard template for balance sheet account reconciliations has been created and rolled out throughout the organization. • All internal audits include a balance sheet review. All issues identified must be addressed within a six-month period. • Group Internal Audit & Assurance includes a formal balance sheet review as part of each entity's operational internal audit. On average 40-50 entities are assessed on a yearly basis. • Balance sheet reconciliations are performed monthly at an operational level.
Reporting processes and procedures are not well documented	• A documented manual of the business system and financial system used exists and is updated accordingly. • Period-end closing checklists exist, are maintained and used for financial reporting tasks. Management reviews the completed checklists on a timely basis.
Implementation of new IFRS standards is not performed properly	• New IFRS standards applicable to Epiroc are known prior to their effective date. • Group Financial Reporting leads the implementation of new IFRS standards and sets a plan for all levels impacted. • Training for local finance teams is carried out. • Group guidelines are updated to reflect the requirements for the new IFRS standards.

Risk management

Epiroc has customers in around 150 countries, which implies both risks and opportunities. Effective risk management will help improve the performance of the organization and enhance Epiroc's ability to achieve its objectives.

Responsibilities

The Board of Directors (Board) is responsible for internal control of Epiroc's operations and related risks. The risk management work follows Epiroc's decentralized structure. Local risk management is owned by entities, which is monitored and followed up regularly at local meetings. The Group functions for law, risk and insurance, financial management, governance, tax and accounting provide policies, guidelines and instructions for risk management including support with standards and templates to create uniform approach to risk management within Epiroc entities. The Board has adopted overall financial policies and monitors compliance with the policies.

The Group's Financial Risk Management Committee (FRMC) manages the Group's financial risks within mandates given by the Board. The members of FRMC are the President and CEO, CFO, Group Treasurer, Manager risk management and funding, and Manager Treasury Control. The FRMC meets once a quarter or more often if circumstances require. The Audit Committee receives reports from the FRMC at each meeting.

Group Treasury has the operational responsibility for financial risk management in the Group. Group Treasury manages and controls financial risk exposures, ensures that appropriate financing is provided through loans and committed credit facilities and manages the Group's liquidity. See note 29.

The implementation of policies, guidelines and instructions for financial reporting and financial risk management is regularly reviewed through internal audits.

The crisis management process is managed by the Chief Technology Officer. However, any disruptive or unexpected event should, as far as possible, be handled close to the incident's origin.

Epiroc has a communications policy to ensure that Epiroc complies with applicable laws and fulfills the regulations and recommendations issued by Nasdaq Stockholm as well as the Swedish Corporate Governance Code.

Insurance

Epiroc has global insurance programs to respond to risks transferable to insurance. These programs include property damage and business interruption insurance, cargo insurance, general liability and product liability insurance, cyber insurance, financial lines insurance to protect management liability and business travel insurance, to the extent and for amounts considered to be in line with industry practice. Insurance can never protect against all possible risks, including reputational impacts. Risk Management and insurance procurement therefore include a loss prevention standard for Epiroc global against which entities are measured to identify areas for improvements.

Sustainability reporting and the European Sustainability Reporting Standards (ESRS)

Assessment of risks arising from environmental, social or governance issues are included in the Enterprise Risk Management process and part of the double materiality assessment. Material risks are reported in the Sustainability statement in accordance with the European Sustainability Reporting Standards.

Compliance

Compliance with applicable legislation and other compliance obligations is fundamental for Epiroc and Epiroc is committed to adhering to all applicable and relevant compliance obligations in the countries in which it operates. Group Compliance identifies compliance risks at Group level, implements adequate policies, provides information about compliance through internal communication, and provides training and digital tools to ensure that Epiroc and its employees around the world have the appropriate knowledge for correct decision making.

Regional Compliance Officers have responsibility to support and control all entities in their specific region in relation to applicable legislation, entity specific compliance risks and Group Compliance programs.

Epiroc also has a forum called Legal and Compliance Board that provides strategic direction, oversight, and support to ensure that Epiroc's Group Legal and Compliance functions align with business objectives, regulatory requirements, and ethical standards. Members of the Legal and Compliance Board: Senior Vice President General Counsel (Chair), Vice President Group Compliance, Vice President Head of Legal, Vice President Internal Audit & Assurance, Business Area President Equipment & Service and Business Area President Tools & Attachments.

Code of Conduct and Business Partner Code of Conduct

The Code of Conduct describes who we are as a company and what we stand for. It outlines the appropriate business conduct and expected behaviors we all must follow to live up to the high ethical standards and integrity we hold ourselves to. Financial results are important and a measurement of success, but just as important is how we achieve these results.

For Epiroc, conducting business in a responsible manner is of great importance. Epiroc chooses to work with business partners who stand behind the quality of the goods and services they provide and act in accordance with high ethical standards and integrity.

Enterprise Risk Management

Epiroc has a methodology for enterprise risk assessment covering all divisions. Risks are identified based on Epiroc Risk Universe within divisional ownership with the overall goal of evaluating risks and remove or mitigate their effects by researching, planning, and implementing control measures as the organization deems necessary.

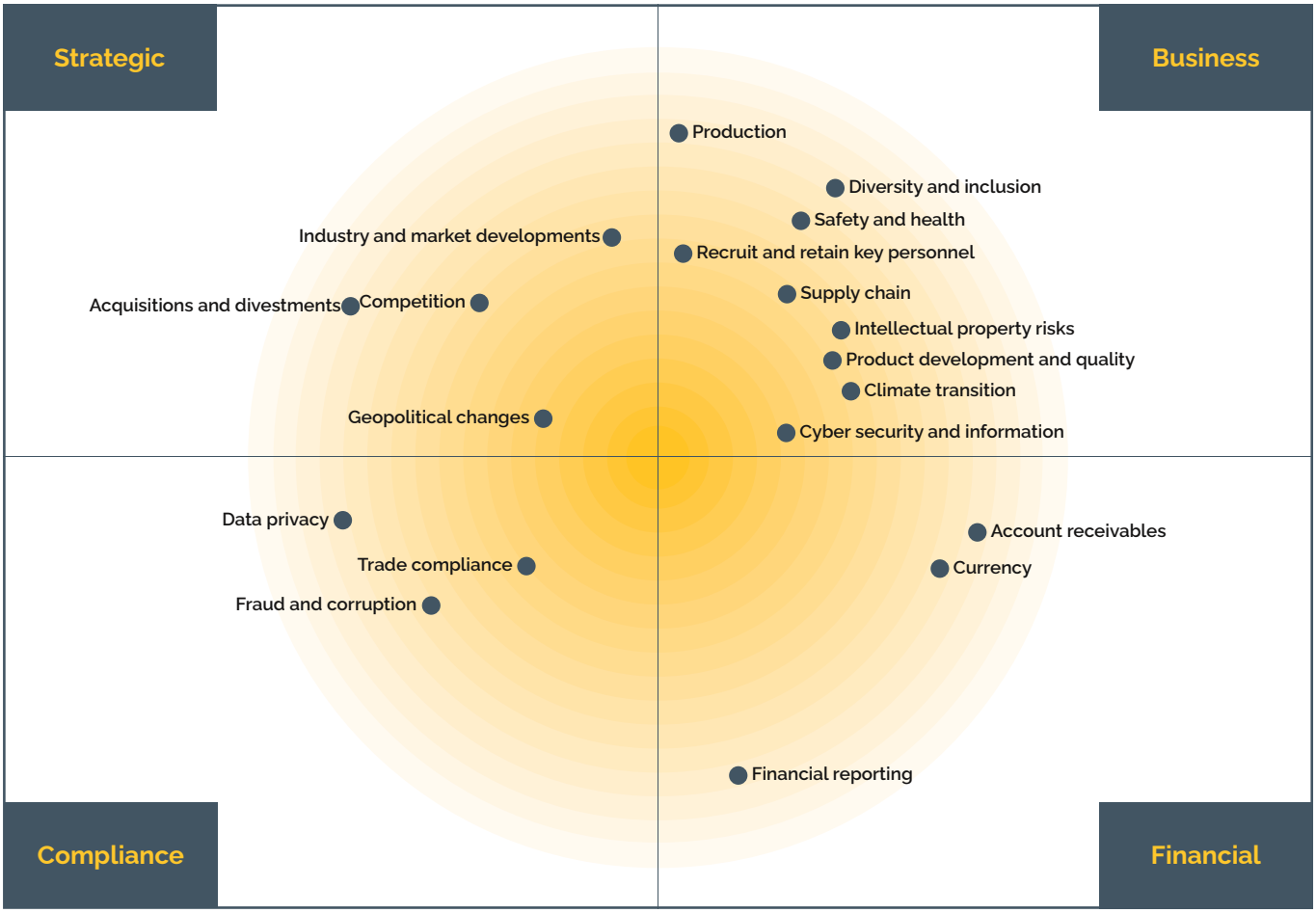
The purpose is to identify, understand and visualize potential risks before they occur, provide a safer and healthier working environment for our staff, and reduce risk for the business to strengthen business continuity. In more detail, the purpose is to answer essential questions as to the probability of risks materializing, their impact, causes and possible consequences, the effectiveness of existing controls and any further actions needed.

Risks assessed are captured in four main risk areas:

1. **Strategic risks:** Includes emerging and macro development risks.
2. **Business risks:** Encompasses common industry risks and risks related to the Epiroc business model, including operational risks.
3. **Financial risks:** Covers financial reporting risks.
4. **Compliance risks:** Focuses on avoiding breaches of applicable legislation or regulations.

Additionally, Sustainability is addressed as a fifth area to capture potential risks not identified in the other areas. However, many sustainability risks and impacts are integrated within the other risk areas. More detailed information on sustainability risks is presented in Epiroc's double materiality assessment under ESRS 2 in the Sustainability statement and in each topical section. The consolidated outcome of the risk assessment is reported to both Group Management and to the Board of Directors, who monitor risk management annually.

In the model below our key risks, as identified in Enterprise Risk Management assessment process, are presented. These have the greatest risk factor, by negative impact, and the closer to the middle they are, the more probable. Other risks, such as insurance, reputation as well as product quality and liability cover all four areas. Our mitigating actions and opportunity per key risk are described on the following pages.



Key risks, risk mitigation and opportunities

Strategic

Key risk and description	Risk mitigation	Opportunities
Geopolitical changes		
Instability and geoeconomic conflicts, such as changes in government, military intervention, war or rising tensions between countries, may lead to regulatory changes and protectionist trade measures that affect Epiroc's industry, supply chain and geographical markets. Pandemics and related political regulations and restrictions may also have significant impacts on Epiroc's operations, including production, equipment deliveries and aftermarket services, as well as on customers and suppliers.	Regular discussions and updates on all business levels on geopolitical situations, footprint, targeted M&A, sales perspective, and responsive actions.	Planning for responding activities to identified geopolitical risks gives Epiroc a flexibility to adapt when circumstances change and improves Epiroc's competitive position.
Industry and market developments		
Demand for Epiroc's equipment and services is influenced by shifts in customers' investment plans and production levels. These shifts may occur due to economic downturns, geopolitical tensions, and volatility in mineral commodity prices. As a result, customer expectations and purchasing behavior can change significantly.	A significant aftermarket requirement over the equipment lifecycle creates a large and resilient service business. A flexible manufacturing setup with a large share of components purchased from suppliers.	Opportunity to further develop the after-market business and increase customer satisfaction and retention. Lean initiatives in manufacturing enable a more agile setup with enhanced flexibility.
Competition		
The markets are highly competitive in terms of pricing, product design, service quality, development and launch timing, customer service, and financing terms. Epiroc faces strong competition from established players as well as, increasingly, from companies operating with lower costs and margins. Further consolidation among competitors, where Epiroc does not participate effectively, could weaken the company's market position.	Continuous analysis and monitoring of market external factors and customer preferences to compete successfully and anticipate and respond to changes in evolving market demands, including demand for new products including a corresponding mergers and acquisitions strategy.	Development of high-quality solutions that are in line with customer demands such as increased productivity, lower total cost of ownership and reduced environmental impact. Opportunities to continuously increase operational efficiency and lower costs of operations and improve competitive position.
Acquisitions and divestments		
Failure to meet synergy effects as anticipated and failed integration affecting the business negatively.	Clear process for mergers and acquisitions and focused project management for integration.	Integration process enhanced, leading to speed and efficiency of integration and realization of synergies.

Business

Key risk and description	Risk mitigation	Opportunities
Cyber security and information		
Epiroc faces potential business interruptions due to cybercrime, disruptions to critical IT services, or breaches of its information systems. These incidents may result in the loss of intellectual property, operational downtime, and reputational damage, leading to adverse effects on financial results. Some risk drivers are third party risk, expanding digital footprint and a fast-evolving threat landscape.	Epiroc's cyber security program enhances risk management through security awareness training, strengthened data protection, identity & access management and improved monitoring, aligned with regulatory and legislative requirements, and improved resilience to adverse events. Group Information Security provides quarterly updates to Group Management and semi-annual briefings to the Board.	Enhancing cyber security and resilience supports Epiroc's strategic growth by meeting rising customer expectations, enabling secure digitalization and automation, and reinforcing its competitive position. Strong cyber security practices build trust, protect assets, ensure regulatory compliance, and reduce operational and financial risk, contributing to improved brand value, business continuity, and investor confidence.
Climate transition		
Risks associated with the transition to a low-carbon economy include lack of compliance with new product requirements and environmental and climate-related legislation, and failure to develop, launch and market new products or respond to technological development and customer demand for sustainable products.	Continuously monitoring environmental and climate-related legislation and establishing relevant mechanisms. Within innovation, improved environmental performance is always an important component. The Board performs an annual oversight of risks, including environmental and climate-related risks.	Increasing demand for sustainable equipment is met by developing products and services and/or expanding offering with better environmental performance. Battery technologies and connected equipment and other solutions can add value and help drive the transition to low-carbon solutions. The 2030 sustainability goals lead the organization towards halving CO_2e emissions in Scope 1, 2 and 3.
Intellectual property risks		
Intellectual property rights (IPR) grant the right to prevent others from using certain business rights. Epiroc may face freedom to operate (FTO) risks restricting design options during product creation and after product launch. Additional risks include costs related to creation of our own IPR portfolio like challenges to rights or ownership and any restrictions on the use of our own IPR portfolio.	IPR strategies, processes and systems are structured to align with Epiroc's business needs and product development requirements. Defined roles, responsibilities, and agile working methods are in place for IPR risk mitigation, portfolio creation, portfolio management and utilization. IPR due diligence is integrated into M&A activities. IPR awareness training is mandatory for R&D staff and available to all employees.	A targeted approach to IPR portfolio growth has led to an increase in enforceable patents. A robust IPR portfolio supports business stability and enhances Epiroc's competitive position by providing unique solutions and increasing attractiveness as a business partner.
Recruit and retain key personnel		
Failure to attract and retain key teams and employees imposes a risk of losing the leading position on the market. If Epiroc fails to monitor its need for employees or if it fails to continue to attract and retain highly qualified management and other skilled employees on acceptable terms, the company may experience difficulties in	Recruitment can take place both externally and internally. Epiroc strives to maintain good relationships with unions and universities. Allowing remote work (depending on position) and encouraging virtual cooperation. Fostering internal mobility within the company through an internal job market.	Employer branding activities and solid onboarding programs. Ambitious targets for employees and managers, aligned with business targets, with accountability for results and in an environment of trust and individual responsibility. The 2030 sustainability goals lead and encourage the organization towards

sustaining or further developing parts of its business.	Training and development programs. Parental leave policy granting a minimum of 12 weeks of paid parental leave across the global organization. Proactive performance management and development of employees with their managers. An employee survey is carried out every year and followed up actively.	improved safety and increased inclusion and diversity.

Supply chain

Incorrect deliveries, failure to fulfill delivery obligations or inadequate capacity at suppliers could cause delays or failures in deliveries, which in turn may cause reduced sales and a decline in customer confidence. Supply disruptions could arise from shortages of raw materials, labor disputes, weather conditions, transportation disruptions or other factors beyond Epiroc's control. Risk that Epiroc's business partners do not share the same values as expressed in Epiroc Business Partner Code of Conduct. US tariffs and other trade wars have a negative impact on profitability.	Select and evaluate business partners based on objective factors including quality, delivery, price, and reliability, as well as commitment to environmental and social performance. Screening of selected business partners. Inventory control and establishment of regional networks of sub-suppliers, to prevent supplier dependency. Providing suppliers with timely and sufficient information to manage changes in volumes. Business partners to sign the Business Partner Code of Conduct. Continue the process to investigate and remove the potential presence of conflict minerals in the value chain.	Increase business agility and reduce costs by improving supplier inventory management in response to changes in demand. Continue to be a preferred business partner and promote efficiency, sustainability, and safety. Reducing the risk of corruption and conflicts by promoting human rights and working towards improving labor conditions. Leverage our global supply footprint to gain competitive advantage in an age of tariffs and trade wars. Implementation of the 2030 sustainability goals leads towards halving CO_2e emissions for relevant suppliers and ensuring compliance with the CoC.

Product development and quality

Several markets are characterized by technological advances and changes in customer preferences. Risks arise from failure to develop, launch and market new products in response to customer demand for productivity, circularity and sustainability. Product development is affected by legislation on matters such as emissions, noise, vibrations, pollution and recycling. This may increase the risk of competition in emerging markets where such legislation is sometimes less strict. There is also a risk of substitution of existing Epiroc products and services with lower-emission options from competitors. Any defective products will impose a risk of product liability and damage to third party property or causing bodily injury.	Continuous investments in research and development to develop products in line with customer demand and expectations. Design of products with a lifecycle and circular perspective. Design of products with reduced emissions, vibrations or noise and increased recycling potential to meet legislative requirements. Ongoing standardization of process for quality control (test, verification and validation). Ensuring that supplier management has the same level of quality assurance on vendors and suppliers.	Substantial opportunities to strengthen competitive edge by innovating high quality, sustainable products and creating an integrated value proposition for customers as well as meeting external environmental risks. Implementation of the 2030 sustainability goals leads the organization towards halving CO_2e emissions in operations, transport and use of products. Promotion of the integration of the Sustainable Development Goals into operations. Targeted activities contribute to limiting Epiroc's exposures. In addition, quality-assured products can increase customer retention, improve reputation and increase people safety.

Safety and health

Failure to comply with safety and health standards can result in accidents that harm individuals, disrupt productivity, and damage Epiroc's reputation. Additionally, health and safety regulations are becoming more complex and potentially costly.	Safety and health risks are routinely assessed and managed as part of standard operation procedures. Employees working in areas with exposure to safety risks are equipped with appropriate personal protective equipment. Wide range of trainings for employees and customers are provided.	Enhancing safety and health not only boosts productivity but also strengthens the satisfaction and well-being of employees and business partners. Actively striving towards an injury free workplace, also with the implementation of the 2030 sustainability goals. lead the

	Epiroc's Safety Management System ensures consistent practices across the organization. All major units are certified according to the ISO45001 standard. Building a strong safety-first culture is a key priority. Initiatives such as Dare to Speak Up, Epiroc Safety Day and Stop Work Authority, along with strong safety leadership, promote awareness and engagement.	organization toward a safer, healthier, and more resilient work environment.
Inclusion and diversity		
Improper inclusion can lead to lack of innovation, poor efficiency, and loss of business opportunity. Also leading to safety and health issues, potential claims depending on region and a bad reputation.	Ensuring a diverse talent pool in Epiroc by having professional recruitment processes with talent acquisition specialists, onboarding and training and development programs. Promoting a culture towards safety leadership. Epiroc's whistleblowing function Speak Up and compliance processes support transparency in matters where advice is sought, or concerns are raised about a potential ethical or legal violation by employees or business partners.	Varied perspectives foster creativity and innovation. Better problem-solving and decision-making due to varied experiences and viewpoints. Higher employee satisfaction and engagement, leading to better performance. Easier to attract talent from a wider range of backgrounds, enhancing competitive edge.
Production		
Epiroc's entities can face disturbances caused by, for example weather extremes, machinery breakdown or a major fire leading to interrupted business and loss of business income as well as causing reputational risks.	Global implementation of Epiroc's Loss Prevention Standard focusing on people safety and business continuity. Entities, including newly acquired companies, are measured against our standard. The outcome provides an overview of improvement areas and recommended actions in order of priority.	Business continuity planning prepares managers and the Epiroc business on how to act in response to disruptions. Recovery is an essential factor in the case of disruption to keep commitments to suppliers, customers and employees and limit our exposure to financial loss.

Compliance

Key risk and description	Risk mitigation	Opportunities
Compliance risks: data privacy, trade compliance, fraud and corruption		
Violation of laws on anti-bribery and corruption, trade compliance, anti-trust and competition and data privacy may result in fines, claims for compensation and other financial damages as well as impairing Epiroc's reputation. Inadequate internal controls could result in Epiroc becoming more vulnerable in relation to individual employees acting in breach of the applicable legal framework, either by mistake or intentionally. Deficiencies in internal control could also cause investors and other third parties to lose confidence in Epiroc's reported financial information.	Mandatory training in Epiroc's CoC for all employees with a requirement to sign a CoC statement, and advanced training for certain employee categories. Support for entities from Regional Compliance Officers and in-house lawyers providing advice on applicable laws and regulations. Epiroc's internal policies and guidelines are published in the Epiroc Way. Training and digital tools to ensure that Epiroc and its employees around the world have the right knowledge for correct decision making. The Legal and Compliance Board provides strategic direction, oversight, and support. The Compliance Board's mission is to ensure that Epiroc's CoC is implemented and complied with.	The CoC and Group policies on how companies should conduct business responsibly will help ensure the trust of our stakeholders. Compliance with legal norms and laws minimizes costs. Implementation of the 2030 sustainability goals supports compliance with the CoC.

Financial

Key risk and description	Risk mitigation	Opportunities
Currency, financial reporting and accounts receivables		
Risk areas such as currency, credit and counterparty, hedging, commodity price, tax reporting, and the risk of Epiroc encountering difficulties in repaying its debts and financing its operations. Reporting risks are risks that financial reports will not give a fair view of Epiroc's financial position and results. There is also a risk that impairment of goodwill or other intangible assets will adversely affect the financial results.	Epiroc's policies are available on the Epiroc way. The Group manages the risks via Financial Risk Management Committee (FRMC) with a mandate given by the Board. Group Treasury has an operational responsibility for financial risk management in the Group and reports to FRMC who reports to the Audit Committee.	A proven process for risk management for financial risks contributes to compliance with financial laws, agility and trust and hence strengthens the position for Epiroc as a trusted business partner.

Other

Key risk and description	Risk mitigation	Opportunities
Insurance		
Epiroc's insurance policies may provide insufficient protection.	Global insurance programs, arranged by Group Risk Management and Insurance, lead to adequacy and cost-efficiency via optimization of risk transfer levels and supporting the business to understand insurance applicability.	Cost-efficiency and control, enabling business and to meet customer and supplier commitments.
Reputation		
Harm to Epiroc's reputation and negative impact on business results can be the result of various reasons; if customers lose confidence in the safety and quality of the products and services provided, if the quality of the products and services offered by Epiroc deteriorates, including timing of delivery or quality and availability of products, whether due to a mistake by Epiroc or a third party, if Epiroc fails including via business partners or customers to comply with laws, regulations, ethical, social, product, labor, health and safety, environmental or other standards, or related political considerations. Epiroc may be subject to complaints and lawsuits from customers, employees, suppliers and other third parties, alleging product damage, health, environment, safety, data protection, antitrust, corruption, money laundering, export restrictions or operational concerns, nuisance, negligence or failure to comply with applicable laws and regulations.	All products are tested and quality assured. Monitoring product labeling and regular communications training. Epiroc has a clear well-known brand. The Group actively engages in stakeholder dialogue. The mandatory CoC training includes annual signing of a CoC Compliance Statement. Reporting of ethical and legal violations via the whistleblower system (or functions), Speak Up, is encouraged via various communication channels including physical posters at our locations.	Stakeholder engagement can increase the awareness and credibility of Epiroc's brand through collaboration and adoptability. Quality assured products improve customer satisfaction and promote recurring business. Increased access to new and emerging markets. The CoC with principles for how companies should conduct business responsibly helps Epiroc to safeguard its reputation and the trust of stakeholders. A high social and environmental profile is particularly important since Epiroc is present in many regions where the impacts from climate change may be severe and resilience low. Implementation of the 2030 sustainability goals helps to ensure compliance with applicable legislation.
Product quality and product liability		
Any defective products will pose a risk of product liability and damage to third party property or causing bodily injury.	Ongoing standardization of process for quality control (test, verification and validation). Ensuring that supplier management has the same level of quality assurance on vendors and suppliers.	Targeted activities contribute to limiting Epiroc's exposures. Furthermore, quality-assured products can increase customer retention, improve reputation as well as people safety.

Sustainability statement

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ESRS 2 General Disclosures

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ESRS E1 Climate Change
ESRS E2 Substances of Concern and Substances of Very High Concern
ESRS E5 Resource Use and Circular Economy
EU Taxonomy

Social Information
ESRS S1 Own Workforce
ESRS S2 Workers In the Value Chain
ESRS S3 Affected communities
ESRS S4 Product Safety (Consumers and End-users)

Governance Information
ESRS G1 Business Conduct

List of Disclosures

How to read the sustainability statement

This report is written in accordance with the European Sustainability Reporting Standards (ESRS, EU 2023/2772) as incorporated into Swedish law and is a part of the administration report.

A summarized description of our sustainability work can be found in the chapter **Our success is based on sustainability and a strong corporate culture**.

Epiroc's work with the Sustainable Development Goals (SDG)

We want to contribute to the sustainable development of society, taking into account both people and the planet. We support and are committed to help accelerate the implementation of the Paris Agreement and the SDGs which is an important UN milestone that sets the scene for ending extreme poverty, fighting inequality and injustice and protecting the environment. Epiroc has a role to play in the effort to reach the SDGs by reducing negative impacts on people and the planet and by maximizing the value we deliver through our products and core business operations. We can make the greatest difference in nine of the 17 SDG goals and their sub targets and indicators (referenced numbers). Here is how:

(5.1) We aim to contribute to ending all forms of discrimination. We strive to increase the proportion of women employees and managers and have a target to double the number of women in operational roles by 2030, based on merit and competence. Read more in ESRS S1.

(6.1-6.2) We aim to strengthen local communities in improving water and sanitation management through our support of 'Water for All', an initiative founded by our employees. Water-well drill rigs are part of our product offering. We also reduce water consumption in operations.

(7.2-7.3) We aim to increase the share of renewable energy and limit the use of energy overall in our operations. We are developing more efficient products and battery-electric equipment that support low-carbon alternatives. Read more in ESRS E1.

(8.2, 8.5, 8.7-8.8) We aim to contribute to higher levels of economic productivity and decent job creation by providing safe and decent working conditions, a key part of our Code of Conduct (CoC). We provide products for safer mining operations. Read more in ESRS S1 and S4.

(9.4-9.5) We aim to contribute to upgrading infrastructure and retrofitting industries to make them more sustainable, growing the market for clean and environmentally sound technologies with high-productivity products and services. Read more in ESRS E1.

(12.2, 12.4-12.6) We use natural resources efficiently and we aim to generate less waste through elimination, reduction, recycling and reuse in our operations We reduce the use of fossil fuels and increase renewable energy in operations. We provide tools for deconstruction and recycling. Read more in ESRS E1 and E5.

(13.2) We aim to halve our CO_2e emissions in operations, transport, for relevant suppliers and in the use phase of our products to help tackle climate change. Our solutions support our customers in their efforts to achieve their CO_2e emissions targets and meet climate change. Read more in ESRS E1.

(16.2-16.3, 16.5) We aim to contribute to reducing corruption in all forms and our CoC and Business Partner CoC state zero tolerance, and a prohibition of any form of modern slavery. Internal mandatory CoC training and a Responsible Sales Assessment process are in place. Read more in ESRS S2, S3 and G1.

(17.16-17.17) We collaborate in different industry networks, partnerships and alliances. By mobilizing and sharing our knowledge, expertise, technology and resources, we support the achievement of the Sustainable Development Goals in countries where we operate. Read more in ESRS 2.

ESRS 2 General disclosures

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Basis for preparation

General basis for preparation (BP-1)

The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS, EU 2023/2772) as incorporated into Swedish law. The reporting meets the requirements of Sweden's legislation on sustainability reporting as per Chapter 6, Section 11 of the Annual Accounts Act.

Greenhouse gas emissions (GHG scopes 1-3) are reported based on the Greenhouse Gas Protocol issued by World Resources Institute (WRI) and the World Business Council for Sustainable Development.

Epiroc is a signatory to the UN Global Compact. This report discloses performance in relation to the UN Global Compact's ten principles. The information is also made available on UN Global Compact's website, see **www.unglobalcompact.org/what-is-gc/participants**.

Forward-looking statements

Any forward-looking statements, both textual and numerical, are subject to uncertainties that are difficult to predict and often beyond Epiroc's control.

Consolidation

The sustainability statement has been prepared on a consolidated basis, in line with the Group's consolidated financial statement, see **Note 1.** For own operations, the entities in scope are companies under Epiroc's operational control, which are those that Epiroc AB, as the ultimate parent company, either directly or indirectly owns. The report is prepared for the period 1 January 2025 to 31 December 2025.

The report comprises pages 79-158.

Upstream and downstream value chain

The sustainability statement covers value chain information relating to Epiroc's direct and indirect business relationships in the upstream and downstream value chain. The entire value chain was considered during the impacts, risks and opportunities (IROs) assessment, which is outlined in the section **Material impacts, risks and opportunities**. For more information on Epiroc's value chain see **Strategy and business model**.

Phased-in provisions

Epiroc has selected to apply phased-in provisions in line with ESRS 1 Appendix C ("List of phased-in disclosures requirements") for the following disclosure requirements:

- ESRS 2-SBM-1-40-(c) and ESRS 2-SBM-1-41
- ESRS 2 SBM-3-48-(e)
- ESRS E1-9, ESRS E2-6, ESRS E5-6
- ESRS S1-7
- ESRS S1-11
- ESRS S1-13
- ESRS S1-14 on data points on cases of work-related ill-health and on number of days lost to injuries, accidents, fatalities and work-related ill health and on non-employees
- ESRS S1-15

Disclosures in relation to specific circumstances (BP-2)

Time horizons

In preparing its sustainability statement Epiroc has applied the forward-looking time horizons as defined in ESRS 1. The time horizons considered were short-term (within the financial year), medium-term (1-5 years), and long-term (beyond 5 years).

Sources of estimation and outcome uncertainty (including value chain estimation)

The consolidated environmental data presented in E1 and E5 of this report comprises both directly reported and estimated figures. Approximately 87% of our total workforce is employed in entities that regularly submit data through our consolidation system. Entities not required to report firsthand data are generally small—often consisting of only a few employees—and/or primarily engaged in administrative functions. For these entities, environmental data is estimated. Wherever estimates are used, this is clearly indicated in the relevant sections of the report.

To ensure comprehensive environmental reporting in accordance with ESRS requirements, Epiroc applies a structured estimation methodology for full coverage of entities not included in reporting scope. The estimated proportion of data relates primarily to administrative entities and smaller customer centers, which generally have a lower environmental impact due to the nature of their operations. All entities are grouped by operational type (e.g., product company, customer center, distribution center, etc.). To improve the accuracy of the calculated estimates for entities not included in reporting scope, all entities have been further divided into more detailed subtypes based on the key assumption that similar entities have similar impacts. The average environmental impact per full-time equivalent (FTE) is calculated per operational and subtype for reporting units. The average impact is used to estimate the impact from non-reporting entities, based on their number of FTEs. The estimation process is updated annually based on the latest available data. For the 2024 estimations, calculations were based on data as of December 2024. For the 2025 annual report, new calculations were performed using December 2025 data. Epiroc aims to increase the reporting scope over time. The methodology for estimations is reviewed annually to align with evolving reporting standards and organizational changes.

Calculation of Scope 3 GHG emissions is based on a combination of primary and secondary sources and relies on emission factors from sources such as the official UK Greenhouse Gas conversion factors, and on industry-average data which has inherent measurement uncertainty as these are generalized estimates rather than precise, source-specific values. To ensure comprehensive scope 3 category 1 data presented in E1 of this report, a structured estimations methodology based on spend has been used for full coverage of supplier emissions not included in reporting scope. This is further described in **ESRS E1**.

The disclosure on material inflows in ESRS E5 is reported for the first time and is subject to higher measurement uncertainty. Due to the manual data collection and quality assurance process for steel procurement which requires significant time and resources, the data reported is based on total steel procurement for 2024. In addition, the steel data includes a relatively high level of estimates which further increases the uncertainty. Epiroc aims to improve the quality of data.

More details on accounting policies and assumptions can be found in connection to disclosed metrics in the sustainability statement.

Changes in preparation or presentation of sustainability information

This is the first year of reporting in accordance with the ESRS standards. Comparative information in previous reports was inspired by the ESRS standards but based on Global Reporting Initiative (GRI). To align with the requirements in the ESRS, the scope of reported environmental data has been increased to cover the same scope as financial data by using estimates. To provide comparable information, historical CO_2e emissions data has been adjusted in accordance with the methodology described above and base year data has been restated. This is further described in **ESRS E1**.

No material errors were identified in the previous reporting period.

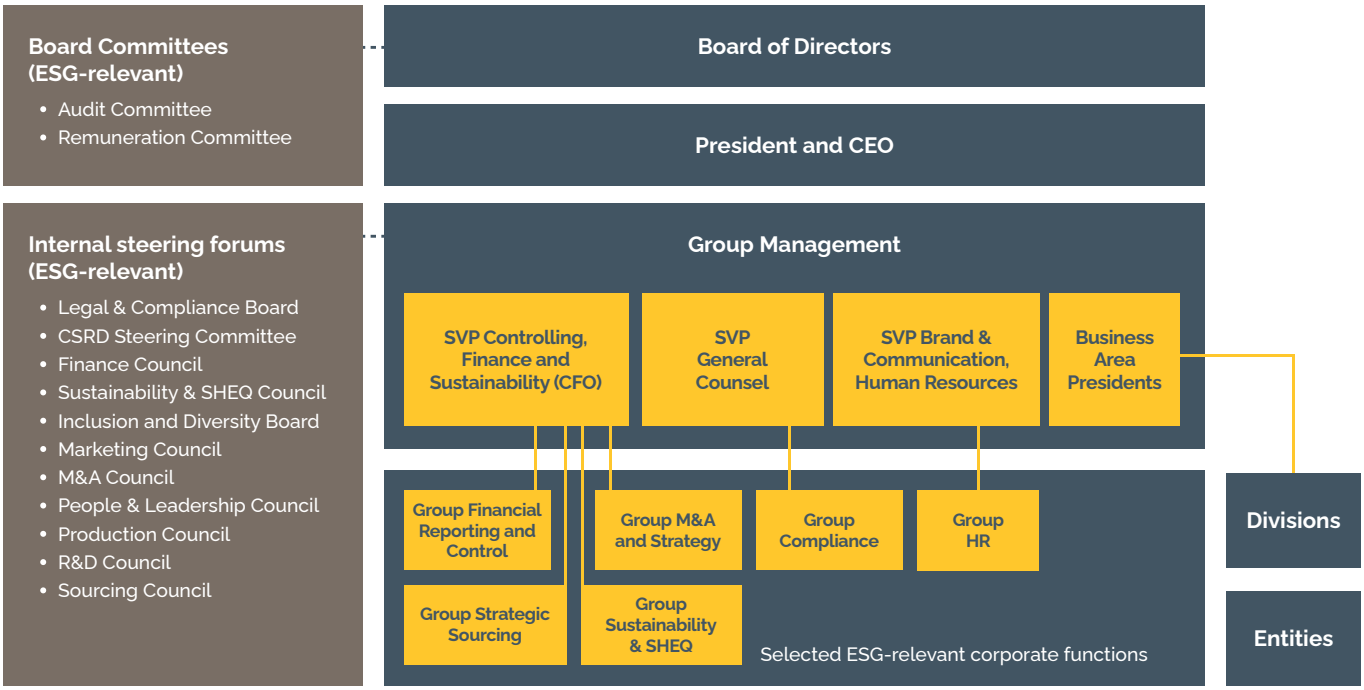
Incorporation by reference

Epiroc incorporates certain information by reference to another section of the administration or corporate governance report to enhance the readability of the sustainability statement. The table below provides a list of the disclosure requirements which are incorporated by reference.

ESRS	Disclosure requirement	Section of the report	Information
2	GOV-1-21	**Corporate governance structure**	Information about the composition and diversity of the members of the administrative, management and supervisory bodies
2	GOV-3-27-29	**Governance for long-term growth** See Renumeration of the President and CEO, Group management and key personnel	Information on sustainability-related performance in incentive schemes
2	IRO-2-56	**List of disclosures**	List of disclosure requirements complied with in preparing the sustainability statement and table of all datapoints that derive from other EU legislation
2	SBM-1-38-40	**Epiroc's organization**, **Epiroc Group**, **Equipment & Service**, **Tools & Attachments**,	Information about general strategy and the key elements of the business model

Sustainability governance

The administrative, management and supervisory bodies (GOV-1, GOV-2)



Board of Directors

Epiroc's Board of Directors is the highest governing body for sustainability. The Board ultimately approves strategic direction, goals and targets. The Board oversees our performance on material sustainability impacts, risk and opportunities (IROs) and approves the double

materiality assessment (DMA) results annually. Four times a year Epiroc reports on progress on sustainability goals and targets to the Board.

The Board safeguards that the organization complies with legal and regulatory requirements and oversees the implementation of governance frameworks, such as our internal management system, the Epiroc Way. The governance framework promotes ethical behavior, compliance, and effective risk management within the organization. Read more about the governance structure in the **Corporate Governance** section, which also includes information on the experience and professional background of the Board.

Selected ESG relevant Board committees

The Audit committee is responsible for the follow-up of the Group's financial risk management, financial and sustainability reporting, and internal control, as well as accounting and auditing. At least four times a year the Audit Committee discusses topics and reviews progress within sustainability together with CFO and responsible functions. During the reporting year, representatives from the Audit Committee have had several meetings with the CSRD project team to track progress, discuss its integration into our strategy and review data collection processes and internal controls.

The remuneration committee proposes principles for remuneration and terms of employment for members of Group Management and key personnel. Sustainability targets are included in the variable compensation plans for all Group Management members, including the President and CEO.

President and CEO and Group Management

Epiroc Group Management consists of the President and CEO and senior executive managers, see **Group Management**. It is responsible for establishing strategies, goals and policies for the Group based on the objectives set by the Board, including sustainability. It further oversees the operations and ensures that business activities comply with established policies and ethical standards.

Four times a year, progress on our sustainability goals and targets is reported to Group Management. In addition, two to four times a year, roadmaps with activities and progress on our 2030 goals, are reported by councils or boards to Group Management. Sustainability issues are presented to Group Management when needed. At these meetings, information to further deepen the collective knowledge about sustainability topics and sustainable development is also shared with Group Management.

Business Areas, divisions and operational entities

The Group is organized in two Business Areas: Equipment & Service and Tools & Attachments. Within the Business Areas, there are divisions that have the operational responsibility for specific products and solutions. Divisions are the highest operational units. The divisions develop, execute and follow up on the strategies and objectives within the division's responsibility, and are responsible for delivering in line with the Group's financial and sustainability targets. Following Epiroc's decentralized structure the divisions are responsible for embedding sustainability-related matters into the division's operations, targets, results and also drive implementation of our Code of Conduct and Group policies. Each division has administrative responsibility for a number of operational entities, such as customer centers, distribution centers and/or product companies. The General Manager of each entity is responsible for driving the change and improvement to meet sustainability targets, establish strategies, processes and trainings at entity level. Progress is reported in Company Review Meetings. Administrative responsibility includes compliance and understanding of Group policies and procedures as per our management system the Epiroc Way, and all legal requirements. Divisions and entities have support from local SHEQ & Sustainability Managers, other relevant functional managers, and business controllers.

Sustainability-related expertise

All Board and Group Management members have knowledge of sustainability related topics. They have diverse backgrounds and expertise in different sustainability related fields such as safety, business conduct and electrification. The Board is provided with information and training on relevant topics, for example in 2025 the Board had a training on CSRD. The Board and Group Management rely on and have access to various Group functions, internal steering forums and subject matter experts with sustainability expertise.

Our organization is based on the principle of decentralized responsibility, meaning most responsibility is delegated and lies with the divisions. Group functions' main tasks are to provide expertise in different sustainability topics, support, collaborate and coordinate with the divisions in creating a uniform approach, provide policies, guidelines, tools and instructions. Councils and internal boards secure a common approach, coordinate common programs and projects, set strategies and consolidate progress for 2030 goals.

Selected ESG relevant Group functions

Group Strategy supports and coordinates the strategic development of the Group and the divisions.

Group Sustainability and SHEQ coordinates and drives sustainability for the Group and supports the Group with requirements and guidelines to improve performance in safety, health, environment and quality. Responsible together with Financial Reporting and Control for sustainability reporting.

Group Human Resources develops guidelines, working practices and tools to drive the agenda and enhance capabilities for human resources across the Group.

Group Strategic Sourcing develops tools, processes and training to support strategic sourcing across the Group.

Group Compliance is responsible for Epiroc's Code of Conduct and Epiroc's Compliance Programs including trade compliance.

Group Financial Reporting and Control is responsible for the reporting process, consolidation of sustainability data and ensuring compliance with regulatory and internal requirements. Responsible together with Group Sustainability and SHEQ for sustainability reporting.

Group Internal Control is responsible for the Internal Control Framework in Epiroc and is responsible for the design of the Internal Control over Sustainability Reporting and key control testing.

Internal Audit and Assurance is an independent and objective assurance function that provides an opinion on whether processes for managing and controlling are adequately designed and functioning effectively in Epiroc. Specific audit programs cover sustainability, safety, health, environment and quality.

Group Risk and Insurance is responsible for Epiroc's enterprise risk management. Read more in chapter **Risk management**.

Selected ESG relevant internal steering forums

Legal and Compliance Board provides strategic direction, oversight, and support to ensure that legal and compliance management align with business objectives, regulatory requirements, and ethical standards.

Inclusion and Diversity Board is responsible for tracking progress, initiating activities, safeguarding progress as well as acting as ambassadors and leaders for achieving our goals and ambitions in this area.

Sustainability & SHEQ Council supports integration of the overall sustainability agenda as well as safety, health, environment and quality priorities. It drives strategic sustainability and SHEQ programs and activities across divisions.

People & Leadership Council leads the overall People & Leadership agenda and Human Resources function. This includes common initiatives, monitoring performance, sharing best practices, and safeguarding associated capabilities

Sourcing Council oversees defined strategic sourcing initiatives. Sustainability and compliance is a prioritized area which is reported to the council three to four times a year.

Marketing Council is responsible for communicating changes and for following up the implementation of the Responsible Sales Assessment Policy.

Sustainability-related incentive schemes (GOV-3)

Sustainability targets are part of the variable compensation plans for all members of Group Management. Final outcome for each member is conditional on the tangible progress made towards fulfilling Epiroc's 2030 sustainability targets, for example, on climate and safety, see **Governance for long-term growth**.

Relevant sustainability targets, such as safety, CO_2e reductions, or a mix of targets, are also set for other managers and employees based on their roles and responsibilities.

Statement on due diligence (GOV-4)

Due diligence approach

We recognize that respecting human rights and protecting the environment are fundamental responsibilities of a sustainable business. We are committed to conducting due diligence in line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. There are several internal policies and procedures to ensure that we and our business partners adhere to our ethical standards, such as the sustainable sourcing due diligence framework, the due diligence process for mergers and acquisitions, and the Responsible Sales Assessment. Protection of the environment and worker health and safety are also integrated into our ISO 14001 and ISO 45001 certified management system. These processes provide input to the double materiality assessment by identifying key areas of environmental and social impacts.

Identified impacts are managed through appropriate measures depending on whether Epiroc is causing, contributing or linked to an issue, as prescribed in the UN Guiding Principles on Business and Human Rights.

Core elements of due diligence

The table below shows how and where the main aspects and steps of the due diligence process are reflected in the sustainability statement.

Core elements of due diligence	Section	Pages	Connected disclosure requirement
Embedding due diligence in governance, strategy and business model	The administrative, management and supervisory bodies	83-85	GOV-2
	Sustainability-related incentive schemes	85	GOV-3
	Material impacts, risks and opportunities and their interaction with strategy and business model	88	SBM-3
Engaging with affected stakeholders in all key steps of the due diligence	Interests and views of stakeholders	88-89	SBM-2
	Processes to identify and assess material impacts, risks and opportunities	90-91	IRO-1
	Processes for engaging with own workforce	123	S1-2
	Processes for engaging with workers in the value chain	135	S2-2
	Processes for engaging with affected communities	141	S3-2
	Processes for engaging with customers about impacts	145	S4-2
Identifying and assessing adverse impacts	Processes to identify and assess material impacts, risks and opportunities	90-91	IRO-1
	Material impacts, risks and opportunities and their interaction with strategy and business model.	88, 93-96, 109, 112-113, 121-122, 133-134, 140-141, 144, 148-149	SBM-3
Taking actions to address those adverse impacts	Transition plan for climate change mitigation	96-99	E1-1
	Processes for remediation and channels to raise concerns	124, 136, 142, 145-146	S1-3, S2-3, S3-3, S4-3
	Actions and resources	100-102, 110, 114-115	E1-3, E2-2, E5-2
		124-130, 136-138, 142, 146-147	S1-4, S2-4, S3-4, S4-4
Tracking the effectiveness of these efforts and communicating	Metrics and targets	102-106, 108	E1-4, E1-5, E1-6, E1-7, E1-8
		111	E2-3
		116-117	E5-3, E5-4, E5-5
		126-132	S1-5, S1-6, S1-8, S1-9, S1-10, S1-14, S1-16, S1-17
		138-139, 143, 147	S2-5, S3-5, S4-5

Risk management and internal controls over sustainability reporting (GOV-5)

Epiroc strives for quality and accuracy in its disclosures and reporting. Risks for inaccurate sustainability reporting are identified by a systematic evaluation of potential risks based on their likelihood and impact, using the same methodology as for financial reporting. This allows us to focus on the most significant risks to the sustainability reporting process. Inaccuracy could arise from factors such as manual errors, data inconsistencies, and challenges in aggregating data from multiple systems into Epiroc's consolidation system, or consolidating information across the value chain. A lot of new data flows have been established to capture and consolidate data during the last couple of years. Data quality is therefore a focus area that will see gradual improvement in coming years.

We have identified internal control objectives for all business processes, including sustainability, and we continuously evaluate and implement controls, with priority given to the most significant risks. In 2025 we introduced key control testing for selected material ESRS data points.

Most data are consolidated within Epiroc's dedicated sustainability reporting system with procedures in place to ensure accurate, complete, timely disclosures, transparency and traceability. Data for different areas is collected with different frequencies, depending

on the specific monitoring requirements of each metric. For data reported outside this system, such as weight of material inflow and adequate wages, Group Financial Reporting and Control reviews the reported information. We have established accounting policies and internal guidelines to ensure consistent reporting, including standardization of terms, formulas, and key variables like emissions factors, in compliance with the GHG Protocol. To avoid mistakes in data reporting, we implement a series of quality checks at the entity, division, and Group levels. Any deviations and errors are thoroughly analyzed, documented, explained, and communicated to the respective divisions. We have a follow-up process and a protocol in place to ensure that detected errors are addressed and communicated effectively.

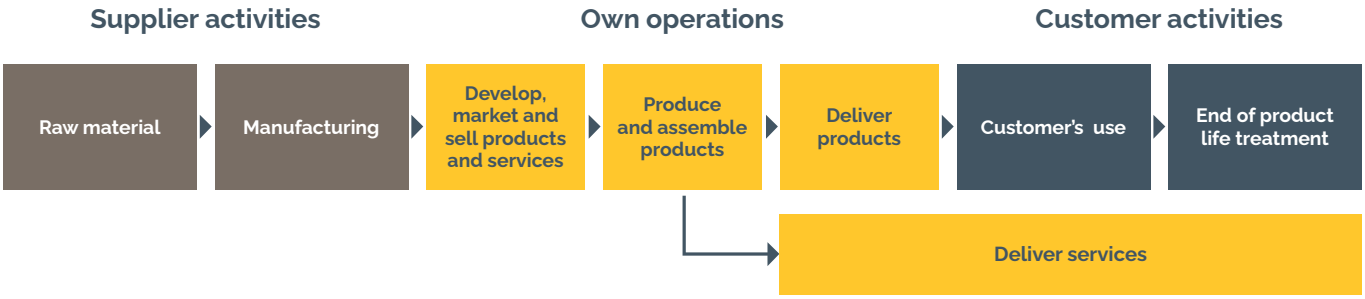
The Board oversees internal control through the Audit Committee. Epiroc has dedicated Internal Control and Internal Audit & Assurance functions, with the latter reporting directly to the Board through the Audit Committee. Sustainability reporting risks are discussed with the Audit Committee and external auditors, who provide feedback on their assessment to both the Audit Committee and Group Management. External auditors provide limited assurance, as defined in the assurance statement.

Strategy and stakeholders

Strategy, business model and value chain (SBM-1)

Epiroc is a global productivity partner for mining and construction customers and accelerates the transformation toward a sustainable society. Epiroc develops and provides innovative and safe equipment, such as drill rigs, rock excavation and construction equipment and tools for surface and underground applications. The company also offers service and other aftermarket support as well as solutions for automation, digitalization and electrification. By being in attractive niches and prioritizing innovation, aftermarket and operational excellence, we strive to add value to our stakeholders. Our success is reinforced by our strong company culture and our integrated approach to sustainability. See more in **Administration Report**.

Epiroc's value chain connects innovation, responsible sourcing, efficient manufacturing, and expert service to deliver lasting value for our customers and stakeholders. By focusing on productivity and integrating sustainability throughout each step, we ensure reliable solutions that support productivity and long-term growth.



Global network of business partners and sub-suppliers prevents supplier dependency.

Business partners are selected and evaluated based on quality, delivery, price, reliability, environmental performance and social standards.

Roughly 75% of the product cost is purchased material.

The largest categories of direct raw material or components purchased are steel, machined parts, welding and hydraulic parts.

Collaboration on innovation to support sustainability goals.

An organization based on decentralized responsibility facilitates quick decision-making.

An asset-light manufacturing philosophy with low capital requirements enables fast and efficient adaptation to changes in demand.

Manufacturing of equipment is primarily based on customer orders.

11% of our employees are active within R&D.

A vast majority of our innovation efforts lie within digitalization, automation, and electrification. We have circularity in the center of our innovation strategy.

We acquire companies to build and strengthen our market position further.

Provide customers in the mining and construction industries with innovative solutions that enhance productivity, safety, and environmental performance.

Enable successful implementation of new technologies, such as automation and electrification.

Offer high availability of spare parts, as the Epiroc equipment often is performance critical.

Wide offering of circular services such as midlife services and remanufacturing.

Be a reliable partner for our customers.

71% of our employees work with our aftermarket business, often at customer sites.

Key inputs - Labor - Material -Technological development - Energy

- Financing - Infrastructure - Land - Water

Key outputs - Accelerating the transformation with mining and construction.

- 165% total shareholder return (A share) since listing.

Epiroc has integrated sustainability into its strategy, vision and mission. Our mission to accelerate the productivity and sustainability transformation in our industry directly aligns with the environmental risks and opportunities associated with the transition to a low-carbon economy where electrification and circularity play a key role, as well as our long lasting focus on safety for our customers and employees. We are also committed to increase inclusion and diversity and to uphold high ethical standards throughout our entire value-chain. Our 2030 goals address our most important impacts, risks and opportunities in relation to climate change, health and safety, and ethics. Major Epiroc companies are ISO 9001, 14001 and 45001 certified.

Acquisitions that support long-term profitable growth are a natural part of Epiroc's strategy. Many recent acquisitions have strengthened our capabilities related to the sustainability transformation, for example on product safety. However, at the same time newly acquired entities may not initially align with all of our sustainability standards and in the short term affect progress against our goals. The integration of acquired entities is therefore key to manage material impacts.

Material impacts, risks and opportunities and their interaction with strategy and business model (SBM-3)

The material impacts, risks and opportunities (IROs) identified through the double materiality assessment adhere from or are related to Epiroc's business model and strategy. The IROs provide input to Epiroc's strategy development and enterprise risk management processes and influence Epiroc's business model by shaping innovation, operational processes, and the adoption of new technologies. Further, the IROs inform our ongoing efforts to enhance sustainability, guide target-setting, and prioritize actions. A more detailed explanation of material impacts, risks and opportunities and their relation to strategy and business model can be found under each topical standard.

Epiroc has not identified any current financial effects on its financial position, performance or cash flow. None of the identified material risks or opportunities are likely to lead to a material adjustment of its carrying amounts of assets and liabilities within the next annual reporting period.

Interests and views of stakeholders (SBM-2)

We define our most important stakeholders as those groups that we aim to create value for, or that Epiroc is dependent on for the long-term value creation of the company. To understand the perspectives, concerns, and expectations of our stakeholders, Epiroc continuously conducts stakeholder dialogues as part of normal business operations. It also contributes to the understanding of direct and indirect impacts from our operations and along the value chain. Stakeholder's views are taken into consideration in operations and impacts strategy and business model, as presented in the table below. We regularly communicate stakeholders' perspectives and concerns to the Board of Directors and Group Management. Specific updates also occur through quarterly updates on our 2030 sustainability goals and annually in relation to our employee survey. Stakeholders' views and perspectives informed the double materiality assessment.

Examples of networks

- Association of Swedish Engineering Industries
- Association of Equipment Manufacturers Substance Compliance Council
- Committee for European Construction Equipment CECE, HLTPG Advisory Board
- EIT Innoenergy
- EIT RawMaterials
- ENACT Swedish Network for Business & Human Rights
- EU Battery Alliance
- European Technology Platform on Sustainable Mineral Resources
- Euromines
- Global Mining Guidelines Group
- ICC International Commission on Corporate Responsibility & Anti-Corruption
- International Council of Swedish Industry
- Responsible Mining Initiative
- Swedish Association for Construction Equipment
- Swedish Association for Mines, Minerals and Metal Producers
- Swedish Electromobility Centre
- Swedish Metals & Minerals
- Swedish Mining Innovation
- The Swedish Steel Producers' Association
- Transparency International
- UN Global Compact Network Sweden

Stakeholders and type of engagement	Examples of engagement impact on Epiroc
Customers *Current and potential* Meetings, interaction via customer centers, joint projects, exhibitions, customer surveys	• Elaborated business strategy and model, including product/service improvements and offering, such as Live Work Elimination Program, products with reduced carbon emissions, recyclable products and circular services • Supporting local community project
Shareholders/investors *Current and potential* Investors and analysts' meetings, calls and seminars, quarterly reports and presentations, Capital Market Days, media interviews, Annual General Meetings, Annual and Sustainability Report, website and surveys	• Provide sustainability and/or green financing options • Increased transparency, quantity, and quality of sustainability data • Sustainability targets in management remuneration • Adopted science-based targets
Employees *Current and potential* Workplace meetings, management meetings, team meetings, manager forums, internal councils, employee surveys and workshops, performance reviews, trade unions and other cooperation councils (for example, European Works Council), CEO Situation Updates, training and development programs, employee engagements, regular company-wide events, annual Safety Day, Intranet, and whistleblower channel	• Policies and goals on health and safety, diversity and inclusion as well as corporate conduct, culture of business integrity • Implementation of health and safety programs, aiming for zero-accident workplaces, leadership and development programs and targeted trainings • Input to strategy updates, business opportunities and challenges • Resource-efficient production, energy efficiency program and investment in solar panels
Business partners *Suppliers, sub-suppliers, joint ventures partners, indirect sales channels* Business partners evaluations and audits, procurements, meetings, joint projects, and development projects	• Business partner Code of Conduct and associated goals • Informed selection of suppliers based on sustainability assessment, supplier improvement plans, requirement of CO_2e emissions reductions from relevant suppliers • Test pilots and fossil-free steel agreements with selected suppliers • Implementation of transport management system and regional distribution centers
Society *Governments, local communities, non-governmental organizations, industry partners, academia, society* Meetings, stakeholder dialogues, participation in industry groups, research projects, collaboration with academia and governments, and interaction with industry peers	• Alignment on sustainability policies, practices and standards, and ensuring that Epiroc acts in compliance with market regulations • Design of sustainability value chain initiatives and due diligence processes for workers in the value chain and affected communities • Jobs and traineeships, joint research and development projects, education and training cooperation and partnerships • Support of local projects for community development and Water for All projects • Public Private Partnership Programme in DR Congo

Material impacts, risks and opportunities

Double Materiality Assessment - Process to identify and assess material impacts, risks and opportunities (IRO-1)

Epiroc has conducted a Double Materiality Assessment (DMA) according to the criteria in ESRS 1. The DMA combines Epiroc's impact on people or the environment and financial risks and opportunities that sustainability matters can have on Epiroc. The process contains six steps and has not changed compared to prior reporting period.

1. Definition of the scope of ESG matters

During the first step Epiroc's value chain was mapped, and research was conducted on relevant sustainability topics for the company, its value chain, and industry. Our main input parameters included previous materiality assessments, Epiroc's enterprise risk assessment process, internal due diligence processes and strategic plans, environmental assessments, internally reported social and environmental data as well as insight from analyzing industry peers and future trends, ESG ratings, risk data from external risk tools and sustainability assessments from investors. We rely on industrywide value chain assessments, industry knowledge, and internal knowledge based on our engagement in various forums. The assessment covered Epiroc's own operations as well as our upstream and downstream value chain. Geographically, the scope was global, with a focus on regions where we have a large presence in terms of employees, suppliers and customers, while also considering areas with heightened risks of human rights violations or weaker environmental standards. After excluding irrelevant topics a comprehensive list of relevant sustainability matters was established.

2. Initial identification of IROs

As a second step, workshops were held with internal experts from all relevant functions to identify actual and potential IROs based on our value chain's activities and dependencies. Dependencies include, for example, reliance on natural resources, workforce, technological development and relationships with stakeholders. The interests and perspectives of our stakeholders were incorporated into the process by the internal experts based on their insights from stakeholder engagements. Each workshop group first discussed negative and positive impacts of each sustainability matter. In a second step, they identified risks and opportunities based on the identified impacts.

3. Ranking of material topics

Third, the identified IROs were ranked by internal sustainability experts, representatives from divisional management and Group Management. Positive impacts were assessed based on scale and scope, while negative impacts were assessed based on severity (consisting of scope, irremediable character, and scale). Scope considered how widespread the impact is, ranging from local or sporadic to global or systemic. Scale considered how grave or beneficial the impact is. Scale of negative impacts on people range from incident/accident to loss of life or sporadic minor breaches to systemic breaches. For potential impacts, likelihood was also assessed using the same methodology as for risks and opportunities. For human rights impacts, severity took priority over likelihood. The assessment of impacts draws on both internal data and external sources like academic research and industry analyses.

Negative impacts				Positive impacts		
Severity			Likelihood			Likelihood
Scope How widespread the negative impacts are, e.g. extent of environmental impact or number of people affected.	**Irremediable character** Whether and to what extent the negative impacts could be remediated.	**Scale** How grave the negative impact is for people or the environment.		**Scope** How widespread positive impacts are, e.g. extent of environmental impact or number of people affected.	**Scale** How beneficial the positive impact is for people or the environment.	

Risks and opportunities were assessed based on their magnitude and likelihood of occurrence. Magnitude considers factors such as hindrance to, or acceleration of, growth and profitability. The assessment is aligned with the Group's risk management framework, ensuring that sustainability considerations are integrated into overall risk prioritization. The enterprise risk assessment evaluates various dimensions, including financial, operational, reputational and compliance risks, allowing sustainability risks to be compared and weighted against other risks. The evaluation of magnitude ranges from low to critical and is guided by different thresholds for financial loss, loss of reputation and compliance breaches. Likelihood is evaluated on a scale from unlikely to almost certain considering both timeframe and frequency.

Financial risks and opportunities	
Potential magnitude For risks and opportunities, materiality is based on the magnitude of the financial impact.	**Likelihood** For risks and opportunities, materiality is based on the likelihood of the risk or opportunity materializing.

A numerical scale between 1-8 was used to quantify materiality, however, when determining materiality, qualitative and varying degrees of subjective judgement was used. Impacts, risks and opportunities with a score of 4.5 and above were considered material for reporting purposes and subject to disclosure.

The time horizons considered were short-term (within the financial year), medium-term (1-5 years), and long-term (beyond 5 years).

4. Validation with key internal stakeholders

The outcome was discussed and analyzed together with internal subject matter experts and members of management to refine and validate the result.

5. Review and approval of first DMA

The final outcome of the first DMA in 2024 was approved by Group Management and Audit Committee.

6. Yearly review

The result of the materiality assessment is reviewed annually to establish if the assessment is still valid or if there have been any substantial changes that would call for a reassessment, in whole or in part. If the review concludes that a reassessment should be done, it follows the methodology in the steps above. In 2025, the yearly review examined changes in business operations, such as mergers & acquisitions, entering or exiting markets, new sectors or changes in substantial business relationships, as well as geopolitical changes or changes in policy, law, conventions, scientific evidence or new data/information that could impact the materiality assessment.

The validation and reassessment was endorsed by Group Management and Audit Committee, and approved by the Board.

Result of the double materiality assessment (IRO-2)

The double materiality assessment resulted in the IROs outlined in each section. Following the completion of the DMA, the IROs was mapped to the disclosure requirements and data points within the ESRS adhering to the topical standards and material sub-topics below. The disclosed information is assessed as material based on its relevance for managing material IROs and its importance to stakeholders understanding of the matter. If a specific requirement was not found to align with a material IRO, the related data point or disclosure requirement has not been disclosed.

ESRS topical standards		Material sub-topics	Disclosure requirements
ESRS E1	Climate change	• Climate change mitigation • Energy	E1-1, E1-2, E1-3, E1-4, E1-5, E1-6, E1-7, E1-8
ESRS E2	Pollution	• Substances of concern (SOC) • Substances of very high concern (SVHC)	E2-1, E2-2, E2-3, E2-5
ESRS E5	Resource use and circular economy	• Resource inflows • Resource outflows • Waste	E5-1, E5-2, E5-3, E5-4, E5-5
ESRS S1	Own workforce	• Working conditions • Equal treatment and opportunities for all	S1-1, S1-2, S1-3, S1-4, S1-5, S1-6, S1-8, S1-9, S1-10, S1-14, S1-16, S1-17
ESRS S2	Workers in the value chain	• Working conditions • Other work-related rights	S2-1, S2-2, S2-3, S2-4, S2-5
ESRS S3	Affected communities	• Communities' economic, social and cultural rights	S3-1, S3-2, S3-3, S3-4, S3-5
ESRS S4	Consumers and end-users	• Personal safety of consumers and/or end-users (Product safety)	S4-1, S4-2, S4-3, S4-4, S4-5
ESRS G1	Business conduct	• Corporate culture • Protection of whistleblowers • Corruption and bribery	G1-1, G1-2, G1-3, G1-4, G1-5

Changes in material matters compared with previous reporting periods

The validation of the materiality assessment for 2025 led to a reassessment of the following sustainability matters. IROs for water was deemed under the materiality threshold, see below. Energy consumption and waste in own operations were added as material impacts. It was also clarified that use of Substances of Concern and of Substances of Very High Concerns are material in the value chain but not in own operations.

Selected matters not considered material

Epiroc's materiality assessment is regularly revisited. Below, we provide explanations for three sustainability matters that have been assessed as non-material this year.

Biodiversity

The most significant biodiversity impact linked to Epiroc's value chain stems from the activities of our customers and to some extent suppliers further up the supply chain, particularly related to mine openings. Although selling mining equipment does indirectly contribute to biodiversity impacts, the major effects come from mining operations. Since our products and operations have minimal influence on decisions regarding mine openings or closures, our direct impact on biodiversity is assessed as low. Consequently, we assess our impact on biodiversity as medium and not material. We recognize the importance of continuing to monitor and expand our understanding of this topic moving forward. We continue to work with solutions that lead to less impact on biodiversity for our customers, such as our automation solutions that help with more precise drilling.

Climate change adaptation

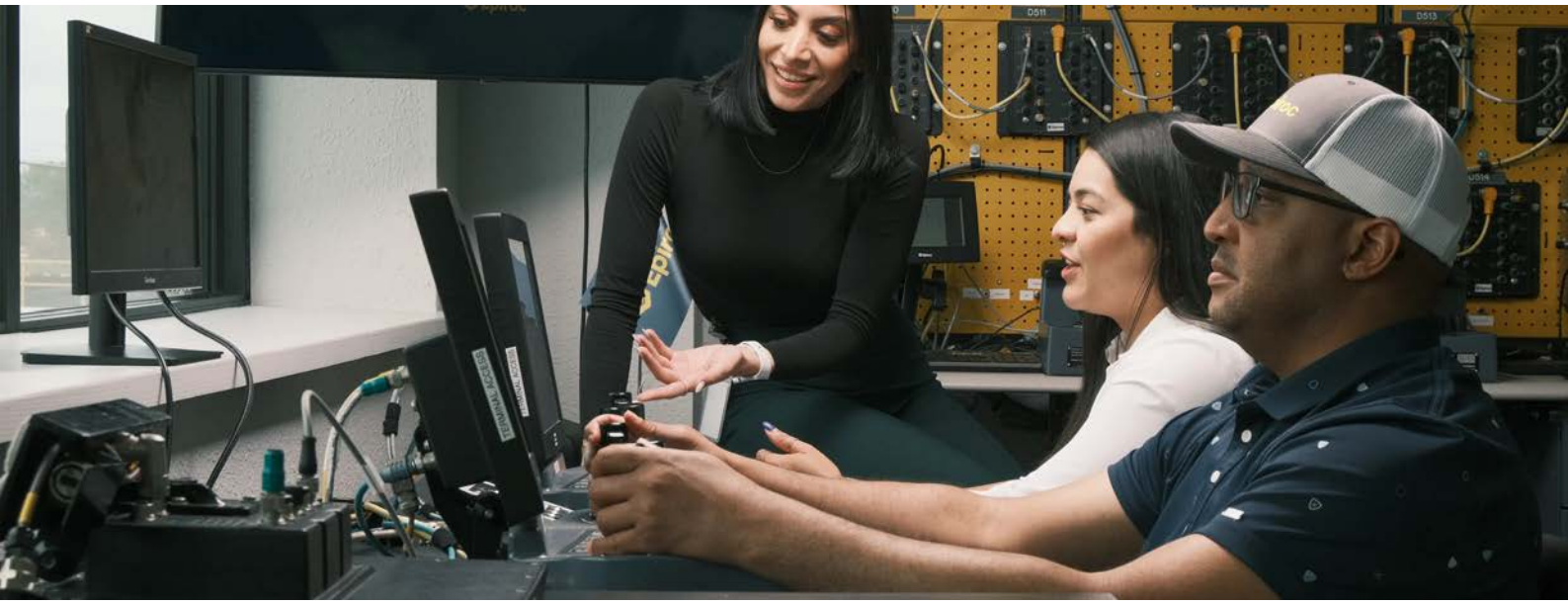
Epiroc views impacts on climate change adaptation as supporting or preventing adaptation efforts—areas deemed less relevant for our operations.

From a financial perspective, climate adaptation is primarily seen as being impacted by physical risks, while transition risks is reported under the broader 'climate change' sub-topic. To identify climate adaptation-related IROs, we used insight from our qualitative scenario assessment in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which identified some long-term physical risks. In the DMA, those risks were evaluated considering Epiroc's diversified supply chain and the location of major production sites in low-risk areas. Altogether the financial impact was not considered significant enough to be material.

Water

Epiroc's use of water in own operation is low and primarily used for sanitation. Water dependency for production purposes is in general low and risk of financial effects due to water scarcity is low even if they exist in certain locations. Selected water withdrawals in water-stressed areas are monitored throughout the Group. For more information on water use in own operations see **www.epirocgroup.com/en/sustainability.**

The most significant water impacts linked to Epiroc's value chain stem from the activities of our customers and to some extent suppliers further up the supply chain. Mining operations have significant impacts on several water issues like high water consumption, risk of pollution of water and could affect access to water for surrounding communities. Since our products and operations have minimal influence on decisions regarding mining operations, our direct impact on water is assessed as low. However, if water issues are not managed properly, it could hinder mining operations and influence customers license to operate. Epiroc is therefore exposed to the general industry risks associated with water in mining. At this point, risks are not assessed as material, but they could increase in the long-term. We continue to work with solutions that lead to lower water use for our customers.



E1 Climate change

Disclosure requirement	Section	Page
SBM-3, IRO-1	Climate change impacts, risks and opportunities	93
E1-1	Transition plan for climate change mitigation	96
E1-2	Policies for climate change mitigation	99
E1-3	Actions and resources	100
E1-4	Targets relating to climate change	102
E1-5	Energy consumption and mix	105
E1-6	GHG emissions	105
E1-7	GHG removals and carbon credits	108
E1-8	Internal carbon price	108

Climate change impacts, risks and opportunities (SBM-1, IRO-1)

The assessment of material climate-related impacts was based on our value chain carbon footprint analysis from 2021 and latest emissions data. Our climate change resilience analysis conducted in 2021 included a qualitative scenario assessment for physical and transition climate-related risks and opportunities across the value chain. Climate-related risks, such as physical risks for own operations or in relation to suppliers, or transition risks connected to products, are assessed at the divisional level and are, if deemed relevant, included in the annual Enterprise Risk Management process. An aggregated analysis of the identified risks is presented to Group Management annually.

The results of the identified climate risks and opportunities from these analyses were incorporated into our Double Materiality Assessment.

Climate change resilience analysis

During 2021, a qualitative scenario assessment was performed for physical and transitional climate-related risks and opportunities in short- (5-10 years), medium- (10-30 years) and long-term (30-50 years) time horizons. A physical and transition risk mapping and

scenario analysis was conducted in line with the Taskforce for Climate-related Financial Disclosures recommendations, to explore the potential future states and their impacts. Physical climate risks arise from physical events, and transition risks result from changes arising from society adapting to a low-carbon economy. The results of this qualitative scenario assessment are considered relevant and reflect a range of risks and uncertainties that could reasonably affect our operations over the assessed time horizons, as they are based on scientific understanding and relevant industry data.

The physical risk mapping of Epiroc's production facilities, distribution centers, and significant suppliers was conducted using an external climate risk tool that categorizes risks associated with specific geographical locations. The following physical risk factors were used:

- Acute physical risks: coastal flood hazard, drought hazard, extra-tropical cyclone hazard, flood hazard, landslide hazard, severe storm hazard, tropical storm and cyclone hazard, and wildfire hazard.
- Chronic physical risks: climate change exposure, cooling degree days, heating degree days, heat stress, sea level rise, climate model uncertainty, and water stress.

These risks were linked to our operations and our significant suppliers' operations, to identify potential impacts. The data and risk mapping was also used to analyze how physical climate risks might affect the end market and aftermarket services. Based on the physical risk mapping, identified risks were prioritized, partly by using climate scenarios. A physical risk scenario from the International Panel for Climate Change (IPCC) was combined with input from several transition scenarios, to predict the development of transition risks in short-, medium- and long-term time horizons. Transition risks in the risk tool included:

- CO_2e emissions from energy use
- CO_2e emissions from land use change and forestry
- Carbon policy
- GHG targets
- Low-carbon economy
- Total GHG emissions

The resilience analysis includes uncertainties related to climate projections, regulatory developments, and market dynamics. Epiroc monitors these factors continuously and adapts its strategy and business model as needed, integrating climate considerations into investment decisions, innovation, and supply chain management.

In 2025, a revalidation assessment of the qualitative climate scenario risk and resilience analysis was conducted. The assessment examined any significant changes in business operations, such as mergers and acquisitions, entering or exiting markets, as well as geopolitical changes or changes in policy, law, or new data/information that could impact the analysis. The assessment concluded that no substantial new factors have materially impacted Epiroc's climate scenario risk and resilience analysis. Our climate scenario risk and resilience analysis disclosures will be further developed in the coming years.

Physical risks

Physical risks affecting suppliers or Epiroc's own operations, were identified as risks in a Business-As-Usual scenario by the IPCC (RCP 8.5 scenario), which would deliver a temperature increase of 4–5 degrees. The scenario includes severe physical impacts and increased frequency if the measures to prevent further climate change remain ineffective. One potential risk is difficulties reaching customer sites for our service personnel due to an extreme weather event. However, our service personnel are located at or close to customer sites, and the risk is viewed as limited. Another risk is supply interruptions, which could arise from shortages of raw materials and weather conditions affecting products or shipments, transportation disruptions or other factors beyond Epiroc's control. However, the impact for Epiroc is considered low due to possible mitigation measures, such as reducing single-supplier dependency, and strategic location of production facilities, distribution centers and suppliers.

Transition risks

For transitional risks the IPCC (RCP 2.6 scenario): Global warming of 1.5 degrees, Greenpeace Advanced Energy Revolutions and the IEA World Energy Outlook scenarios to 2040, among others, were used. One identified risk is reputational risk arising from Epiroc's ties to the mining industry, which is often seen as a high-risk industry in terms of climate and the environment. At the same time, it is important to remember that the mining industry and access to minerals such as copper will play a key role in the green transition. A stress test based on a 1.5-degree transition scenario, where several regulatory requirements are implemented to reduce emissions and to reach net-zero objectives, showed that coal mining could face higher carbon taxes or operating restrictions. Read about Epiroc's exposure to coal, which is non-significant, under the section Oil, Coal and Gas exposure in **Transition plan**.

Another risk connected to technology and product development is failure to develop new products or respond to technological development and customer demand for sustainable products. This could lead to substitution of existing Epiroc products and services with less emitting options from competitors. However, this risk is limited by Epiroc's strategic focus on innovation, digitalization, automation and electrification, as well as embracing new business opportunities.

Climate-related opportunities

The transition to a low-carbon economy presents significant climate-related business opportunities for Epiroc, as the mining and infrastructure industries are needed for this transition. Growing demand for sustainable infrastructure and electrification is driving increased demand for minerals such as copper, zinc and nickel, which account for a large part of Epiroc's revenues.

Epiroc continues to invest in R&D, acquisitions and partnerships to safeguard our position and to support customers' efforts to lower their emissions. Expected increased demand from customers for solutions with lower environmental impact, e.g., for battery-electric equipment and automation, aligns with Epiroc's leading position in electrification and automation, positioning us for growth in this area.

In preparation of the Group's financial statements, climate-related considerations have been applied. See **Note 2 Critical accounting estimates and judgments**.

Material impacts, risks and opportunities

CO_2e emissions in own operations		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
CO_2e emissions and energy consumption in own operations (Scope 1 and 2)	Actual negative impact		o		o	o	o

CO_2e emissions from our operations, mainly from our production facilities and company vehicles, contribute to the global warming. Although these emissions represent less than 1% of our total value chain carbon footprint, reducing them is important as only we can address them directly. This is why we have implemented initiatives such as our energy efficiency program and company vehicles program. Prioritizing access to renewable energy is an important consideration when selecting operational locations. A challenge is the unavailability of renewable electricity in certain geographies. We address this through initiatives such as increased energy efficiency in our processes and solar panel installations. This is also a way for us to contribute to the increasing need for renewable electricity.

CO_2e emissions from purchased goods and services and transportation		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
CO_2e emissions from purchased goods and services (Scope 3)	Actual negative impact	o			o	o	o
CO_2e emissions from upstream and downstream transportation (Scope 3)	Actual negative impact	o		o	o	o	o

CO_2e emissions from purchased goods and services represent a large portion of our total value chain carbon footprint. We have identified the relatively few suppliers that account for most of the emissions. The top emitting categories are raw material, weldments, hydraulics and powertrains. We gather input from our suppliers about their plans to achieve CO_2e emissions reductions and Paris Agreement goals. Preference is given to those engaged in the SBTi. Partnerships and collaborations with suppliers are also important to us.

Another part of our total value chain carbon footprint comes from the transportation of materials and components to our facilities, and the delivery of finished products and spare parts to customers. These transports include third-party transportation of goods by air, sea, train and road. Examples of how we have reduced these CO_2e emissions include establishment of regional distribution centers and an ongoing shift from air to sea freight. We also expect freight companies to transition to lower-emission options and rely on their continued progress.

CO_2e emissions in customer operations		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
CO_2e emissions from the use phase of sold products (Scope 3)	Actual negative impact			o	o	o	o
Failure to innovate emissions-free and energy-efficient solutions can risk market share loss	Transition risk		o	o		o	o
Customers' climate ambitions can drive demand for products that are electric and energy-efficient, and have lower embodied emissions	Opportunity		o	o	o	o	o
Customer caution in investing in electrification can reduce demand for battery/electric products	Transition risk			o	o	o	o

The majority of our CO_2e emissions occur in the use phase of our sold products. This includes total expected lifetime emissions of sold products at our customers' operation sites from all relevant products sold in the reporting year. We are contributing to these CO_2e

emissions by selling the products to the customers, but we are also enabling reduction of these emissions through our product offering and by engaging with customers.

Our customers' goals for CO_2e emission reduction and healthier workplaces are expected to drive demand for our emissions-free (see definition in **CO_2e emissions from use of sold products (scope 3)**) as well as our energy-efficient products and connected solutions, especially in regions with stringent regulations. However, failing to meet customer demand and expectations for these products could lead to loss of market share and result in lower revenue and profitability. Epiroc continues to invest significantly in R&D, acquisitions, and partnerships to support customers' climate goals. This can differentiate us in the market, strengthen customer relationships through alignment with their decarbonization goals, diversify revenue streams and increase revenue growth. At the same time, there is a risk that some customers' ambitions may not be put into action or not at the pace expected, which could result in our products not being prioritized. Delays and uncertainties in regulations from governmental bodies, investments needed in electric infrastructure, and limited access to renewable electricity could hinder customers' willingness to invest. Financial implications include potential revenue loss and increased customer support costs.

In the long-term, customers will likely expand their focus to Scope 3 emissions on their path to reaching net-zero. This will increase the demand for capital equipment with lower embodied emissions, for example equipment produced with less carbon-intensive steel. Product offerings with lower embodied emissions, can position Epiroc as a preferred supplier, driving market growth and new business opportunities. Our 2030 climate goal to halve CO_2e emissions from relevant suppliers and planned actions to meet this goal are contributing to lower embodied emissions in our products.

Transition to a low carbon economy, energy prices and failure to achieve climate goals		**Location in value chain**			**Time horizon**		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Transition to a low-carbon economy can increase demand for key minerals	Opportunity			o	o	o	o
Increased energy prices as a result of geopolitical events can affect Epiroc's profitability	Risk	o	o	o	o	o	o
Failure to achieve 2030 goals can harm Epiroc's reputation	Transition risk	o	o	o		o	o

The transition to a low-carbon economy requires sustainable infrastructure and electrification, which in turn drives the demand for minerals like copper, zinc, and nickel, which are essential for electrification technologies. Our customers in the mining industry play a vital role in supplying these metals and minerals, and our products and services help extract them. By capitalizing on this transition, there is potential for higher sales volumes.

Geopolitical events can disrupt energy supplies and international trade. Increased energy prices would have an impact across operations and the value chain, affecting energy-intensive assets, fossil fuel inputs, and electricity prices. This would result in higher costs for transportation, materials, components, and our own production and service operations. Within our Equipment & Service business area, the main risk is higher material and component prices. The Tools & Attachments business area, with a more energy-intensive production, faces the risk of increased production cost. Both Business Areas are exposed to the risk of higher costs for transportation. We are investing in renewable energy, from the grid and on-site, and energy efficiency measures to reduce fossil fuel reliance. The actual and potential availability of renewable energy and cost of energy are considered when choosing locations for new production sites.

In 2020, we set ambitious long-term climate goals to halve emissions from operations, transport, products sold and relevant suppliers in 2030 compared with the 2019 base year. Failing to achieve these goals can harm Epiroc's reputation and negatively impact investors' and other stakeholders' view of us as a company. To address this risk, we continue taking actions, tracking our progress, and maintaining transparent reporting to stakeholders. If this risk materializes, it will necessitate a strategic realignment, with a heightened prioritization of our emission reduction efforts.

Transition plan for climate change mitigation (E1-1)

Epiroc's transition plan guides our shift towards a low-carbon, climate-resilient business model in line with a 1.5°C pathway, consistent with the Paris Agreement. Our transition plan is reviewed on an annual basis to ensure responsiveness to regulatory, scientific and market developments. These disclosures will be further developed in the coming years, as our work with our transition plan continues internally.

Alignment with overall business strategy

Leadership in automation, digitalization and electrification is a key element of our strategy and business model. Supporting our customers in their decarbonization journeys requires a transition to emissions-free machines (see definition in **CO_2e emissions from use of sold products (scope 3)**), access to renewable fuels, and enhanced energy efficiency across products and operations. We offer a range of solutions that can significantly reduce our customers' CO_2e emissions.

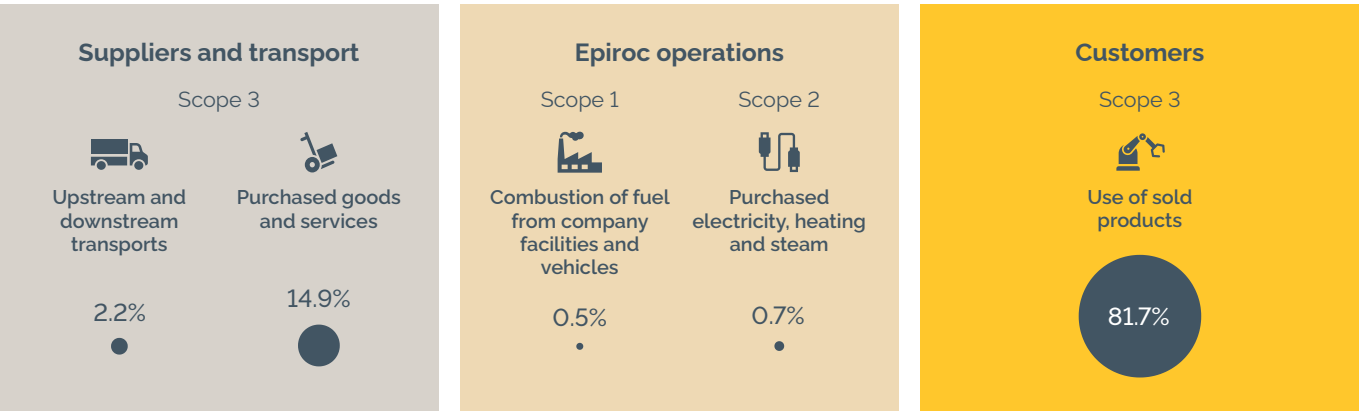
While fossil fuel dependency is likely to continue in our customers' industries for some time, the demand for lower or zero tailpipe emissions solutions is expected to grow over time as our customers electrifies their operations and as the offering of equipment with reduced or zero tailpipe emissions grows. Epiroc will continue to invest in R&D, acquisitions and partnerships to secure our position and support customers in their decarbonization journeys. We engage with customers to understand their evolving needs and regularly evaluate our strategy to remain aligned with market developments. This approach strengthens customer relationships by supporting their decarbonization journeys, diversifies our revenue streams, and contributes to long-term revenue growth.

GHG emission reduction targets

Our 2030 climate goals set the strategic ambition of our transition plan. They enable a long-term ambition of net-zero CO_2e emissions by 2050 and go hand in hand with EU's goal of a climate-neutral economy in 2050. Responsibility for delivering on these goals lies with the divisions, and progress is regularly reported to Group Management, Audit Committee and the Board. For more details on our 2030 goals and targets, see **Metrics and targets**.

Decarbonization levers and key actions

Our decarbonization levers and key actions focus on our material impacts which are own operations (scope 1 & 2) and scope 3 categories upstream and downstream transportation, purchased goods and services and use phase of sold products. More than 95% of our emissions are represented in scope 3, and Epiroc's decarbonization is thus largely dependent on the decarbonization in our entire value-chain. See an overview of our value chain CO_2e emissions in our base year (2019) in the illustration below. Non-material scope 3 categories are excluded in this illustration.



Our roadmap to achieve our 2030 goals is firmly anchored in the organization. Twice a year, roadmaps including decarbonization levers and planned actions are reported to Group Management. Key actions include actions within our direct operational control, as well as actions aimed at influencing customer and supplier operations. Some actions, particularly through R&D and supplier collaboration, may not immediately reduce CO_2e emissions, but are important to enable future reductions.

The successful implementation of our transition plan depends on several external factors, many of which are beyond our direct control. Key uncertainties include the pace of global grid decarbonization, demand for electric equipment, regional policy developments, and the availability and affordability of circular or fossil-free materials, which are subject to price volatility and supply chain constraints. Progress also depends on broader market and societal shifts, such as legislative timelines for circular economy adoption and the investment capacity of customers and suppliers, while technology development and local grid infrastructure upgrades remain critical enablers. Due to this, further analysis and prioritization will be needed to determine feasibility, timing, and impact of different actions. Implementation of actions will evolve as part of the ongoing planning and strategy development as well as by considering the technological feasibility and commercial suitability. Read more about our current actions in **Actions and resources**.

Our decarbonization levers and key actions for each of the 2030 climate goals are presented in the table below. We have calculated the CO_2e reduction potential of these actions and concluded that these levers with actions implemented could be sufficient to reach our 2030 goals. However, due to the implementation uncertainty and our high dependency on suppliers' and customers' action, these potential future CO_2e savings are uncertain and therefore not disclosed. All listed action types are currently active, except for the operations activities—switching to hybrid and electric company vehicles and switching processes to electric alternatives—which are still in the planning stage.

2030 climate goal	Decarbonization lever	Key actions
Own operations (Scope 1 & 2)	Energy and operational efficiency	• Energy efficiency in buildings, processes and transport efficiency • Optimizing and restructuring of sites
	Switch to fossil-free energy	• Installing own solar panels • Purchasing of renewable and fossil-free energy
	Electrification	• Switching to hybrid and electric company vehicles • Switching processes to electric alternatives
Transport (Scope 3, category 4 and 9)	Planning and optimization	• Regionalization of distribution centers and consolidated goods
	Fuel and transport mode shift	• Using more sea freight and less air freight • Switching to renewable fuels
	Electrification	• Shift to hybrid and electric operations
Relevant suppliers (Scope 3, category 1)	Suppliers' operations	• Engaging with suppliers for CO_2e reduction
	Less carbon-intensive steel	• Partnering with less carbon-intensive steel mills
	Recycled materials	• Use of recycled material
	Product design	• Designing products with lower embodied emissions
Use phase (Scope 3, category 11)	Electrification	• Switching to electric products
	Energy efficiency	• Improving product energy efficiency
	Fuel decarbonization	• Customers' switch to renewable fuels • Fuel decarbonization in the energy sector
	Electricity decarbonization	• Customers' switch to renewable electricity • Electricity grid decarbonization

Investments and funding supporting our transition plan

CO_2e-reducing initiatives and actions that involve capital or resource allocation are subject to the ordinary investment approval and budget processes in the divisions. In some cases, solutions that aren't yet ready for large-scale use are being tested in pilot projects to prepare for future deployment. This ensures alignment with divisional priorities and climate targets and supports readiness for scaling when conditions allow. Our internal carbon price policy, implemented in 2025, will guide Epiroc's decisions and investments toward lower-carbon alternatives. Read more in **Policies for climate change**.

Our current major investments to support the transition in own operations (scope 1 & 2) focus on energy efficiency measures. In our value chain (scope 3), major investments target product development with an emphasis on emissions-free products (see definition in **CO_2e emissions from use of sold products (scope 3)**) and energy efficiency projects. To reach our 2030 climate goals, further investments in these categories as well as increased purchases of renewable transport fuels and less carbon-intensive steel will be needed. For more details, see **Actions and resources**. Details of future investments and their timing will be disclosed over the coming years as implementation progresses.

We have issued green bonds to support the implementation of our transition plan, where funds have been allocated to projects that directly contribute to our 2030 climate goals. In 2022 and 2023, we issued in total BSEK 4 in green bonds to fund projects within eco-efficient/circular economy, energy efficiency and sustainable water and wastewater management. Until 2024, a total of BSEK 1.4 has been allocated for battery-related products, including R&D, battery fleet, and test equipment and MSEK 60 for solar panels. This year's allocated funds will be presented in the 2025 year's Green bond report. These funds have supported the implementation of new technologies and solutions needed to reduce CO_2e emissions in both our own or customers´operations.

In 2024, we published a Sustainability-Linked Financing Framework including three climate-related key performance indicators, that will enable sustainability-linked financing. A ten-year MAUD 200 sustainability-linked loan was signed in 2024 with the Nordic Investment Bank (NIB). This framework provides financial incentives that will support the implementation of the transition plan.

Locked-in GHG emissions

We have performed a qualitative assessment of potential locked-in GHG emissions associated with our key assets and products. Locked-in GHG emissions refer to expected future GHG emissions generated over the lifetime use of assets or products already in use or planned to be in use.

Locked-in emissions within key assets could trigger the transition risk of not achieving the CO_2e emissions reduction in line with our 2030 climate goals and we risk negative reputational impact. Read more in **Climate change impacts, risks and opportunities**. We do not consider our GHG emissions from key assets as locked-in, as we can directly influence our own operations. In some cases, such as buildings and heating systems, significant investments may be required to enable phase-out. For leased assets, certain GHG emissions may be constrained by landlord agreements, limiting our ability to influence them directly. Capital projects are continuously monitored to minimize the risk of future locked-in emissions.

Every diesel machine that we place in the market will carry locked-in GHG emissions for the duration of its life, potentially jeopardizing our customers CO_2e reduction goals, and increase exposure to transition risks such as stranded assets and regulatory pressure. The lifespan of mining equipment can vary significantly depending on the type of equipment, usage and maintenance practices. In 2025, the average age of our equipment fleet in operation was 8.6 years and 38% of it was older than 10 years. Rarely, the life expectancy extends beyond 2050. This will enable a transition to equipment with zero tailpipe emissions to achieve net-zero operations in the future. Our key strategies to handle these locked-in GHG emissions are electrification of product portfolio, enabling conversion kits and enabling use of renewable fuels.

Exposure to coal, oil and gas

We have no significant CapEx amounts during the reporting period related to coal, oil and gas-related economic activities and are not excluded from the EU Paris-aligned Benchmarks.

Implementation of transition plan

For each 2030 climate goal, a council is responsible for establishing a roadmap. Divisions set divisional short-term targets and are responsible for the results. Twice a year, roadmaps that include current and planned actions and progress are reported to Group Management and discussed in detail. The progress on 2030 goals is reported to the Board quarterly. Read more about the goals under **Metrics and targets**.

In 2025, divisional transition plans were developed and subsequently consolidated at Group level. Each divisional plan was approved by the respective divisional management, and the consolidated plan was approved by Group Management. The development of the transition plans strengthened accountability for the 2030 climate goals and net-zero ambitions within the divisions, while also deepening the understanding of key gaps and the actions required to address them.

Implementation of actions in the transition plan relies on investment and funding. Read more in Investments and funding supporting our transition plan above.

Policies for climate change mitigation (E1-2)

Epiroc's **Sustainability Policy** outlines our role in society and our commitment to contributing to the sustainable development of society, considering both people and the planet. It states that we:

- Support and are committed to helping accelerate the implementation of the Paris Agreement and the UN Sustainable Development Goals.
- Develop products and services to meet sustainability requirements.
- Use a lifecycle approach to minimize environmental impacts, including climate impact, that our products and services may have when developed, distributed and used, as well as during end-of-life treatment.
- Reduce our climate-related impacts by continuously developing our processes, including collaborating with our stakeholders to find solutions for global sustainability challenges.

- Ensure the safety and well-being of everyone who works with and for us.
- Ensure that we manage our business and sustainability agenda in a legal, efficient and effective way and that we are certified according to ISO 14001.

The policy defines how we should approach multiple sustainability matters, covering all material topics either directly or by referring to our Code of Conduct and Business Partner Code of Conduct. It guides us in reducing our climate-related impacts and addresses our climate-related risks and opportunities. The policy is approved by the President and CEO. External stakeholders can access the policy on our website, **www.epirocgroup.com/en/sustainability.**

Epiroc Environmental Principles describe how we should act in relation to environmental material topics, including development of new products and technologies. They include principles to actively work to reduce our climate-related impacts by implementing strategies and activities to reduce CO_2e emissions from products, operations, suppliers and transport to reach our 2030 sustainability goals.

As an ISO 14001 certified company, we have defined our Environmental Principles based on the ISO standard as well as other internal and external requirements. The principles apply to all employees and govern all our work, regardless of location or position within our value chain. The principles are approved by Sustainability & SHEQ Council.

Epiroc Carbon Price Policy aims to guide decisions and investments towards lower carbon alternatives and ultimately net-zero in 2050. It gives the organization a tool to calculate and evaluate the financial impact of CO_2e emissions. The policy is applicable for investments, M&A, sourcing and other processes and is applied globally across all Epiroc entities and functions. Respective council is responsible for developing a guideline of how and when to apply the policy. The policy is approved by the SVP Controlling, Finance and Sustainability (CFO).

Epiroc's **Business Partner Code of Conduct** covers climate-related impacts from business partners. It specifies that our business partners must strive to choose fossil-free energy sources for their facilities and, if a business partner is particularly requested by Epiroc, have a plan in place for reducing their CO_2e emissions. They must control and implement actions to reduce CO_2e emissions, if relevant. Our business partners shall confirm their commitment to the development and promotion of environmentally friendly technologies in products, processes and design. Further, **Epiroc's Sustainable Sourcing Policy** states that suppliers with SBTi-validated targets, relevant ISO certificates or equivalent certifications will be preferred to conduct business with.

Our **Responsible Use of Resources Guidelines** (see E5) ensures that products and materials utilized by Epiroc are considered valuable resources and remain in the ecosystem at their highest possible resource value. It states that it is crucial that circularity and waste prevention are considered throughout the lifecycle of a product. Responsible use of resources also has climate impacts.

The policies apply to all employees within the Epiroc Group. Divisional Presidents, General Managers and Managers in the Group have operational responsibility for communicating and implementing the policies. They are responsible for ensuring adherence to the policies in planning processes, strategy, training, target setting and performance. All policies are reviewed regularly and available for all internal stakeholders in the Epiroc Way.

Actions and resources (E1-3)

This section outlines our current actions and the resources allocated for implementation. Action prioritization follows our internal CO_2e Emissions Reduction Hierarchy, which emphasizes avoiding emissions before reducing or replacing them, with "re-thinking" and optimization as preferred approaches.

Our decarbonization levers and key actions to achieve the 2030 climate goals are presented in **Transition plan for climate change mitigation**. CO_2e savings from implemented actions are reflected in the progress of our key metrics and commented below.

CO2e emissions from operations (Scope 1 and 2)

CO_2e emissions from operations include emissions from on-site facilities and from company vehicles. In 2025, about 67% of emissions came from on-site facilities and 33% from company vehicles.

Since our base year 2019, CO_2e emissions have decreased 44%, which demonstrates that we are on track to reach our 2030 goal. The reduction is mainly explained by our energy-efficiency program, launched in 2019, which continued also in 2025. This program involves investments in renewable energy as well as in energy efficiency. In 2025, 24% of our production facilities had solar panels installed. Our recently launched company vehicle program aimed at reducing CO_2e emissions from our company vehicles, also continued throughout the year. In 2025, CO_2e emissions were maintained at the same level as in 2024, since above mentioned activities corresponded to the increased emissions from acquired companies.

Our energy efficiency program has resulted in OpEx and CapEx in renewable energy including solar panel installations, renewable electricity and fuels, as well as in energy efficiency in buildings and processes. To reach our 2030 goal, further OpEx and CapEx especially within our energy efficiency program and for the transfer to hybrid or electric service cars will be needed. See more details on OpEx and CapEx in **EU Taxonomy** and more about funding and investment in **Investments and funding supporting our transition plan**.

CO2e emissions from purchased goods and services (Scope 3)

CO_2e emissions from purchased goods and services include the embodied upstream CO_2e emissions from our suppliers. Our top emitting categories are raw material, weldments, hydraulics and powertrains. In 2025, CO_2e emissions increased by 3%, mainly explained by increased purchased spend and currency effects. During the year, actions included supplier improvement plans, switching to less carbon-intensive steel suppliers and engaging suppliers to explore recycled, reused and low-emission materials.

Since our base year 2019, CO_2e emissions have increased by 12%, mainly explained by several factors such as increased spend, currency effects and inflation, due to our spend-based methodology. Despite the limitations of spend-based methodology, it has helped us understand what supplier emissions to prioritize and to define our decarbonization levers and key actions to reach our 2030 goal. A sourcing champion at each division supports the implementation of the transition plan, guided by Sourcing's own carbon price guideline and tools. Read more about our work to improve data in **Metrics and targets.**

Since 2024 we have communicated the expectation for suppliers to commit to the Paris Agreement goals and actively work to reduce their emissions. We gather input on their plans and monitor whether they have aligned with the Paris Agreement goals. Preference is given to those engaged in the SBTi.

To reach our 2030 goal, further OpEx will be required, driven by increased spending on less carbon-intensive steel and recycled materials.

CO2e emissions from transport (Scope 3)

CO_2e emissions from transport include emissions from upstream and downstream third-party transports throughout the supply chain from first tier supplier to end customer. During the year, key actions included transport mode shift from air to sea freight for some routes and the purchase of renewable fuels. However, in 2025, CO_2e emissions increased by 10%, mainly explained by higher use of air freight, and new transport routes due to tariffs and global trading constraints.

Since our base year 2019, CO_2e emissions have decreased by 24%, which demonstrates that we are on our way but not fully on track to reach our 2030 goal. The reduction is mainly explained by the shift from air to sea freight, established regional distribution centers, reduced freight, and the improved availability of parts and consumables, reducing the need for transportation.

There was some OpEx this year related to the pilot of purchasing renewable fuels for air and sea freight. Several of the other actions in 2025 were optimization measures and resulted in cost savings. To reach our 2030 goal, further CapEx and OpEx especially in transport efficiency measures and/or transport mode and fuel switch will be needed.

CO2e emissions from use of sold products (Scope 3)

The use phase of our products accounts for over 80% of our value chain CO_2e emissions. We have a clear ambition to help our customers by providing multiple solutions, such as automation, electrification and service, to support them in their efforts to achieve their CO_2e emissions reduction targets, see illustration on page **Success based on sustainability and a strong corporate culture**. All our underground drill rigs are powered by electricity during drilling operations. For surface operations, our range of electric and energy-efficient drill rigs significantly reduces CO_2e emissions and fuel consumption. Battery technology and cable-connected equipment are two important solutions that enable zero-emissions operations, provided renewable energy is available.

During the year, key actions included research and development and customer engagement contributing to electrification and energy efficiency of our machines.

- We launched the Scooptram ST10 G, our smallest battery-electric underground loader, designed for narrow drifts. With a 10-tonne payload, up to four hours of runtime per charge, and CCS-standard opportunity charging, it combines flexibility with safety.
- The diesel-electric Minetruck MT66 S eDrive was introduced to the Australian market and tested with Gold Fields. This innovation delivers up to 11% higher ramp speed and 7% lower fuel consumption, combining the cost-effectiveness of diesel with electric performance.
- We expanded our partnership with Jama, adding battery-electric scalers to our portfolio.
- We introduced the Pit Viper 271 XC E, Pit Viper 275 XC E, and Pit Viper 291 E blasthole drill rigs. With these releases we now provide electric alternatives for each drill in the Pit Viper series.

In 2025 we also secured the largest autonomous and electric fleet order in Epiroc's history.

We aim to offer a full range of emissions-free products by 2030. These are products that do not emit exhaust gas or other pollution from the onboard source of power, also referred to as zero tailpipe emissions, and that are direct alternatives to fossil-fuel-powered products and include battery-electric, cable-electric and trolley-electric solutions. At year end we reached 43% (42) reflecting current market demand. For more information on electrification, see **Electrification**.

In 2025, CO_2e emissions decreased by 5%, mainly explained by a more favorable product mix. Since our base year 2019, CO_2e emissions have decreased by 6%, which demonstrates that we are currently not on track to reach our 2030 climate goal. Our 2030 climate goals was originally based on expectations of a faster shift to a low carbon economy, but the transition has progressed more slowly than anticipated. The reduction compared to base year is mainly explained by lower sales volumes compared to the exceptionally strong 2019 base year, along with a higher share of electrified products and energy-efficiency improvements. However, potential reductions from customers using renewable electricity or renewable fuels have not yet been reflected in the data.

Fossil-fuel dependency is likely to continue in our sector for some time, but a gradual shift to renewable fuels and increased demand for low- and zero-emissions equipment are expected in the coming years. While access to renewable electricity and fuel is currently a challenge for customers in many countries, we expect this to become less challenging over the long term. We develop tailor-made

solutions for customers facing electricity supply challenges, particularly for their electric infrastructure and optimizing energy management for battery electric vehicles.

Not all energy and CO_2e emissions reduction improvements involve electrification. One way is to enable the use of renewable fuels in existing machines. Several surface drill rigs produced from 2023, along with underground drill rigs, mine trucks and loaders and utility vehicles produced from 2022, have been verified to be compatible with HVO renewable diesel, and/or available as electric versions. These advancements significantly reduce greenhouse gases, particulates and other harmful substances. We have started to deliver machines filled up with HVO renewable diesel to encourage customers to transition from diesel to renewable fuels.

To achieve our 2030 goal, further OpEx and CapEx especially related to improving product energy efficiency and expanding our product offering with emissions-free alternatives will be required. During the year, a notable portion of R&D expenses was associated with the development of other low-carbon technologies and enhanced energy performance. See more in our reporting on eligible OpEx under the **EU Taxonomy**. However, the EU Taxonomy reporting does not provide a complete picture, as certain activities—such as aftermarket services and energy efficiency measures in diesel-driven equipment—are not included.

Metrics and targets

Targets relating to climate change (E1-4)

Our 2030 climate goals include four absolute reduction targets against the base year 2019.

- Halve CO_2e emissions in operations (SBTi validated)
- Halve CO_2e emissions from machines sold (SBTi validated)
- Halve CO_2e emissions from transport
- Require 50% reduction of CO_2e emissions from relevant suppliers

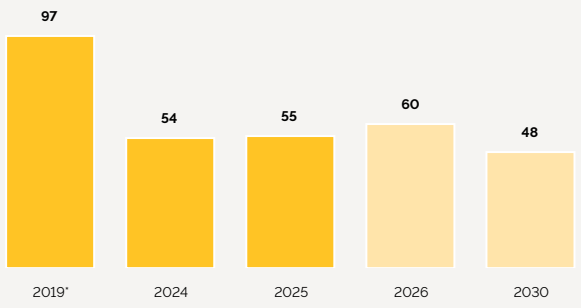
We have also set yearly targets to monitor progress toward our 2030 goals and the implementation of our transition plan. Progress goals and targets are reported quarterly to Group Management, Audit Committee and the Board. Twice a year, roadmaps with activities, progress and way forward, are reported by Councils to Group Management.

Science based targets

In November 2021, we received validation from the SBTi for two of our goals. These goals are well above the SBTi's minimum requirements, and in line with keeping global warming at a maximum of 1.5°C. This is consistent with the scientific assessments provided by the International Panel for Climate Change (IPCC) and in line with the Paris Climate Agreement.

Progress on targets

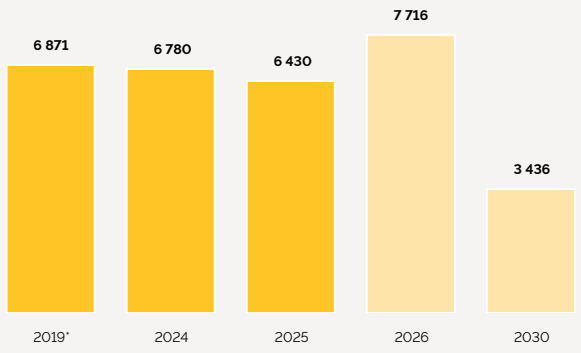
CO2e emissions from operations (ktCO2e)



CO2e emissions from Operations (ktCO2e)
Target

The 2025 target** was 60 ktonnes CO_2e, and the result was 55 ktonnes CO_2e. Target was achieved mainly by the switch to renewable energy and the implementation of energy-efficiency measures across our facilities and processes. The 2026 target has been set to meet higher expected production volumes and service activity before further reductions can be achieved.

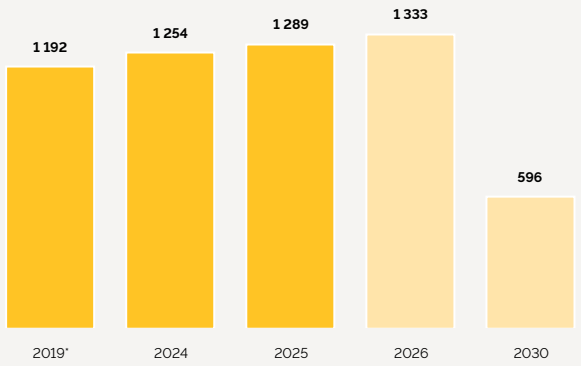
CO2e emissions from use of sold products (ktCO2e)



CO2e emissions from use of sold products (ktCO2e)
Target

The 2025 target*** was 6 593 ktonnes CO_2e and the result was 6 430 ktonnes CO_2e. Target was achieved mainly by a more favorable product mix in 2025. The 2026 target has been set to meet organic growth and slow electric uptake in the short-term. Increased demand for low- and zero-emissions equipment is expected in the coming years.

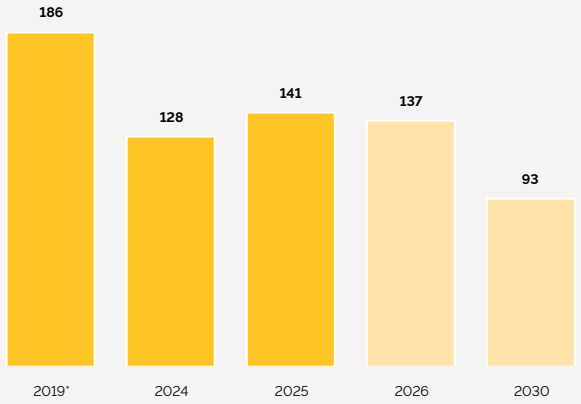
CO2e emissions from purchased goods and services (direct sourcing) (ktCO2e)



CO2e emissions purchased goods and services (ktCO2e) (direct sourcing)
Target

The 2025 target** was 1 268 ktonnes CO_2e (direct sourcing) and the result was 1 289 ktonnes CO_2e. The increased result is explained by higher spend than forecasted. The 2026 target has been set to meet expected growth and limitations in the current spend based methodology.

CO2e emissions from transports (ktCO2e)



CO2e emissions from transports (ktCO2e)
Target

The 2025 target** was 141 ktonnes CO_2e and the result was 141 ktonnes CO_2e.

* The base year 2019 has been restated
** The targets for 2025 have been revised to align with the full reporting scope.
*** The target for 2025 has been revised to ensure alignment with calculation methodology changes.

Emissions-free product offering

The 2025 target was 47% and the result was 43%, showing a slight increase compared to 2024 (42%).

Our previous 2025 target of offering a full range of emission-free products underground has been postponed to 2030, reflecting a more gradual-than-expected industry transition and slower overall market adoption.

Renewable energy

The 2025 target was 58%, and the result was 55%. The lower result is explained by limited availability of renewable energy options.

Absolute emissions targets

Target scope	GHG scope/category	BY 2019 emissions ($ktCO_2e$)	2030 goal (vs. BY)	2025 ($ktCO_2e$)	2025 (vs. BY)	2025 target ($ktCO_2e$)	2026 target ($ktCO_2e$)	2030 goal ($ktCO_2e$)	2030 goal completion
Operations [1] (SBTi validated)	Scope 1 & 2 Market-based	97	-50%	55	-44%	60	60	48	87%
Transport [1]	Scope 3 Category 4 & 9	186	-50%	141	-24%	141	137	93	48%
Machines sold (SBTi validated)	Scope 3 Category 11	6 871	-50%	6 430	-6%	6 593	7 716	3 436	13%
Purchased goods and services [1)2)]	Scope 3 Category 1	1 255	-50%	1 401	12%	1 268	1 446	627	0%

[1] Estimations have been added to achieve full reporting scope and the 2025 target has been restated to align with the full scope. See more information on estimations in "GHG accounting methodology" below.
[2] 2030 climate goal: Require 50% reduction of CO_2e emissions from relevant suppliers. 2025 target is limited to direct sourcing only.

Other targets related to climate change mitigation

Target	Base year (BY)	Base year (%)	2025 (%)	2025 target (%)	2026 target (%)	2030 goal (%)
Renewable energy in own operations [1]	2019	38	55	58	57	90
Offer a full range of emissions-free [2] products	2021	35	43	47	47	100

[1] Share of renewable sources incl. renewable of mix in total energy consumption. Limited to on-site energy consumption. Estimations have been added to achieve full reporting scope. See more information on estimations in "GHG accounting methodology" below.
[2] Emissions-free products include solutions that do not emit exhaust gas or other pollutions from the onboard source of power, also referred to as zero tailpipe emissions.

Target methodology

Target setting method: Our total value chain CO_2e emissions formed the basis for our target-setting, in line with criteria from SBTi. The absolute contraction approach method was used for the target-setting as no available sectoral decarbonization pathway is available for our sector.

Stakeholder involvement: Our 2030 climate goals were developed to align with external stakeholder expectations, however stakeholders have not been directly involved in target setting.

Target boundary: Operations covered by our targets are consistent with our GHG inventory boundaries, which cover the entire Group. At the entity level, targets are set for major contributors that report environmental data internally.

Base year selection: The base year 2019 was selected in the process of submitting our targets to SBTi, where the most recent completed past calendar year was selected. The base year is restated to ensure meaningful comparisons of CO_2e emissions data over time.

Read more about our restatement process and our GHG inventory boundaries in Greenhouse accounting methodology below.

Energy (E1-5)

Energy consumption, mix and intensity

(GWh)	2025 [3]	2024 [3]
Fuel consumption from coal and coal products	-	-
Fuel consumption from crude oil and petroleum products	86	98
Fuel consumption from natural gas	56	49
Fuel consumption from other fossil sources	4	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	53	44
A. Total fossil energy consumption	**199**	**191**
Share of fossil sources in total energy consumption (%)	*62*	*61*
B. Consumption from nuclear sources	**4**	**1**
Share of consumption from nuclear sources in total energy consumption (%)	**1**	**0**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.)	8	3
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	100	112
The consumption of self-generated non-fuel renewable energy	8	6
C. Total renewable energy consumption	**116**	**121**
Share of renewable sources in total energy consumption (%)	*36*	*39*
Share of renewable sources incl. renewable of mix in total energy consumption (on-site) (%) [1][2]	*55*	*58*
Total energy consumption (A+B+C)	**319**	**313**

[1] Renewable of mix does not have any certificate or similar statement from the energy provider that assures only renewable energy sources are used for the electricity or district heating provided according to the contract.
[2] Our 2030 target of reaching 90% renewable energy in own operations includes on-site energy consumption only.
[3] Estimations have been added to achieve full reporting scope. See more information on estimations in "GHG accounting methodology" below.

Energy intensity

	2025	2024
Total energy consumption per net revenue (MWh/MSEK) [1]	5.14	4.92

[1] Net revenue is total revenues presented in the Consolidated income statement.

In 2025, 8 GWh of renewable energy was produced from solar power.

GHG Emissions (E1-6)

GHG emissions

	Retrospective				Milestones and target years		
($ktCO_2e$)	Base year (2019)	2025	2024	% Yearly Change	2026	2030	2026 target / Base year (%)
SCOPE 1 GHG EMISSIONS							
On-site [1]	19	14	12	14	15	9	-20
Company vehicles [1]	22	18	21	-13	20	11	-10
Gross Scope 1 GHG emissions	**41**	**32**	**33**	**-3**	**35**	**20**	**-15**
SCOPE 2 GHG EMISSIONS							
On-site [1]	56	23	21	5	25	28	-55
Company vehicles [1]	-	-	-	-	-	-	-
Gross Scope 2 GHG emissions (Location-based)	**62**	**37**	**38**	**-4**	**–**	**–**	**–**
Gross Scope 2 GHG emissions (Market-based)	**56**	**23**	**21**	**5**	**25**	**28**	**-55**
SIGNIFICANT SCOPE 3 GHG EMISSIONS							
Purchased goods and services [1]	1 255	1 401	1 354	3	1 446	627	15
Upstream and downstream transportation and distribution [1]	186	141	128	10	137	93	-26
Use of sold products	6 871	6 430	6 780	-5	7 716	3 436	12
Gross Scope 3 GHG emissions – (significant categories)	**8 312**	**7 971**	**8 262**	**-4**	**9 298**	**4 156**	**12**
Total GHG emissions (location-based)	**8 415**	**8 041**	**8 333**	**-4**	**–**	**–**	**–**
Total GHG emissions (market-based)	**8 409**	**8 026**	**8 316**	**-3**	**9 358**	**4 204**	**11**

[1] Estimations have been added to achieve full reporting scope and the 2025 target has been restated to align with the full scope. See more information on estimations in "GHG accounting methodology" below.

Biogenic emissions and GHG intensity

Outside of scopes

($ktCO_2e$)	2025	2024
Biogenic emissions of CO_2 from the combustion of biomass (Scope 1)	2	1
Biogenic emissions of CO_2 from the combustion of biomass (Scope 3)	2	3

CO_2e intensity

(tCO_2e/net revenue)	2025	2024
Total GHG emissions per net revenue (location-based) [1)]	0.13	0.13
Total GHG emissions per net revenue (market-based) [1)]	0.13	0.13

[1)] Net revenue is total revenues presented in the Consolidated income statement.

Greenhouse accounting methodology

Greenhouse gas emission reporting is carried out in accordance with the GHG Protocol (www.ghgprotocol.org). The main greenhouse gases carbon dioxide (CO_2), methane (CH_4) and nitrous oxide (N_20) are included. In tables, the unit "ktCO_2e" is presented. Carbon dioxide equivalent (CO_2e) is a unit that standardizes the climate effects of various greenhouse gases.

Estimates

To ensure full emissions coverage across all reported CO_2e emissions scopes and categories, our data includes a proportion of extrapolated estimates alongside other data sources. For 2025 estimates cover 7% for scope 1 and scope 2, 29% for scope 3 category 1, 5% for scope 3 categories 4 and 9 and 0% for scope 3 category 11. Epiroc aims to increase the share of primary data over time. Estimations remain a necessary step to ensure total Group impact is presented, and the methodology is reviewed annually. Read more about the estimations methodology in **Basis for preparation.**

Reporting period exceptions

Certain reporting entities apply a lagging month approach, using the period December 1, 2024 to November 30, 2025. This is applied for data included in scope 1, scope 2, and for scope 3 categories 4 and 9. The same approach is applied for scope 3 category 11, where one product line applies the period January 1, 2025 to December 25, 2025, supplemented by an estimated average for remaining days.

Scope 1

The calculation of CO_2e emissions from direct energy, i.e., energy generated by the company for its own production or operation, comprises all fuels used on the sites, including diesel, gasoline, coal, propane, natural gas, methanol, HVO renewable diesel, biogas and bioethanol. Standardized emission factors published by DEFRA (UK) are used to calculate CO_2e emissions for direct energy.

Scope 2

The calculation of CO_2e emissions of indirect energy, i.e., energy purchased externally by the company, includes electricity, district heating and cooling used at the sites.

Market-based method: A market-based method reflects emissions from indirect energy (electricity and district heating) that an organization has purposefully chosen (or its lack of choice). Standardized country factors published by International Energy Agency are used to calculate CO_2e emissions for indirect energy when an emission factor has not been provided by the supplier. An emission factor of zero has been used for renewable energy connected with energy attribute certificate (EAC). In 2025, 36% of market-based GHG emissions were associated with unbundled EACs, such as I-RECs, GOs, and RECs.

Location-based method: A location-based method reflects the average GHG emissions intensity of grids on which energy consumption occurs, using mostly grid-average emission factor data. Standardized country factors published by International Energy Agency are used to calculate CO_2e emissions for all indirect energy.

Scope 3

Purchased goods and services (category 1): CO_2e emissions from purchased goods and services include all upstream emissions from suppliers but exclude certain categories such as transportation, capital goods, waste generated in operations and leased assets. In 2025, indirect sourcing's emissions were added as well as estimations to achieve full reporting scope. Indirect sourcing's portion represents 8% of the total CO_2e emissions, with the largest categories being professional services, packaging materials and manufacturing consumables and equipment. The calculation of CO_2e emissions from purchased goods and services uses a spend-based methodology, where spend-based data is multiplied by emission factors from Exiobase and Environmental Protection Agency. Emission factors have not been adjusted for inflation. Current gap in data completeness is explained by data accessibility issues due to recent large acquisitions. Estimations have been calculated based on assessing the spend coverage in the calculations and based on this, applied the average emissions per spend on the missing portion to achieve a full coverage. The spend-based methodology makes it difficult to distinguish actual emission reductions from inflation, currency fluctuations, and price changes. To improve accuracy, we are transitioning to a hybrid approach that combines spend-based, weight-based, and supplier-specific data, which may lead to restatements of historical figures as more precise data becomes available. Weight-based calculation methodology uses the actual weight of materials and components, while supplier-specific methodology uses precise data from suppliers.

Transport (categories 4 & 9): The calculation of CO_2e emissions of transportation includes all upstream and downstream third-party transports throughout the supply chain from first tier supplier to end customer. Third-party transports include transports in vehicles not owned or controlled by the Epiroc Group. Well-To-Wheel CO_2e emissions from the forwarders are collected. If this data is not available, calculation of CO_2e emissions is performed using an internal calculation tool, applying a distance-based method and emission factors from Network for Transport measures (www.transportmeasures.org). For biofuels, a fuel-based method has been mainly used.

Use phase of sold machines (category 11): Unique operation cycles for each product are defined. CO_2e emission from use phase is calculated based on diesel usage, electricity usage and life length. For diesel, a 100% mineral diesel emission factor from DEFRA (UK) is used. IEA national emission factors for electricity are used for CO_2e emissions from electricity use, where an average emission factor is used based on the countries where the products in each product family are sold. These IEA national emission factors include direct combustion as well as upstream emissions from fuels and emissions from transmission and distribution losses, this to reflect full life cycle emissions from electricity. In the reporting scope, all products carrying their own energy source on-board (diesel engine, electrical motor and compressor) are included. Products without their own energy source are excluded, such as drilling equipment with an external compressor and hydraulic attachments.

Other scope 3 categories: Only significant scope 3 categories are reported. Non-material scope 3 categories accounted for less than 4% in base year 2019, according to the value chain analysis from 2021.

Outside of scopes

Outside of scopes includes biogenic CO_2 factors that should be used to account for the direct CO_2 impact of burning biomass and biofuels. Standardized emission factors published by DEFRA (UK) are used to calculate outside of scope CO_2e emissions. Biogenic CO_2 emissions from scope 2 are currently excluded.

Base year recalculation

Recalculation of base year (2019) emissions is performed for significant structural changes, improvements in calculation methodology or data accuracy. Restatements for structural changes are not applied to other historical data; emissions instead reflect the entities under Epiroc's operational control in each respective reporting year. This year the following events triggered restatements of 2019 base year:

- Scope 1, 2 and 3 Transport: Acquisitions and estimation of previously excluded CO_2e emissions.
- Scope 3 Use phase of sold products: Methodology update resulting in more accurate energy consumption and life length and updated diesel CO_2e emission factor to reflect 100% mineral diesel. We are in the process of collecting more accurate data on products' useful lives which may result in restatements of base year data going forward.
- Scope 3 Purchased goods and services: Acquisitions and estimation of excluded CO_2e emissions including indirect sourcing.

GHG removals and carbon credits (E1-7)

No GHG removals and GHG mitigation projects were financed through carbon credits in 2025.

Internal carbon price (E1-8)

Epiroc applies an internal carbon price to include climate-related considerations in decision-making and incentivize the implementation of the transition plan. Read more about Epirocs Carbon Price Policy in **Policies for climate change**. This approach ensures that the cost of carbon is embedded in strategic and operational choices across the organization. The carbon price is based on a shadow pricing model which assigns a hypothetical monetary value to each tonne of CO_2e emitted. This shadow price is applicable for investments, M&A, sourcing and other processes and is applied globally across all Epiroc entities and functions. The shadow price calculation is limited to major investments and for decisions subject to significant climate impact, however we are not currently able to calculate the percent our carbon price is applied to our total emissions at this time. Relevant council is responsible for developing a guideline within their domain, ensuring relevance and effectiveness.

The carbon price is determined using scientific guidance from EU ETS and IEA scenarios. The pricing model has been used in recent investment cases to validate its impact and relevance. The carbon price applied is reviewed yearly.

E2 Substances of concern and of very high concern (Pollution)

Disclosure requirement	Section	Page
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E2-1	Policies for pollution	109
E2-2	Actions and resources	110
E2-3, E2-5	Metrics and targets	111

SOC and SVHC impacts, risks and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

The material sustainability matters related to pollution are management of Substances of concern (SOC) and Substances of very high concern (SVHC). The equipment we provide for our customers must endure extreme conditions and prolonged use, where selective inclusion of certain SOC and SVHC ensure reliability and longevity.

Substances of concern and very high concern		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
SOC and SVHC can be a risk to health and environment, and may hinder recycling or reuse	Actual negative impact	o		o	o	o	o
SVHC presence may limit sales due to increasing legislation and pressure for removal	Risk			o	o	o	o

To increase product performance and durability in the use phase, limited use of SOC and SVHC are incorporated into materials, parts and products. These substances pose risks to human health and the environment, primarily in our up-stream value chain. At the same time, removing the substances can reduce the lifespan of parts and materials leading to more waste and the need for more frequent repairs and servicing. Some SOC and SVHC hamper the recycling or reuse of products and materials. For Epiroc, lead is the most relevant example of a SOC and SVHC substance. Progress is followed to ensure substitution from hazardous chemicals to safer alternatives.

The presence of SVHC may limit sales opportunities in certain markets as there are increasing requirements and pressure on absence of such substances. Additionally, increasing regulations drive increased compliance costs and may necessitate alternative solutions and redesign of products to replace SVHC. Limited availability of alternatives may increase costs, affecting long-term planning and investment.

Processes to identify and assess material pollution-related impacts, risks and opportunities

The materiality assessment also considered other environmental impacts from pollution to land, air or water at different types of sites. At production sites and larger service centers impacts are often linked to the risk of leakage to nearby land and water bodies of, for example, oils, chemicals, and waste. These types of environmental effects from our own operations are local by nature and managed in accordance with local permits and regulations. Our ISO 14001 certified management system require active work to mitigate local impacts. Consultations with local stakeholders occurs as part of environmental permit processes or as part of regular meetings with different local stakeholders. This is part of normal business and no additional measures were introduced in the context of the double materiality assessment process. The assessment did not include a specific screening of all sites and business activities.

Policies for pollution (E2-1)

Our approach to pollution management is guided by expectations from key stakeholders, regulatory authorities, industry partners, and environmental best praxis and developed with the purpose of protecting people and planet from hazardous substances.

Epiroc's **Sustainability Policy** articulates that our products and services are developed to meet sustainability requirements. We use a lifecycle perspective to address and minimize the negative environmental effects that our products and services may have when developed, distributed and used, as well as during end-of-life treatment. In practice, this means that consideration should be given to SOC and SVHC as they impact products' reusability and recyclability. This is elaborated in Epiroc **Environmental Principles** which state

that we conduct our operations in a way that pollution to land, water and air is minimized to protect ecosystems and biodiversity. The principles guide substitution of hazardous substances from our products and processes, and that SVHC in our products are identified and communicated to stakeholders. Our **Guideline for Responsible Use of Natural Resources** aims to ensure that products and materials utilized by Epiroc are considered a resource and remain in the ecosystem at the highest resource value possible. In practice, this involves considering the presence of SOC and SVHC, as these affect the reusability and recyclability of products and materials. The guideline proposes a local metric to evaluate this by tracking whether the proportion of SVHC in products is decreasing.

Major Epiroc companies shall be ISO 14001 certified. By the end of 2025, 85% of Epiroc total workforce was working in an ISO 14001 certified company. Remaining part is either working in companies not in the ISO 14001 certification scope, or in newly acquired companies.

Our **Substance of Concern (SOC) Policy** and connected guidelines regulate identifying and phase out of SVHC in products, materials, and processes, internally and for suppliers. The objective is to meet legal and customer requirements, and that exposure to hazardous chemicals and materials is minimized. It clarifies expectations from Epiroc Group and is complemented by Epiroc's prohibited list and declarable list. The prohibited list includes substances that are regulated in, e.g., the Montreal and Kyoto protocols, other global conventions, RoHS, REACH Annex XVII. The declarable list covers substances that are to be declared and phased out, e.g. SVHC and PFAS. The policy covers products sold by Epiroc, items delivered to Epiroc by any of our business partners and production processes carried out by or outsourced by Epiroc. Epiroc's policy and lists of prohibited and declarable substances are published on Epiroc's website. Additionally, the lists are available as Epiroc standards, allowing suppliers to subscribe for information on updates. A Group-wide procedure further explains roles, responsibilities, tools etc. Divisional presidents and General Managers are responsible for implementation of the policies and ensuring there are processes in place to ensure that products and processes are complying with the lists.

The policies are reviewed regularly and approved by VP Sustainability and are available to all internal stakeholders in our management system, the Epiroc Way.

By signing **Epiroc's Business Partner Code of Conduct** (read more in **Polices for workers in the value chain**), suppliers confirm their compliance with Epiroc's prohibited list and declarable list. They agree not to use prohibited substances, to declare the content of any declarable substances, to follow updates of the lists, and alert Epiroc if any included substance poses a problem. The declarable list includes all SVHC, PFAS as well as the conflict minerals tin, tungsten, tantalum and gold as well as cobalt.

Actions and resources (E2-2)

Our key actions to manage SOC and SVHCs are through our due diligence programs and procedures on chemical management. This is continuous work that is integrated and part of our ISO 14001 certified environmental management system.

Due diligence programs

To identify and manage SVHC in our products suppliers are required to declare any content of SVHC. Items containing such substances are flagged in relevant business systems, and the data is used for reporting to authorities and customers. SCIP (the EU database for substances of concern) reporting is performed for all relevant products and parts sold into EU. Additionally, all customers receive a REACH declaration on the content of SVHC in purchased products. Information on performed SCIP registrations is shared on our intranet.

Our process to identify prioritized products is risk based, and in line with OECD guidelines. Dedicated due-diligence programs for prioritized product categories have been carried out during the year to ensure that the process is effective. In 2025, we expanded these efforts with a targeted initiative to map the presence of PFAS (per- and polyfluoroalkyl substances) in sourced products. Suppliers of products identified as "known or reasonably ascertainable" to contain PFAS were engaged to provide formal declarations. Confirmed PFAS-containing items were flagged within our business systems and integrated into substitution planning and regulatory reporting workflows.

The due diligence programs shows that the awareness of SVHC and PFAS has increased among our suppliers compared to prior years. Future actions include preparations to meet emerging requirements, for example related to EU Ecodesign regulation (ESPR) and its digital product passport (DPP). and upcoming global ban on PFAS.

Chemical management

Safety data sheets for chemicals used internally are stored in a common database, where chemicals containing SVHC are clearly flagged. We track and monitor the usage of hazardous chemicals, including products containing SVHC, and push for substitution to safer alternatives. The local procedures cover assessment and approval before purchasing new chemicals, as well as inventory and registration of chemicals handled within production and service. Compliance with these requirements is regularly checked through audits, safety rounds and chemical inventories.

These actions are not of a character that requires significant OpEx or CapEx.

Metrics and targets (E2-3, E2-5)

Epiroc has not set any targets for SOC or SVHC. In our own operations, it is part of our chemical management and integrated into processes along with actions to support substitution plans. Chemical management is followed-up by monitoring phase-out of hazardous products, and also part of ISO 14001 audits and other internal audits programs. In own operations, the presence of SVHC in chemicals remains low (639 of 11 211 products). Focus for SVHC has been on our upstream and downstream value chains to ensure that our processes to gather SVHC information from suppliers are effective, and that customers and authorities are informed on any such content. Dedicated due diligence programs for high-risk suppliers serve as a control that suppliers follow our SOC policy.

E5 Resource use and circular economy

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Resource use and circular economy impacts, risks and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

Epiroc develops and provides equipment, such as drill rigs, rock excavation and construction equipment as well as tools for surface and underground hard-rock applications. We also offer service and other aftermarket support as well as solutions for automation, digitalization and electrification. The material impacts, risks and opportunities relating to resource use and circular economy is connected to Epiroc's business model and dependency of natural resources needed for its production and services.

Resource inflows		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Epiroc relies on non-renewable natural resources as input to our products	Actual negative impact	o	o			o	o
A circular approach can boost resource efficiency and reduce need for new components and materials	Opportunity		o	o	o	o	o
Resource scarcity and rising material prices can increase costs	Risk	o	o			o	o

Epiroc's dependence on steel and other non-renewable natural resources for the production of machines and consumables contribute to resource depletion and environmental degradation in the upstream value chain. Access to critical raw materials such as cobalt, tungsten, copper, tin and lithium, and several rare earth metals is important for several of our products. As some resources become scarcer in the future, we may face potential supply chain disruptions, rising material prices and production delays. The present geopolitical situation is also enhancing the risks. On the other hand, the increased demand for metals like copper, lithium and nickel, crucial for a sustainable transformation, presents business opportunities for us.

By developing circularity in our design, production and services and optimizing resource use, the need for new parts and materials can be reduced. It can also enhance profitability through improved resource efficiency and lower costs. To capitalize on this opportunity and mitigate risks, we are adapting our strategies to reduce reliance on primarily non-renewable resources. This includes sourcing sustainable alternatives, such as recycled steel, closed loop cycles of scrap material from production from selected raw material suppliers and remanufacturing of machines and components. Strategically, this will drive decisions towards more cost-effective sustainable sourcing and continuous improvement in resource efficiency.

Resource outflows		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Not all products and components may be feasible to service or repair	Actual negative impact	o	o	o		o	o
Lifecycle design and circular services can extend machine life, boosting profits	Opportunity	o	o	o	o	o	o
Failure to meet stricter regulations and customer demands may risk our market position	Risk		o	o		o	o

We design our products with a lifecycle perspective, striving for productivity, durability, efficiency, long service life, easy maintenance and recyclability. However, some products and components may be difficult to service or repair, or may contain materials that hinder reuse or recycling which leads to continuous resource depletion. As eco-design and waste management regulations tighten, we and our customers will need to extend circular practices and improve waste management.

Epiroc provides several circular solutions, with opportunities to expand further. A robust aftermarket demand throughout the equipment lifecycle creates a large and resilient service business with stable and predictable revenue and cash flow. Extending the circular approach and our circular offerings allows us to strengthen our market position and provide solutions with longer service life to customers. Additionally, it creates new revenue streams, e.g., from remanufactured products.

Waste		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Operations generating waste leads to resource loss and can harm the environment if sent to landfill or incineration	Actual negative impact		o		o	o	o

Waste generated in Epiroc operations contains metal scrap, process water, oils, packaging material etc. Waste is an unavoidable aspect of industrial operations, we therefore strive to minimize waste, especially waste that cannot be recirculated into the ecosystem but is directed to disposal. Waste management practices differ between countries and even between waste operators within the same region. For example, materials sent for recycling or energy recovery in one country may be directed to landfill in another, affecting both our environmental footprint and the potential for resource recovery. To address these challenges, we continuously explore new opportunities and partnerships that support improved waste handling.

Policies for resource use and circular economy (E5-1)

Epiroc's **Sustainability Policy** states that our products and services are developed to meet sustainability requirements. We use a lifecycle perspective to address and minimize the negative environmental impacts that our products and services may have during development, distribution, use, and end-of-life treatment. The policy specifically points out responsible use of natural resources. Epiroc **Environmental Principles** describe how we should act in relation to environmental matters. One of the principles emphasizes the importance of resource efficiency and circular economy, stating that we minimize our use of natural resources by moving towards a circular economy and promoting the continual use of material to prevent waste. This can be achieved, for example, by increasing the use of secondary raw material and using Life Cycle Assessment (LCA) as a tool to identify and communicate the environmental footprint of products.

Our **Guideline for Responsible Use of Natural Resources** gives guidance on how to ensure circularity and waste management priorities are aligned with global requirements. It explains that all Epiroc companies shall ensure responsible use of natural resources and that processes, including services, shall be optimized to minimize waste. Unavoidable waste shall, when possible, be seen as a resource and managed based on the waste hierarchy and the 9R circularity strategies. The guideline is to be considered throughout the product lifecycle, in design and optimization of the use phase, and covers activities throughout our value chain.

Managers at all levels are responsible for the implementation of and compliance with the policies. They are reviewed regularly and approved by VP Sustainability and available to all internal stakeholders in our management system the Epiroc Way.

Actions and resources (E5-2)

Our circular approach guide our key actions that spans throughout the whole life-cycle of our products. Efforts to enhance resource use and circularity are embedded within Epiroc's core operations and ongoing development work. Investments in resource efficiency and circularity are integrated into standard business processes and reflected in operational costs and investments, rather than being treated as standalone initiatives. Examples of such activities are circular design principles, lifecycle extension program, and circular business models.

"Epiroc provides several circular solutions, with opportunities to expand further. Today's circular offerings include, for example, Battery as a Service, scheduled maintenance and upgrades, and second-life upgrades of products and spare parts. "

Circular design

Our lifecycle approach begins early in the design phase. Eco-design is integrated in our design review process when developing new products. We focus on making our products longer lasting and more energy efficient. This involves designing our machines to be lighter, more durable, and easy to disassemble, facilitating service and upgrades. We prioritize modularity to standardize models and minimize the number of articles.

We are also committed to increasing durability within our consumable assortment. The longer bit life means that fewer bits are required to drill a given number of meters, which in turn means that less raw material and energy is required. This also means less transport and less waste, leading to a smaller environmental footprint. As an example, our drill bits are available with both diamond coated buttons, PCD (polycrystalline diamond), and conventional cemented carbide buttons possible to resharpen. The PCD bits last longer than conventional bits, enabling customers to drill longer without interruption, increasing productivity, efficiency as well as safety for the operator. We are continuously working to increase the life length also for the conventional bits.

Many of our customer contracts are based on meters drilled, which means the longer our products last, the more value they provide to both our customers and us. This gives us a strong incentive to develop durable, long-lasting products. By focusing on longevity, we ensure that our equipment remains efficient and reliable over extended periods. Our portfolio offers several integrated planning and management solutions for intelligent operations – from mine to mill. By understanding the ore body, mining companies can plan and execute the whole mining process more efficiently. Utilizing the knowledge gained during exploration allows customers to drill in a more efficient way, thereby blasting and transporting less waste rock. This leads to higher productivity, lower cost and reduced emissions for the customer.

Materials

Our products consist to a very large extent of steel, which requires a considerable amount of raw material, water and energy to produce. To reduce the need for virgin materials, we actively collaborate with our suppliers to increase our use of recycled metals. Our production sites for rock drilling tools have come furthest thanks to working closely directly with smelters to continuously increase the rate of recycled material. On average, 85% of the steel used in these products is sourced from recycled materials. This enhances circularity and contributes to a lower climate footprint. Compared to virgin steel, recycled steel drastically reduces CO_2e emissions, energy consumption and water usage.

Access to critical raw materials like cobalt and tungsten is essential for our cemented carbide buttons. To use these resources responsibly, we use recycled carbide powder from used products that comes from both internal carbide powder production excess and drill bits collected through our recycling program for selected customers. For many of our other products, we purchase more semifinished components rather than raw material so there are intermediaries between us and the smelters, which slow down the shift to recycled materials. That said, we are actively working to increase the use of recycled steel also in components.

We actively collect data to identify parts and materials containing substances of very high concern, such as lead and PFAS, as they can have a negative impact on circularity, see more in **E2 SOC & SVHC**.

Waste management

The main waste streams come from our production sites and consist of metal scrap, process water, oils and packaging material like wooden pallets. At our production sites, we minimize waste by managing resources carefully in accordance with local regulations and infrastructure. Waste management is part of our ISO 14001 certification and followed up quarterly. When waste is unavoidable, it is sorted into waste streams. Our approach is guided by the waste hierarchy, which prioritizes prevention and reuse over disposal, encouraging to remain materials in circulation. Applying these principles, we promote reuse and recycling as preferred options, reducing landfill and other non-recyclable waste streams. Whenever possible, valuable metals are reused within our own operations or sold back to the smelter. Parts and materials that cannot be reused within Epiroc are reported as waste and include activities such as recycling and incineration.

An achievement during the year was the successful reclassification of ferrous slag from landfill waste to resource by one of our entities. This shift not only reduces environmental impact but also enables materials previously destined for landfill to be reintegrated into the value chain as reusable materials. Other waste reduction activities include local engagement to find alternatives to repurpose the waste, such as turning corrugated cardboard from incoming goods to packing material or converting broken wooden pallets into wood chips.

Use of products

For many years, we have focused on product efficiency and lifetime extension through our service and maintenance offerings to ensure that products and materials remain valuable and are utilized for as long as possible. With well-performed maintenance and service, the availability and productivity of the machines increase, early replacements of parts are limited, and the lifetime of the equipment is prolonged. This not only benefits the environment by reducing the use of materials but also lowers our customers' total cost of ownership. We offer a range of service agreements and products tailored to meet diverse customer needs. We work in a close relation with our customers for service and maintenance planning, ensuring high productivity, availability and performance of the tools and machines for as long as possible. Our circular machine and component offerings can be found on our **circular solutions website** which aims to promote and boost demand for our life extension and reuse solutions.

Business models like renting and leasing allow us to maintain ownership and control over the reuse of materials and parts in our products, extend product life and strengthen our aftermarket business. An example of a circular business model is our Batteries as a Service (BaaS). BaaS gives our customers all the benefits of electric power without the need for them to own the batteries. Through BaaS, we take full responsibility for the batteries, monitoring battery performance, and replacing batteries when necessary. This lowers the investment barrier for customers to invest in battery-electric vehicles, and it secures recurring revenue streams for Epiroc. At the end of life, batteries can be repurposed for other vehicles or energy storage, allowing customers to use more of their own installed renewable energy before the batteries are recycled.

The opportunities for improved use of resources are also facilitated by new technology and digitalization. Collecting and analyzing real-time machine status provides, for example, possibilities of improved planning and more efficient service, with pre-maintenance and prolonged machine and component lives. Our customer platform, My Epiroc, offers instant access to machine data, helping to identify service needs and ordering spare parts. Software-based automation functionality is another example of how technology can increase the uptime of machines. By integrating advanced automation solutions, Epiroc ensures that machines operate more efficiently and with fewer interruptions from unexpected breakdowns.

Prepare for second life

We offer customers the option to retrofit, repair and rebuild. Together, we minimize the use of new resources and reduce waste, resulting in lower economic and environmental costs. Our large portfolio of circular offerings includes remanufacturing of components such as axles, rock drills and cylinders. Through our offerings where customers can repair, return, remanufacture and service their products, we reuse as much as 80% of the steel and deliver reused components to the same quality as new. Our midlife services, a service solution that extends machine lifespan by repairing and replacing worn-out components and parts, can provide similar results. During a midlife service, machines can also be upgraded with the latest technology to increase productivity and safety. Machines can also be converted from diesel-powered to battery electric. This not only reuses steel but also lowers carbon emissions.

We offer tailored solutions to collect and recycle used products at drill sites from customers, including both steel and cemented carbide materials. The program has rendered a positive response from our customers. We cooperate with local and regional recyclers to ensure that the metals are effectively reused, reducing the need for international transports. This helps retain valuable resources in the ecosystem while significantly lowering carbon emissions associated with transport.

Metrics and targets

Targets related to resource use and circular economy (E5-3)

Epiroc has a Group target on waste management.

- The target for 2025 was to keep more than 80% of the generated waste in the ecosystem by reuse, recycling or other recovery activities.

In 2025, the outcome was 84% and the target was met by a small increase compared to 2024 (83%). The objective of the target is to foster effective waste management practices that adhere to the waste hierarchy and circularity principles, as established in our policies. By applying the waste hierarchy, we promote keeping valuable resources in circulation, with reuse and recycling as preferred options, reducing landfill and conserving resources. The methodology and definitions are described under waste metrics below.

Even though Epiroc has no separate Group target on resource inflows, steel footprint is largely addressed by the 2030 goal to halve carbon emissions from relevant suppliers, see ESRS E1 **Metrics and targets**. Increasing the share of recycled steel keeps valuable materials in circulation, lowers environmental impact, and supports our climate goals.

Resources inflows (E5-4)

Steel is the dominant material in Epiroc's products, making it the most relevant metric for assessing resource inflow. On average, Epiroc machines consist of 90% steel by weight, while consumables such as attachments and tools range from 70-100% steel; making steel our key material and a critical indicator of both material usage and environmental impact. Given its prevalence and recyclability, steel serves as a strategic lever for Epiroc to reduce CO_2e emissions, enhance resource efficiency, and meet our 2030 sustainability targets.

We source both raw material steel directly from tier 1 steel suppliers and semi-finished steel components from different manufacturers. Approximately 26% of the steel comes from tier 1 suppliers. We have been working together with our tier 1 steel suppliers to increase the rate of recycled steel for several years. To better understand the full environmental footprint of our steel usage, a detailed mapping of the origin of the steel in our semi-finished products is ongoing. This process is complex as the steel smelters are several tiers from us. The mapping of our steel materials will enable us to identify opportunities to increase the share of recycled material, a key activity that significantly supports our climate goal of halving CO_2e emissions from purchased goods and services. Use of recycled steel can save approximately 60-70% of the energy required to produce steel from raw materials.

Steel

	2025	
	tonnes	%
Total weight of steel	**200 322**	
Steel from tier 1 suppliers	51 420	26
- whereof recycled steel from tier 1 suppliers	34 321	67

Methodology

Total weight of steel data was collected using two complementary methods: the majority of steel volumes and suppliers were sourced from the main ERP system, while additional data from key steel-consuming companies was included to ensure comprehensive coverage. Steel from entities that do not report primary data has been estimated and included in the table to reach full scope.

Estimates are based on data from reporting entities with primary data. For these entities an average has been calculated based on the amount of procured steel per FTE, within each group of our entity types (customer centers, distribution centers, and product companies). The average for each group is then multiplied by the number of FTEs for entities where we do not have primary data. These calculations are performed within their respective groups and then consolidated into a total weight for the entire Epiroc Group. The estimated portion of the steel data corresponds to 34%.

The collection of steel data is to a large extent manual and requires significant time and resources as well as quality assurance. Therefore the disclosure for 2025 steel procurement is based on data from 2024 in accordance with the above methodology.

The information on the steel-making processes from each raw material suppliers (tier 1) was mapped. Weight of certain purchased steel products only sits with suppliers and creates complexity in obtaining complete coverage. Data on recycling rate from semi-finished steel components is currently not available to us.

Resource outflows (E5-5)

We aim to limit the production of waste from our operations. When waste is unavoidably generated in our operations, it is separated into waste streams which aims at keeping it at as high resource value as possible. Epiroc tracks its performance and effectiveness related to waste through the annual target and the key metrics reported and followed up.

Waste

	2025 (tonnes)	2024 (tonnes)
Total amount of waste generated (non-hazardous and hazardous)	**37 413**	**34 918**
- Non-hazardous waste	33 846	29 784
- Hazardous waste	3 567	5 134
Waste diverted from disposal (non-hazardous and hazardous)	**31 548**	**28 853**
- Reuse	1 060	995
- Recycling	28 741	25 045
- Other recovery operations	1 747	2 813
Waste directed to disposal (non-hazardous and hazardous)	**5 865**	**6 065**
- Incineration	1 103	1 250
- Landfill	4 615	4 618
- Other disposal operations	147	197

The total amount of non-recycled waste was 8 672 tonnes, equivalent to 23% of total waste. The majority of waste created in our operations consists of metals, wood, cardboard, and other materials with strong, established recycling streams. Our high recycling rate, 77% of the total waste, demonstrates responsible resource management while reducing climate impact and the need for virgin raw materials. The reasons for waste directed to disposal is to a large extent depended on local regulations and available waste management practices in different countries.

The amount of total waste in tonnes increased slightly in 2025 compared to 2024 despite several efforts to reduce waste. This increase is due to more accurate reporting from several relatively newly acquired entities. A higher reduction was seen for total hazardous waste, which decreased from 15% to 10% of our total waste. This is mainly due to a dedicated project in Australia to reclassify their by-product ferrous slag from waste to a resource. Not only does this reclassification enable reuse of the resource, it also has a positive impact on Epiroc waste result.

Methodology

Waste data primarily from direct measurement is reported quarterly by major contributing entities. To ensure a 100% scope estimates for non-reporting entities have been added in accordance with our methodology and assumptions described in **Basis for preparation**. The share of estimates is 3% of total waste, ranging between 1-7% of different waste streams. The breakdown of Hazardous waste and Non-hazardous waste is only available for total waste generated. Waste metrics are not validated by any other body,

Definitions for our waste reporting are in line with the definitions in ESRS. *Reuse* is where the waste material is reused in its present form. *Recycling* is where the waste is treated or transformed to a usable state. *Other recovery operations* include repurposing and refurbishment. That is when discarded products or parts are used in a new product with different function or when an old product or part of product is restored and brought up to date. It can also be repair and maintenance of defect products so it can be used with its original function. *Incineration* includes waste sent for burning under controlled way at high temperatures.

Products and materials

Due to the lack of a common standard for calculating durability, repairability and recyclability for our type of products, each company must establish its own criteria. This results in non-comparable information between companies. Consequently, we do not have metrics or targets for these areas yet.

Durability

We have a large fleet of machines around the world and due to the high quality of the equipment in combination with our aftermarket offering, the average fleet age is continuously increasing. For example, we have surface drill rigs that operate at high utilization rates, even though they are more than 20 years old. At year end, the average age of our equipment fleet in operations was 8.6 years and 38% of it was older than 10 years.

Durability was one aspect considered when developing our diamond coated Powerbit X. The diamond coated bit is up to 25 times as durable as our conventional carbide buttoned bits. The longer durability of the bit means less changing of drill bit. This improves safety and productivity when drilling, in addition to the savings of natural resources and carbon emissions.

Repairability

All our machines are designed to facilitate repairability of worn-out parts to maximize the overall lifetime and use phase. We have a continuously growing range of life-prolonging services and upgrades of both machines and spare parts, which increase our aftermarket profitability. These offerings would be fewer and less profitable if the products were not designed with repairability in mind.

Recycled material

Common for Epiroc products is that they mainly consist of steel, The proportion of recycled steel is the same in our products sold as in the sourced inflow materials and can be seen in table above.

EU Taxonomy

Reporting in line with Article 8 of the EU Taxonomy Regulation

The purpose of this note is to present disclosures in line with the requirements set out in the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation as amended by the Commission Delegated Regulation (EU) 2026/73. In accordance with the amendment, Epiroc has used the simplified templates and reported all non-material activities in the summary template, providing explanations for their non-materiality.

This year, a continued conservative approach is adopted in the disclosures.

Disclosure 2025 – Summary KPIs

Financial year	2025														
KPI (1)	Total (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year 2024 (15)	Proportion of Taxonomy aligned activities in previous financial year 2024 (16)
					Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)					
	MSEK	%	MSEK	%	%	%	%	%	%	%	%	%	%	MSEK	%
Turnover	61 998	0.0%	0	0							0	0	4.2%	0	0.0%
CapEx	3 633	0.0%	0	0							0	0	6.0%	0	0.0%
OpEx	1 646	15.5%	0	0							0	0	0.0%	0	0.0%

Assessment of eligibility

As previous year, an assessment has been made against all 6 objectives (*Climate change mitigation/adaptation*, *Sustainable use and protection of water and marine resources*, *Transition to a circular economy*, *Pollution prevention and control*, *Protection and restoration of biodiversity and ecosystems*) and both eligibility and alignment are reported for the activities in scope.

The description of EUST activity 3.6 Manufacture of other low carbon technologies, contains the following: "Manufacture of technologies aimed at substantial GHG emission reductions in other sectors of the economy, where those technologies are not covered in Sections 3.1 to 3.5 of this Annex". Epiroc has chosen to define this as products that have zero tailpipe emissions, and that are direct alternatives to fossil-fuel-powered products. Based on that, specific products have been identified as eligible. Eligible equipment includes battery-electric underground machines, cable-electric underground loaders and surface drill rigs. In addition to activities related to EUST activity 3.6, Epiroc is to a small extent involved in assembly of batteries, and thus also covered by the activity 3.4 Manufacture of batteries.

The description of EUST activity 4.1 Provision of IT/OT Data driven solutions contains the following: "(a) software and IT/OT systems, including artificial intelligence (AI) based solutions, built for the purpose of remote monitoring and predictive maintenance". Epiroc has chosen to define this as products that increases durability, reparability, upgradability and reusability of equipment with a product-as-a-service model with the aim to keep equipment at their highest utility value for as long as possible. Eligible IT/OT systems include EarthTrack Payload Management systems for excavator and loaders, IOT enabled Smart Get and Drill Guidance. Although Epiroc contributes to a circular economy with for example the Reman Centers (remanufacturing), an analysis for EUST activities 5.1 – 5.4 shows that Epiroc does not fulfill the criteria for substantial contribution, resulting in no eligibility for 2025.

Materiality Assessment and reporting approach

In line with the 2025 amendment, Epiroc has applied the 10% materiality threshold for each KPI (Turnover, CapEx, OpEx). Economic activities that cumulatively account for less than 10% of the denominator for a given KPI are considered non-material and are reported separately as such. This approach is intended to focus reporting efforts on activities that are financially significant to the business, while maintaining transparency for all activities.

Turnover materiality

The majority of Epiroc's turnover is derived from activities that are not Taxonomy-eligible. The company's core business remains in mining and infrastructure equipment and related services, which is not currently included in the Taxonomy. Taxonomy-eligible but not aligned activities (3.6 Manufacture of other low carbon technologies, 3.4 Manufacture of batteries, and 4.1 Provision of IT/OT Data driven solutions) collectively account for 4.2% of total turnover, which is below the 10% materiality threshold and are therefore considered non-material for the purposes of Taxonomy reporting.

CapEx materiality

Capital expenditure related to 3.6 Manufacture of other low carbon technologies, 3.4 Manufacture of batteries and 4.1 Provision of IT/OT Data driven solutions, represent less than 10% of total CapEx and is therefore considered non-material for Taxonomy reporting. Most CapEx is allocated to general business operations and infrastructure.

OpEx materiality

Taxonomy-eligible activities collectively account for 15.5% of total OpEx, which is above the 10% threshold. Therefore, these activities are reported in detail as per the Taxonomy requirements. In 2025 the proportion of OpEx-related expenditures for eligible activities increased to 15,5% (12,5%) mainly due to data quality improvements.

Disclosure 2025 - KPI OpEx

Reported KPI		OpEx											
Financial year		2025											
Economic Activities (1)	Code (2)	Taxonomy eligible KPI (Proportion of Taxonomy eligible OpEx) (3)	Taxonomy aligned KPI (monetary value of OpEx) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned OpEx) (5)	Environmental objective of Taxonomy aligned activities						Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
					Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
		%	MSEK	%	%	%	%	%	%	%	E	T	%
Manufacture of other low carbon technologies	CCM 3.6	6.7%	0	0							E		
Manufacture of batteries	CCM 3.4	8.1%	0	0							E		
Provision of IT/OT data-driven solutions	CE 4.1	0.6%	0	0							E		
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.1%	0	0							E		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.0%	0	0							E		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.0%	0	0							E		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.0%	0	0							E		
Sum of alignment per objective													
Total KPI		15.5%	0	0							15.5%		

Accounting policy and calculations

The revenues, capital expenditure (CapEx) and operating expenditure (OpEx) denominator and numerator are based on the definitions 1.1.1, 1.1.2, and 1.1.3 as specified in Annex I in the Disclosures Delegated Act under Article 8 of the EU Taxonomy Regulation.

Calculation of turnover KPI

The denominator includes total revenues in the consolidated income statement. The numerator includes revenues from the sale of products, batteries and accessories that fulfill the eligibility criteria for EUST activities 3.6, 3.4, and 4.1. Revenues from aftermarket, service and Tools & Attachments are excluded, due to the uncertainty in definition. Under contextual information additional calculations are provided, which include revenues that are excluded from the formal disclosure, but still contribute to reducing CO_2e emissions. Eligible revenues and additional revenues include equipment revenues only and do not include revenues from aftermarket. Aftermarkets represent around 2/3 of total revenues.

Calculation of capital expenditure (CapEx) KPI

The denominator includes the total additions and acquisitions of businesses as reported in **Note 13 Intangible assets** and **Note 14 Property, plant and equipmen**. The CapEx plan to allow Taxonomy-eligible activities to become aligned, is not included. The following four categories of capital expenditure were not included due to the uncertainties in scopes, definitions and available reporting guidance. 1) Capital expenditure related to assets or processes that are associated with the overall functioning of the company, 2) the purchase of output from taxonomy-eligible activities (except 7.3-7.6), 3) R&D into GHG reductions of non-eligible products and 4) climate change adaptation measures.

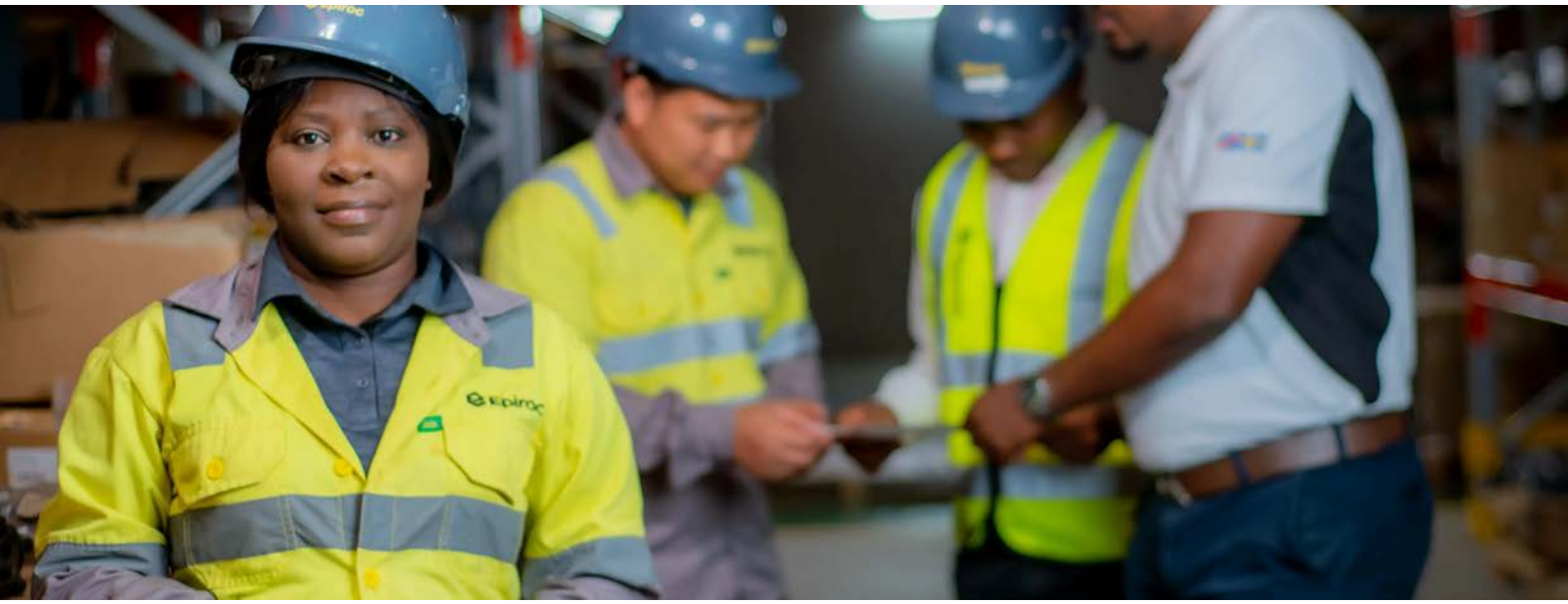
Calculation of operational expenditure (OpEx) KPI
The denominator includes operating expenditures associated with maintaining the value of the asset: a) Research and development expenses, b) Building renovation measures and c) Maintenance and repair. Excluded from the denominator are amortization, impairment and capitalized costs. Short-term leases and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment, have been excluded due to the uncertainties in scopes, definitions and available reporting guidance. The scope of categories b) and c) has been limited to only include the reporting entities representing the largest share of these types of expenses. This to balance the cost against the value of the data collection. The numerator includes operating expenditures that relate to an asset or process that is associated with the eligible equipment under EUST activity 3.6, EUST activity 3.4 and EUST activity 4.1. This includes, for example, operating expenditure in production facilities, production equipment, and in R&D. For assets or processes that are also associated with non-eligible products, an allocated share of the operating expenditure, based on the expected use/output of the asset or process, has been included. Operating expenditure related to EUST activities 7.3 to 7.6 from the Climate Delegated Act has also been included, based on point c in the definitions in 1.1.3. These are operating expenditure related to energy efficiency and renewable energy.

Contextual information

A conservative approach to the disclosure has been adopted due to uncertainty regarding several aspects of the EU Taxonomy. However, this section provides additional disclosure of revenues that contribute to reducing CO_2e emissions, but are excluded from the formal disclosure:

- Revenues from all underground drilling equipment which uses electricity via cable while drilling.
- Range of surface drill rigs with significantly lower fuel consumption compared to other surface drill rigs.

Taxonomy-eligible activities and additional revenues amount to 12.0% (13.1%) of total revenues 61 998 MSEK (63 604 MSEK).



S1 Own workforce

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Own workforce impacts, risks and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

Epiroc is dependent on a skilled and motivated workforce and had over 19 000 employees and 1 600 external workforce in more than 60 countries at the end of 2025. Impacts on the company's own workforce primarily arise from the nature of Epiroc's core activities, production of equipment and services to customers. These impacts are further shaped by industry-wide challenges on health and safety as well as diversity and linked to regions with higher risks relating to labor rights and decent working conditions. Mitigating the material potential and actual adverse effects on the workforce will also help to avoid the associated financial risks arising for example from accidents or productivity loss. It also helps pursue opportunities linked to competitive advantage and an engaged and innovative workforce. The potential failure to attract and retain key teams and employees could hinder Epiroc's ability to sustain or expand certain Business Areas. This is an underlying risk for identified material IROs. We do not consider that our climate transition plan have any material adverse effects on workers. Nevertheless, we are committed to supporting our employees through targeted training and skills development to meet evolving requirements, for example those related to electrification.

Epiroc's entire workforce, including employees and external workforce, is included in the scope of identifying material impacts. Employees are directly employed by an Epiroc company, and external workforce includes both self-employed people and people employed by a third-party company but working for Epiroc. The total workforce includes people working in areas such as service, supply chain, production, administration, marketing, sales and support, and research and development.

Health and Safety		**Location in value chain**			**Time horizon**		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Epiroc's own production, and services to customers, can be associated with health and safety risks	Actual negative impact		o		o	o	o
Safety and health challenges and a weak safety culture can lower productivity and negatively impact Epiroc's brand	Risk		o		o	o	o

Epiroc's own production and provided services to customers are associated with health and safety risks that could result in injuries and ill health of our employees from incidents and accidents. A majority of our employees work in our aftermarket business, often at customer sites. Many are service technicians, a group particularly exposed to work in harsh conditions, heavy equipment and time on the road. Safety and health challenges can lead to lower productivity, increased cost, lower investor and customer confidence, and can negatively impact the Epiroc brand.

Safety is a strategic priority in own operations as well as for product development, it is a fundamental part of our license to operate and is ensured with long term goals and annual targets. Procedures for risk assessments, incident reporting, and safety inspections aims to prevent and mitigate impacts. Emergency preparedness programs are in place, such as routines and first aid measures to limit the effect of injuries and ill-health in case of any accident. Employee and customer safety is a key focus for our automation and digitalization solutions and we provide many different products to increase safety, for example, safety nets and rock reinforcement solutions. For more information, see **ESRS S4**.

Inclusion and diversity		**Location in value chain**			**Time horizon**		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Inequality and diversity issues can lead to discrimination, affecting pay, training and hiring	Potential negative impact		o		o	o	o

Gender diversity is a challenge – not only to us at Epiroc, but for the entire mining and construction industry. There is a potential risk that shortcomings in recruitment processes, unequal pay, harassment, and other forms of discrimination occur that may have negative impact on workers. Risks may vary in regions with differing standards or for different groups, such as women, minorities and lower-wage roles, or they may arise from individual incidents. As a result, workplace diversity may be affected, with a risk of reduced morale and motivation, decreased attractiveness to external talent, and increased employee turnover. This can lead to operational inefficiencies and pose reputational risks.

Fostering an inclusive workplace is strategically crucial for operations, reputation, culture, and facilitating workforce changes. The increasing focus on automation, digitalization, and electrification requires new skillsets. These areas attract talent with experience and skills that are different from and complement what we already have, providing an opportunity to enhance diversity.

Working conditions		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
If Epiroc fails in employment standards, this can impact employees	Potential negative impact		o		o	o	o

While Epiroc currently maintains strong employment standards, there is a potential risk of negatively impacting the workforce through inadequate employment conditions and salaries, or limitations on freedom of assembly and collective bargaining rights. These labor issues can be systemic, especially in regions with weaker labor laws, or arise as individual incidents. Epiroc has employees in regions where challenges exist in terms of labor rights and decent working conditions, such as adequate employment conditions and the rights to freedom of assembly and association. These challenges occur across all types of operations. Regions particularly vulnerable to these issues include parts of Asia, the Middle East, Africa, South America, and Latin America. However, forced labor and child labor have not been identified as salient issues within our own workforce. Failure to address inadequate employment standards and unresolved labor issues could hinder recruitment, retention, productivity, and damage Epiroc's reputation.

To mitigate these impacts, our response involves having fair labor policies, conducting regular salary reviews, adhering to collective bargaining rights, monitoring labor conditions, enhancing employee engagement channels, and continuously improving labor practices. Proactively addressing labor issues is strategically crucial for core operations, reputation management, and fostering a positive workplace culture. We have established communication channels for employee feedback and grievance mechanisms to identify and resolve labor-related concerns promptly.

Policies for own workforce (S1-1)

Our **Code of Conduct (CoC)** (read more in **G1**) guides our approach to working conditions, health and safety and human rights to meet the expectations from our employees and other key stakeholders:

- We are committed to conduct our business in accordance with the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights (UNGP), International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, OECD's Guidelines for Multinational Enterprises, and other conventions.
- We aim for a respectful, safe, and healthy workplace, complying with health and safety laws, with a vision of zero injuries.
- All kinds of discrimination on the basis of race, religion, gender, age, nationality, disability, sexual orientation, gender identity, marital status, pregnancy, ethnic background, union membership and political opinion, are prohibited. We believe in equal opportunities, inclusion and diversity, striving to be the preferred employer.
- We support continuous learning and development and support employees in maintaining a positive work-life balance.
- We respect employees' rights to union representation without risk of discrimination.
- Pay and terms shall be fair and reasonable and comply at a minimum with applicable laws or industry standards, whichever is higher. Working hours shall comply with applicable international and local laws and regulations.
- Under no circumstances will modern day slavery, such as forced, bonded or compulsory labor or human trafficking, be employed or used in our operations and we are strictly against child labor and other forms of exploitation of children.

We are committed to addressing and integrating human rights across our business operations in accordance with the UNGP. Human rights, including labor rights for our employees, are embedded in our company culture. We work with open communication and have many communication channels to engage with our own workforce. We take a proactive stance on addressing any issues and strive to continuously improve our practices to ensure well-being and rights of our employees. The Legal and Compliance Board monitors compliance risks and incidents, including human rights issues.

Epiroc's **Sustainability Policy** (read more in **E1**) states that we work to ensure the safety and well-being of everyone who works for and with us. It is a core element of every activity. Therefore, we arrange consultations and we try to involve employees and/or employee representatives in important questions. We eliminate hazards and reduce occupational safety and health risks, this is further elaborated in Epiroc **Safety and Health Principles**. These principles outlines our safety culture and aim to prevent accidents, injuries and illness by promoting safe behaviors and conditions, and supporting our way towards an injury-free workplace. We are committed to identifying, assessing, and mitigating risks regularly, and we never compromise on safety. To prevent injuries and ill-health, it is required to report and act on all safety and health risks and incidents. The Safety and Health Principles are based on the ISO 45001 standard that Epiroc is certified in, as well as other internal and external requirements.

Our **Inclusion and Diversity Guideline** reinforces and communicates our beliefs that a diversity of cultures, nationalities, ethnic origins, and gender balance, contributes to better business. Inclusion and diversity create broader perspectives, increase innovation and creativity, and enhance the employer brand, leading to better results. For procedures that prevent discrimination, see **Actions - Inclusion and diversity**

Epiroc's **Global Parental Leave Policy** applies to all Epiroc employees in countries with less than 12 weeks of paid parental leave. The policy covers all parents and legal guardians, regardless of sexual orientation or sexual identity. It aims to help employees achieve a

healthy work-life balance throughout their employment with us. Employees taking advantage of the policy are protected against discrimination, and parental leave will not impact their salary review or career opportunities upon return to work.

The interests and views of workers have been reflected in these polices, see further under Interest and views of stakeholders in **Strategy and business model**. All policies are reviewed on a regular basis by respective responsible function. Divisions and General Managers are responsible for implementation. All policies, documents and processes are available in our management system, the Epiroc Way, which all employees have access to. No significant changes of policies took place during 2025.

Policies for workers in the value chain are found i **S2**.

Processes for engaging with own workforce (S1-2)

Worker representation

Epiroc engages with its workforce both directly and through workers' representatives, to gain perspectives and inform its decisions and activities aimed at managing actual and potential impacts for all workers including people that may be particularly vulnerable or marginalized. Our decentralized organization empowers workers to impact their workplace. A key part of this structure is the inclusion of labor representatives on the Epiroc Board, which ensures that employee perspectives are directly represented in strategic decision-making and targets related to our own workforce. Through this governance structure, employees are actively involved in setting and monitoring these targets. Additionally, employees are informed about relevant targets by local company management. Workers' representatives participate in all Division Business Boards, where target setting and performance follow-up are regularly discussed, ensuring ongoing engagement in identifying lessons and opportunities for improvement.

Epiroc has a formal agreement with the European Works Council (EWC), which provides a structured framework for employee representation and consultation across its European operations. This agreement ensures that employees are informed and consulted on significant business matters affecting multiple countries within the Group. Through the EWC, union clubs within the EU discuss common focus areas and interact directly with Group Management.

To strengthen our work to achieve zero injuries and highlight the importance of safety and health Epiroc has a Safety and Health Board consisting of leaders from operations. The Board's mission is to champion safety and health within the Group and to lead, inspire and promote the organization towards an injury-free workplace. The board was active during part of 2025, currently awaiting further development. Employee safety representatives are involved in occupational health and safety decisions and activities. Local safety committees are also organized in various entities. Epiroc Safety Day is held annually for all employees, 2025 year's theme was shaped by local safety challenges. During Safety Day, employees reviewed local survey results, addressed concerns, and developed action plans tailored to their specific locations. Senior management from divisions participated in seminars centered on safety leadership and culture.

Information and communication

Epiroc has several information and communication channels to ensure that information is identified, captured and communicated in a way and within a time that enables employees and managers to fulfill their responsibilities. These channels include the Group's intranet, the Epiroc Way, business reviews and training.

Epiroc regularly holds a summit for all senior leaders in the Group, with themes aligned with the company strategy. After the summit, local workshops are arranged to identify short- and long-term improvement initiatives. The last summit was held virtually in March 2024 covering topics such as culture, geopolitics and digitalization.

Direct engagement and employee surveys

My Voice, our employee survey, conducted at least once a year across Epiroc Group, measures employee satisfaction as well as leadership. This anonymous and confidential survey helps us understand employee perceptions on how we act, supporting continuous improvement in our culture and leadership. Managers are responsible for the survey outcomes, action planning, and execution. Local General Managers, local human resources teams, the different business lines and functions, regularly follow up to ensure effective implementation of the action plans.

The My Voice 2025 survey included 21 questions covering key elements related to employee engagement. The effectiveness of the survey is reflected in its strong response rate of 84%, with more than 16 000 responses and 4 200 employee comments collected. The results were analyzed and benchmarked against both previous years' data and external company benchmarks. Overall, the engagement score remained high with an 83% favorability rate, while the leadership Index reached 75%. Compared to the previous year, results improved in 17 areas, with no declines in any scores. Key strengths identified include safety, purpose and the engagement Index. Opportunities for improvement were noted in collaboration and decision-making speed. Additionally Epiroc have introduced a question on diversity and inclusion. With a 78% favorability rate, the vast majority of employees reported that they "feel respected and included" in their workplace. The survey feedback provides a solid foundation to understand our current position and define clear focus areas for future improvement. It also provides insight into the perspectives of different demography and of those who may be under represented.

Direct engagement also includes regular, structured communication with employees at all levels. During the year, 79% (84) of employees had performance development talks with their managers.

International collaboration

As a member of the International Council of Swedish Industry, we promote sustainable and responsible business practices, participating in initiatives like the Swedish Workplace Programme, which uses social dialogue to improve and strengthen relationships

between management and employees.

Processes for remediation and channels to raise concerns (S1-3)

Epiroc has several channels for its workforce to raise concerns directly with the company. An employee who wants to report concerns, which only relate to the employee's own working or employment conditions shall report to the employee's manager or the manager's manager. If this is uncomfortable, inappropriate or for other reasons not possible or practical, the employee can contact Human Resources, Legal or the Compliance function.

For behavior or actions that are, or may be perceived as, violations of laws or the Epiroc CoC, the Epiroc Speak Up system can be used. It is a third-party tool that enables anonymous reporting in local languages via the internet. For employees without internet access, there is also the option to report by phone. Local phone numbers for each country are clearly displayed on Speak Up posters at each workplace. To assess awareness and trust in these reporting structures, Epiroc uses the employee engagement survey My Voice. The survey includes a specific "Whistleblower" question asking employees to rate the statement: "I can report unethical behavior without fear of retaliation." The results showed a 79% favorability rate, while indicating a general confidence in the reporting mechanisms and is above industry benchmark, it also highlights the need of increased awareness. Read more about whistleblowing and Speak Up in **ESRS G1**.

Procedures for remediation are integrated in various processes. For example, health and safety concerns are addressed through established safety protocols and our health and safety management system, while issues related to working conditions follow labor relations and employment procedures. Remediation actions may include corrective measures, compensation or other steps to restore affected parties and prevent recurrence.

Actions for health and safety (S1-4)

Ensuring the safety and well-being of everyone who works for and with us is always a top priority. Safety is a key focus for our electrification, automation and digitalization solutions which not only benefits our customers but also our own workforce.

Epiroc has implemented a range of actions to manage material impacts related to health and safety and the associated material risks. Our health and safety management is based on ISO 45001 criteria, however it can also exceed these standards. Operating entities with a lower risk are exempt from external certification but must still follow Group procedures. In total there are 69 ISO 45001 certified entities. Out of our total workforce, 84% are covered by an external certified health and safety management system. Key actions are described below. To ensure the effective implementation of these measures, dedicated resources are allocated both at central and local levels within the organization. Resource allocation includes both personnel within health and safety and expenses enabling continuous development and follow-up of the actions. This includes, among other things, safety equipment, health and safety initiatives and training programs, and systematic processes to monitor the working environment. Health and safety measures are integrated in the daily operations and not in the form that requires significant CapEx or OpEx.

The effectiveness of actions and initiatives is continuously tracked and assessed through our goals and targets as well as other metrics. Epiroc also holds regular meetings and solicits feedback from the workforce, for example through the safety pulse and discussions with workers' representatives, to ensure that our actions are yielding the desired outcomes. We also perform internal audits on all operations covering health and safety, and external and internal ISO audits on certified entities that gives us feedback for continuous improvements.

Hazard identification, risk assessment, and incident investigation

All entities must have procedures in place for risk assessments, incident reporting, and safety inspections, as required by our management system and ISO 45001. All employees are encouraged to report safety and health risks. We encourage entities to use our preferred system for risk reporting, to e.g., report risk observations, near-misses and injuries, investigate and mitigate risks. Work-related injuries are reported and followed up at entity, divisional and Group level. All injuries and safety incidents result in investigation, root cause analysis and corrective action. The root cause analysis is important to ensure that own practices do not cause or contribute to incidents. Lessons learned are shared within the company to prevent similar incidents.

When working in the field at a customer site or similar, employees are trained to perform their own risk assessments, like Last Minute Risk Assessment, and are required to follow local regulations and procedures. If they still face a risk situation, they are empowered to stop work and not put themselves in a hazardous situation. Risk assessments and incident reports inform action taking to prevent and mitigate negative impacts on health and safety, at both local level and at Group.

Health and safety training and culture

We have a behavior-led approach to engage everyone in our health and safety efforts. In 2025, we implemented several initiatives to raise awareness, address potential hazards and further improve safety across the company. During 2025, Epiroc introduced a new e-learning course, Introduction to Safety and Health. The course provides essential knowledge on maintaining a safe and healthy workplace, emphasizing individual responsibility and is designed for all employees. The training is included in onboarding for new hires and is recommended for all staff, especially those in high-risk roles. Training will be monitored regularly to support continuous improvement in safety and health standards across the company. We also continue to offer additional training to workers that may be exposed to higher risk, such as service technicians.

The ActSafe project was initiated during 2025 and will be rolled out in 2026. ActSafe is our new global initiative on safety and health. ActSafe unifies Epiroc's many safety and health programs into a practical toolkit to be used across sites and roles. Our ambition is to grow our Epiroc safety culture by connecting existing safety programs and tools into one overall strategy.

Occupational health services

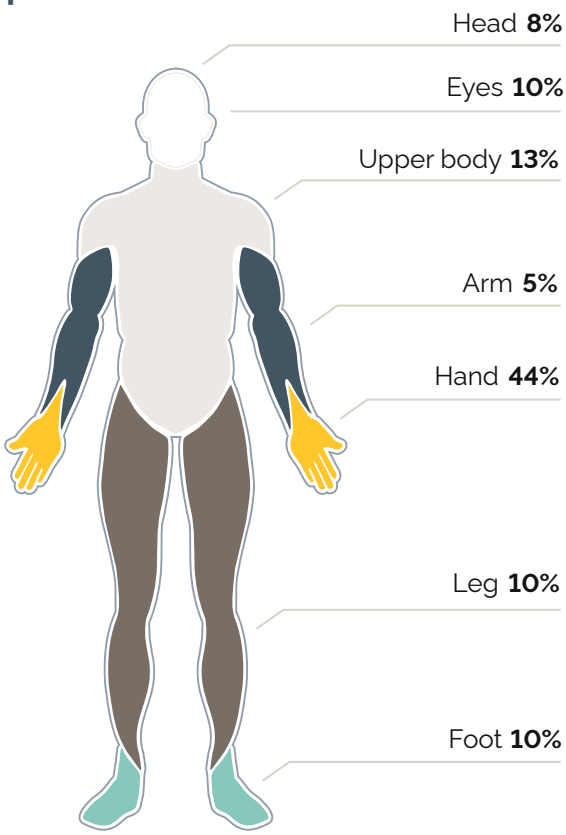
Occupational health services are provided to employees at most units and vary by country depending on local needs and legislation, and the level of health service available. Services include doctors, nurses, psychologists, physiotherapists and ergonomists. Employees or employee safety representatives participate and are consulted in occupational health and safety decisions and activities as part of the requirements in ISO 45001. Health promotion is mainly local, with some locations allowing exercise during working hours. All health promotion services and programs are voluntary.

Injury management

At Epiroc, we support employees who suffer workplace injuries by providing alternative or restricted duties during treatment and rehabilitation. Our medical practitioners ensure appropriate remedies to facilitate recovery. For those unable to return to their pre-injury duties within 24 hours, we develop a Return to Work Plan. This plan outlines and monitors the tasks the injured employee can perform. We also offer the option to work from home when feasible. Additionally, we implement local initiatives for remedy and rehabilitation and ensure our employees are covered by insurance according to each country's regulations.

The work-related injuries continued to decrease in 2025 compared with 2024. There are few severe injuries, and hand injuries represent a high share of the total injuries. We are taking numerous actions to further improve safety and reduce injuries. Examples are improved onboarding training, mentorship programs, dedicated task forces for certain entities, Epiroc Safety Day, as well as safety campaigns. We are developing new measurements and tools to track our progress. We continued to implement our internal Epiroc safety commitments during the year. These are reminders of how we should act and behave according to our internal safety rules to protect our co-workers and ourselves.

Injury by body part



Safety and Health Award

The Epiroc Safety & Health Award promotes good examples in the Group and was awarded to Epiroc Mining Tag in Chile. Mining Tag develops and implements sensor-based solutions that allow monitoring, automation and process improvement of mining operations. Mining Tag won due to its long-standing commitment and successful work to avoid loss time incidents. Success factors was a highly committed team and activities such as regular nutritional control, active breaks, safety campaigns involving families, recognition of best practices, and regular safety meetings with management.

Metrics and targets on health and safety

Health and safety targets (S1-5)

Our health and safety goal for 2030 is guided by the principles outlined in Epiroc's health and safety guidelines, reflecting our firm commitment to fostering a safe and healthy working environment across all operations. Our goal is:

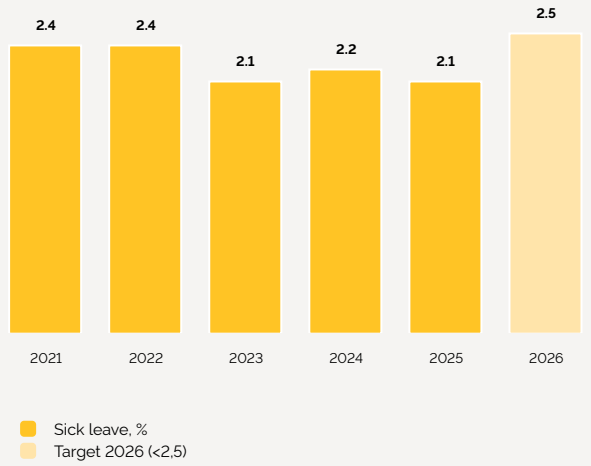
- Have no work-related injuries in 2030.

We also set yearly targets to efficiently measure and follow up on milestones needed to reach our 2030 goal. We measure this using Total recordable injury frequency rate (TRIFR).

For information on stakeholders involvement in the target process, see **Processes for engaging with own workforce**.

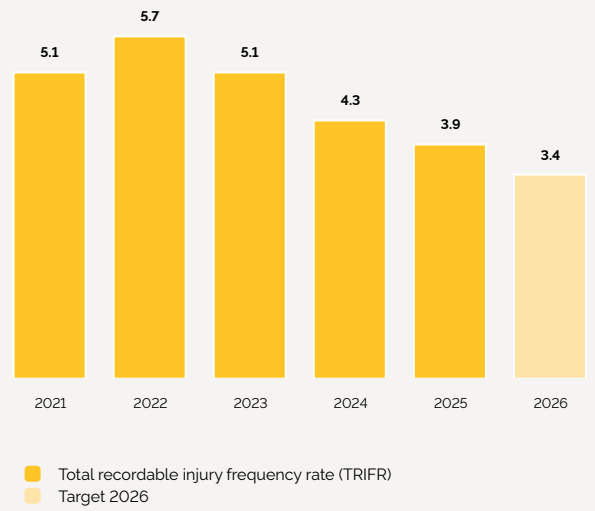
Progress on targets

Sick leave, %



Target for 2025 was below 2.5% and the result was 2.1% (2.2).

Total recordable injury frequency rate (TRIFR)



Target for 2025 was below 3.8 and the result was 3.9 (4.3) and showing a continued progress.

Health and safety metrics (S1-14)

Work-related injuries

	2025	2025 target	2024	2023	2022	2021
Number of fatalities as a result of work-related injuries	0	0	0	1	0	0
Whereof employees	0	0	0	1	0	0
Whereof non-employees	0	0	0	0	0	0
Number of total recordable work-related injuries (TRI)	**154**		**170**	**193**	**192**	**155**
Whereof employees	142		159	168	168	135
Whereof non-employees	12		11	25	24	20
Total recordable work-related injury frequency rate (TRIFR)	**3.9**	**<3.8**	**4.3**	**5.1**	**5.7**	**5.1**
Whereof employees	3.9		4.4	4.9	5.5	4.8
Whereof non-employees	4.0		3.4	7.4	8.0	8.0
Number of high-consequence injuries (HCI)	**5**		**2**	**5**	**4**	**6**
Whereof employees	5		2	4	4	6
Whereof non-employees	0		0	1	0	0
Number of days lost to work-related injuries and fatalities from work-related accidents, related to employee	**1 060**		**1 978**	**1 743**	**1 857**	**1 731**

Ill health

To strengthen our control and monitoring of occupational health and safety we have implemented new reporting measures related to ill health (health problems caused or aggravated by working conditions or practices) during 2025. This will be included in our monthly reporting and tracked at the entity, divisional, and Group levels to ensure comprehensive follow-up going forward and can be included in our reporting in the upcoming years.

Methodology

TRI include: fatality, injury resulting in absence from work, restricted work, medical treatment, loss of consciousness or significant injury diagnosed by a physician. TRIFR is calculated per million hours worked. High-consequence injuries (HCI) are also reported. These are injuries where the worker cannot or is not expected to recover fully to pre-injury health status within 6 months. If expectation of recovery changes, the HCI is to be restated. If HCI is confirmed after year-end (within 6 months), the HCI is reported in year 2. Fatalities are excluded from our calculation of high-consequence work-related injuries. Number of days lost to work-related injuries and fatalities from work-related accidents, related to employee, is calculated on working days and not calendar days.

Sick leave is calculated by total number of sick leave days/total number of working days.

Actions for inclusion and diversity (S1-4)

By ensuring equal opportunities regardless of age, gender, ethnicity, or other characteristics, our ambition is to attract a diverse and skilled workforce and assign the most suitable individuals to appropriate roles. This stimulates innovation, improves employee retention, reduces recruitment costs, and enhances Epiroc's employer brand, which contributes to long-term success and financial performance.

Our policy commitments are supported by specific processes and actions globally and locally to prevent discrimination, in recruitment processes and trainings. Our senior managers represent 37 (39) nationalities and we promote an inclusive culture where people feel safe and are encouraged to be themselves. This is supported by training for leaders, mentorship programs, and policies that promote inclusion and diversity. During the year, we continued to focus on processes on how we attract, recruit, onboard and retain employees based on merit and competence, with an increased focus on employer branding. We have a data-driven approach to identify how we can be a more attractive employer to the talent we seek. Resource allocation includes both personnel and budgets within human resources enabling continuous development and follow-up of the actions. There is no significant CapEx or OpEx for these actions.

We track progress in a number of areas, including nationality, age and gender. Since 2019, when we set our ambitious 2030 sustainability goals, we've zeroed in on gender diversity, a clear and common gap across the Group. One 2030 goal is to double the number of women in operational and managerial roles, complemented by annual targets. However, our recruitment process continues to be based fully on merit and competence, choosing the best candidate for each role; it's about having the right person for the right job at the right time. We also measure perceptions of belonging and wellbeing as part of our annual employee survey, as well as our Leadership Expectations Index – which shows the effectiveness of our leadership style in terms of inclusion and employee support, providing clear insights into what leadership looks like at Epiroc. Voluntary employee turnover levels are also monitored. Progress is reviewed in business review meetings and as part of our annual talent review process.

Epiroc also holds regular meetings and solicits feedback from the workforce, The results inform appropriate actions to be taken. Inclusion and diversity activities are overseen by the Inclusion and Diversity Board, chaired by the Group's President and CEO. While our inclusion and diversity actions aim to prevent potential negative impacts such as discrimination and inequality, the programs and mentorship initiatives we have in place also actively deliver positive impacts for our own workforce. These efforts foster a more inclusive culture, enhance employee development, and contribute to greater innovation and engagement across the organization.

We have also increased the number of women apprentices in programs in our customer centers, such as the service academy in India for female service technicians, which began in 2021. It focuses on building innovative skills, expanding talent, and developing women engineers in the mining sector. In February 2025, the "High Voltage Women" training program was launched. The program aims to empower young female technical students in South America from underrepresented communities. The program will provide essential skills, mentorship, technical expertise, and hands-on experience needed to thrive in mining operations. The training program is ongoing, next step is to assess and improve the program for next version.

Metrics and targets related to inclusion and diversity

Inclusion and diversity targets (S1-5)

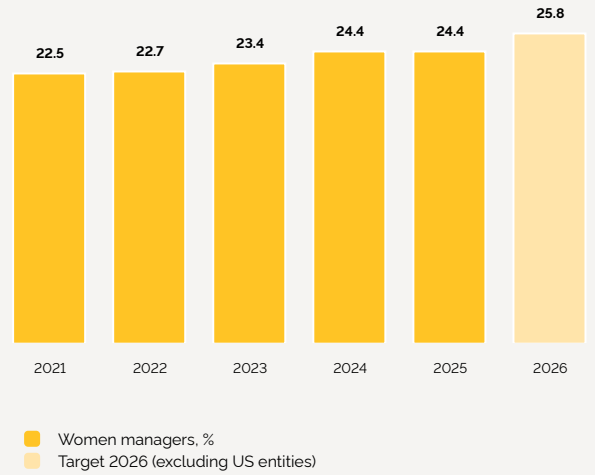
Two of our goals are designed to reflect the ambition set forth in Epiroc's diversity guidelines and to ensure that our recruitment process and career development continues to be based fully on merit and competence. Our goals are:

- Double the number of women in operational roles, increasing the share from 11% in 2019 to 22% in 2030. Operational roles are those in R&D, marketing and sales, manufacturing, logistics and service.
- Increase the total number of women managers and employees, to increase the share of women managers to 40% and women employees to 30% by 2030.

We also have yearly targets established to efficiently measure and follow up on milestones needed to reach our 2030 goals. For information on stakeholders involvement in the target process, see **Processes for engaging with own workforce.**

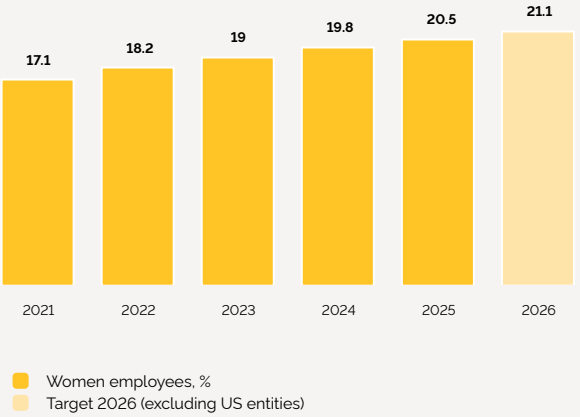
Progress on targets

Women managers, %



Target for 2025 was 25.5% and the result was 24.4% (24.4).

Women employees, %



Target for 2025 was 20.8% and the result was 20.5% (19.8), showing a continued progress compared to previous years.

Diversity metrics (S1-9)

Women employees in operational roles

Operational role	Women employees 2025, %	Women employees 2024, %	Women employees base year 2019, %
Research and development (R&D)	16.8	17.7	11.8
Marketing and sales	24.6	20.8	14.8
Manufacturing	12.4	10.9	10.3
Logistics	35.3	34.4	29.3
Service	8.0	8.5	5.1
Total	**15.7**	**14.5**	**11.2**

The share of women in operational roles continues to increase. However, in certain job categories it is more challenging to achieve our long-term goals. For example, in service, where the current pool of women with relevant background and interest is low. In addition, social norms and conditions need to be challenged to make a difference.

Gender distribution at top management level

Top management consist of two women (33%) and four men (67%), see also **Note 5 Employees and personnel expenses** in the Group financial information. For calculating diversity metrics in Note 5 Employees and personnel expenses, top management is defined as Group Management, which includes the President and CEO and five other members.

Age distribution

	2025
Age group	**Number of employees**
Under 30 years old	2 845
Between 30-50 years old	10 700
Over 50 years old	3 341
USA employees [1)]	2 169
Total number employees (FTE), December 31, 2025	**19 055**

[1)] Epiroc companies in USA only report the total number of employees and the reported figure for 2025 is 2 169 employees. Employees in USA is excluded from age distribution.

Actions on working conditions (S1-4)

Our key actions to maintain strong employment standards and live up to our Code of Conduct involve having fair labor policies, conducting regular salary reviews, adhering to collective bargaining rights, monitoring labor conditions, enhancing employee engagement channels and continuously improving labor practices. Our strong focus on leadership as well as training and development are enablers for our efforts.

To ensure the effective implementation of these measures, dedicated resources are allocated both at central and local levels within the organization. Resource allocation includes both personnel within human resources and budgets enabling continuous development and follow-up of actions. This includes, among other things, investments in skills development, leadership programs, and systematic processes to monitor employee engagement. There is no significant CapEx or OpEx for these actions.

The effectiveness of actions and initiatives is continuously tracked and assessed through our goals and targets as well as other metrics, see **Metrics and targets**. Epiroc also holds regular meetings and solicits feedback from the workforce, for example through the annual employee survey. We perform internal audits on all operations, at least every fourth year. In this formal process, compliance with CoC is verified. Human rights, fair pay, training and development, working hours, work-life balance and union rights are all part of the audits.

Courageous leaders

Epiroc's global leadership programs are part of our strategy to attract and develop leaders. The Challenger Program encourages employees to challenge the organization to accelerate innovation. The Influencer Program enhances leadership capabilities to inspire collaboration and increase performance. The Navigator Program focuses on experienced managers who want to lead by example and develop authenticity in their leadership.

We also prioritize internal mobility to broaden perspectives and support growth, including international assignments. 133 (125) employees (including 18 women) from 40 (36) countries work on long-term international assignments. Our internal Career Week connected employees with career mentors for advice and guidance. We also hosted open events where we showcased how we work with career and professional development in the Group.

Fair pay

Our CoC states that pay and terms shall be fair and reasonable and comply at a minimum with applicable laws or industry standards, whichever is higher. Our view and practices around compensation and benefits align with our inclusion and diversity agenda, ensuring that all employees can reach their full potential without prejudice or discrimination. We strive to be fair, transparent, and equitable in our processes to ensure pay equity. This means offering equivalent total reward packages for the same work or work of equal value, considering market differences and individual performance.

We are running a project that builds on our principles for total rewards, with the objective to enhance Epiroc's capabilities in managing compensation and benefits by improving data available for analysis across the Group. We aim to employ structured methods to ensure fairness, with procedures based on transparent, objective criteria to address any inequalities in total rewards. Salaries are normally reviewed once a year.

Training and skills development

Training and developing employees' skills and capabilities is key to our success. This includes providing clear responsibilities, education, and continuous, responsible feedback. We have launched a skills framework, which helps us better align learning with role-specific competencies and track progress more effectively. To further strengthen our approach, we have introduced the measurement of training hours. This data collection is currently conducted internally and provides us with valuable insights into learning engagement within the organization. Epiroc plans to report this data next year.

Examples of training initiatives throughout the year include a continued focus on the transition from diesel to electrification, renewable fuels, and automation as well as expanded training efforts on AI.

Metrics and targets related to working conditions

Targets (S1-5)

A key objective for 2030 is to ensure full signature and compliance with our Code of Conduct by all employees. We set annual targets for signed and confirmed CoC compliance for managers. Read more under **ESRS G1**.

Characteristics of employees (S1-6)

Employees by gender

Gender	2025 Number of employees (FTE)
Male	15 154
Female	3 901
Other	–
Not reported	–
Total	**19 055**

Employees by country

Country [1]	2025 Number of employees (FTE)
Sweden	3 564
Australia	2 201
USA	2 169

[1] Includes number of employees at the end of the year in countries where Epiroc has at least 50 employees representing at least 10% of our total number of employees.

Employees by contract type and gender

	2025				
Type of employee (FTE)	Female	Male	Other	Not disclosed	Total
Number of employees	3 901	15 154	-	-	19 055
Number of permanent employees	3 858	15 019	-	-	18 877
Number of temporary employees	43	135	-	-	178
Number of non-guaranteed hours employees	21	141	-	-	162
Number of full-time employees	3 812	15 042	-	-	18 854
Number of part-time employees	89	112	-	-	201

Employees by contract type and regions

	2025				
Type of employee (FTE)	North America	South America	Europe	Africa/Middle East	Asia/Australia
Number of employees	4 188	1 409	4 840	2 693	5 925
Number of permanent employees	4 171	1 399	4 797	2 606	5 904
Number of temporary employees	17	10	43	87	21
Number of non-guaranteed hours employees	106	1	9	31	15
Number of full-time employees	4 164	1 389	4 755	2 677	5 869
Number of part-time employees	24	20	85	16	56

Employee turnover

	2025	2024	2023
Employee turnover ratio (%) [1]	12.3	15.0	6.9
Employees who have left Epiroc (FTE)	2 346	2 826	1 221
New hires (FTE)	2 464	3 098	2 431

[1] 2023 figures show voluntary employee turnover while in 2024 and 2025, the measure includes both voluntary and non-voluntary turnover. For comparability, the voluntary turnover ratio was 6.8% in 2024 and 6.2% in 2025.

Methodology

All data related to the number of employees presented as headcount is estimated based on FTEs. All data related to number of employees is collected in FTEs. However, the relationship between FTEs and headcount is essentially 1:1. The definition of "full-time employee" is based on recommendations of the Swedish Accounting Standards Board. The "fulltime equivalents" (FTE) method is used, where one employee corresponds to the normal full working hours in the company, i.e., assuming 40 hours per week - an employee who is contracted to work 20 hours a week is 0.5 FTE.

Gender information is self-reported by employees, collected at the end of the reporting year.

Epiroc companies in USA only report on total number of employees.

Employees with non-guaranteed hours are included under permanent employees or temporary employees depending on the type and duration of their employment contract.

All figures are for the end of the year. For more information on employees and personnel expenses, see **Note 5 Employees and personnel expenses** the Group financial information.

Collective bargaining coverage and social dialogue (S1-8)

All employees have the right to choose whether they wish to be represented by a trade union or not. In 2025, 41% (37) of our employees were covered by collective bargaining agreements. For those not covered, we aim to provide terms and conditions of employment fully aligned with market practices. 96% of employees in Sweden are covered by workers' representatives.[1] To read about Epiroc's work with the European Works Council, see **Processes for engaging with own workforce.**

Collective bargaining coverage and social dialogue

	Collective bargaining coverage		Social dialogue
Coverage Rate	Employees - EEA (for countries with >50 empl. representing >10% total empl.)	Employees - Non EEA (estimate for regions with >50 empl. representing >10% total empl.)	Workplace representation - EEA only (for countries with >50 empl. representing >10% total empl.)
0-19%		North America	
20-39%		Africa & Middle East, Asia & Australia	
40-59%		South America	
60-79%			
80-100%	Sweden	Europe	Sweden

[1] Calculation of figure: number of employees working on establishments with workers' representatives/number of employees in Sweden. This is only reported for Sweden, as it is the only country in EEA where Epiroc has significant employment, i.e. at least 50 employees representing at least 10% of the company's total employees.

Adequate wages (S1-10)

Epiroc's employees receive fair and reasonable compensation in accordance with applicable laws and industry standards. We conduct regular internal controls to ensure compliance and perform an annual review to confirm that all employees receive pay aligned with prevailing reference salaries in each country of operation. To define the adequate wage, Epiroc relies on either: statutory minimum wages, minimum wages set by collective bargaining agreements, or a minimum wage benchmark. We are currently evaluating other appropriate benchmarks to deepen our understanding of adequate wages in different locations of our operations.

Compensation metrics (S1-16)

The ratio of remuneration for highest paid individual (President and CEO) to average total compensation for average employees for 2025 is 35.4 (30.7). Calculations are based on the information in **Note 5 Employees and personnel expenses.**

The unadjusted gender pay gap for 2025 is less than 1% in favor of women, this is mainly due to the higher proportion of women in high income countries and white collar roles. The unadjusted pay gap is based on the average hourly pay including base salary, guaranteed cash payments and maximum short term variable compensation. Data is based on information in the global HR system which excludes some recent acquisitions as well as employees in Germany that have not yet been included in the system. Further, employees who work on a commission basis are excluded, as their variable compensation data is not yet comparable with other regular employees' data. Given that the data covers majority of employees and includes representation from all Epiroc countries except Germany, we do not consider the excluded data to have a significant impact on the overall result. As this is the first year of reporting the pay gap we will continue to work on improving the data access and quality of the data during 2026.

Furthermore, Epiroc is committed to work with the adjusted pay gap, which addresses the topic on a more local and comparable basis.

Incidents, complaints and severe human rights impacts (S1-17)

Throughout the year, 69 complaints in relation to work-related discrimination, harassment and human rights violations have been reported via the Speak Up line. A total of 22 complaints have been fully or partly confirmed and in 2 cases employees have been dismissed. In the 22 fully or party confirmed complaints, no fines, penalties, or compensation for damages were paid as result of violations regarding work-related discrimination, harassment or human rights. No cases of serious impacts or incidents related to human rights, such as forced labor, human trafficking, or child labor, or other cases of non-compliance with the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises have been reported under 2025.

For more information, see **ESRS G1**.

S2 Workers in the value chain

Disclosure requirement	Section	Page
SBM-3	Workers in the value chain impacts, risks and opportunities	133
S2-1	Policies for workers in the value chain	134
S2-2, S2-3	Engagement, remediation and channels to raise concerns	135
S2-4	Actions and resources for workers in the value chain	136
S2-5	Targets and metrics related to workers in the value chain	138

Workers in the value chain impacts, risks and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

Epiroc is dependent on materials, components and services that may origin from countries with potential risks for workers in these value chains. The risks are more prominent in certain industries and sourcing categories. We identify risk markets using environmental, human rights and corruption criteria from a third-party risk analytics firm. Examples of risks covered are labor standards, child labor and modern slavery. Epiroc is committed to uphold high ethical standards and conduct business responsibly in accordance with UN Guiding Principles on Business and Human rights and other international standards. Our sourcing practices and the development of our due diligence processes aim to identify, prevent and mitigate negative impacts for workers in the value chain.

The scope of workers in the value chain includes:

- Workers operating and servicing our equipment in our downstream value chain. Product safety is described more under **ESRS S4**.
- Workers included in our upstream value chain consist both of those who produce materials and parts, which we source for our production or operations, as well as those who provide services to us, such as temporary labor in our production or cleaning.

Other workers that are not directly related to the use or service of our equipment but may be affected by customer operations are included in the scope of affected communities in **ESRS S3.**

Working conditions - upstream		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Poor working conditions among suppliers can harm workers and infringe on labor rights	Potential negative impact	o			o	o	o
Rapid electrification may push Epiroc to source from countries with a heightened risk for human rights issues	Potential negative impact	o			o	o	o
If poor working conditions occur among suppliers, it can harm Epiroc's reputation or lead to fines	Risk	o			o	o	o

We have a global supply chain where there may be systemic risks of poor working conditions like health and safety issues, inadequate wages or unsecure employment conditions, excessive working hours and restrictions of labor rights, especially in lower tiers, as transparency is limited, and informal or temporary labor can be more common. Systematic human rights and labor rights issues are especially prevalent in regions with weak legal frameworks or less stringent labor and human rights standards. Identified higher-risk regions are parts of Asia, the Middle East, Africa, South America and Latin America. Epiroc's local presence and sourcing locally can carry heightened risks of negative human rights impacts in certain regions. However, it also provides benefits, including stronger relationships with business partners and a reduced carbon footprint from transportation. For Epiroc, the risks are heightened during acquisitions, as the acquired company's suppliers may not have been screened according to our standards. Furthermore, agency and temporary workers within our own and suppliers' operations run a higher risk of exploitation.

The extraction of metals and minerals such as tantalum, tin, tungsten, gold, cobalt and mica is a high-risk supplier area due to possible extraction in conflict-affected and high risk areas. Workers in these supply chains, often from marginalized or vulnerable communities like migrant workers and indigenous peoples, face increased risks of exploitation, poor working conditions, and inadequate wages. Other human rights challenges include land rights and access to water. These minerals are needed in some of our products, like batteries and electric components, and we use our dedicated conflict minerals, cobalt and mica program to ensure responsible sourcing. Existing and emerging legal requirements to ensure respect for human rights across value chains require companies to strengthen their risk management practices. Failure to demonstrate compliance can damage our reputation, lead to customer loss, penalties, and fines.

Working conditions - downstream		**Location in value chain**			**Time horizon**		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
If poor working conditions occur downstream, it can harm workers and infringe on their labor rights	Potential negative impact			o	o	o	o
Electric mining equipment improves worker health for customers	Actual positive impact			o	o	o	o
If poor working conditions occurs and human rights are not respected downstream, it can harm Epiroc's reputation	Risk			o	o	o	o

Workers downstream in our value chain may face hazardous work environments and may be deprived of their ability to fully exercise their labor rights, such as the right to a safe workplace, fair wages, and reasonable working hours. If poor working conditions were to occur downstream, and if Epiroc were to unknowingly support operations with human rights violations, this could result in reputational damage for Epiroc. This can lead to customer loss, stock devaluation, penalties and fines. Read more in **ESRS S3**.

Electrification of mining equipment improves working conditions for Epiroc customers in mines by reducing diesel fumes, noise level and vibrations, leading to a healthier work environment. We also provide numerous solutions to improve the safety of those using our products through automation, electrification and digitalization. Read more in **ESRS S4**.

Policies for workers in the value chain (S2-1)

For managing potential impacts on workers in our value chain, Epiroc has four key policies: **Code of Conduct (Coc), Business Partner Code of Conduct (Coc BP), Critical Minerals Due Diligence Policy** and the **Responsible Sales Assessment Policy**. Our approach to product safety is described in **Policies on product safety**.

Our **CoC** describes that we strive to be a good and reliable corporate citizen. We support all internationally recognized human rights and respect those rights in conducting our operations throughout the world. We are committed to implementing the UN Guiding Principles on Business and Human Rights throughout our business operations. Read more in G1 **Policies and corporate conduct.** Epiroc's **BP CoC** outlines requirements for business partners, based on applicable laws and internationally recognized principles for how companies should conduct business responsibly. Further, it defines Epiroc's general approach to respecting human and labor rights. Epiroc promotes equal opportunities, diversity, and inclusion, and aims to provide a respectful, safe, and healthy working environment.

Epiroc is a signatory to the United Nations Global Compact and the CoC and the BP CoC are based on the following internationally recognized standards:

- UN Guiding Principles on Business and Human Rights
- UN International Bill of Human Rights
- The International Labor Organization Declaration on Fundamental Principles and Rights at Work and subsequent core conventions
- UN Global Compact Ten Principles
- UN Convention against Corruption
- OECD's Guidelines for Multinational Enterprises
- The Rio Declaration on Environment and Development

Business partners must follow the applicable national laws and regulations. Epiroc's requirements may go beyond the requirements set out in national law, in which case the business partner must comply with the stricter Epiroc requirements. The BP CoC specifies the first step in Epiroc's due diligence process for managing potential negative impact to workers in the value chain upstream and for indirect sales channels downstream, by being clear on Epiroc's policy commitments and requirements.

Our business partners must:

- Prohibit all kinds of discrimination.
- Respect employees' rights to freedom of association.
- Safeguard safety by guaranteeing appropriate processes and procedures.
- Ensure that their workers are free to communicate openly with their management to resolve workplace and compensation issues.
- Under no circumstances should child labor or modern slavery, including forced labor or human trafficking, be used. The policy prohibits activities that could lead to forced labor, such as requiring employees to lodge money, identity papers, or original documents with the business partner, and charging employees for personal protective equipment or uniforms.
- Comply with regulations regarding working hours.
- Perform due diligence according to UNGP and OECD guidelines for multinational enterprises when dealing with conflict minerals.

Further processes and mechanisms to ensure compliance with UNGP are described in our Responsible Sourcing Due Diligence Framework, under **Actions for workers in the value chain**.

Our definition of business partners includes suppliers, distributors, contractors working on behalf of Epiroc, and intermediaries. Intermediaries are persons or organizations appointed and paid by Epiroc to represent Epiroc in a particular matter. It may be, for example, agents, consultants, representatives and brokers. The BP CoC is reviewed regularly by VP Sustainability and VP Group Compliance Officer and approved by CEO. It is available in 13 languages and is published on our corporate website and communicated to our business partners.

Epiroc's Conflict Minerals Policy was updated in 2025 to Epiroc's **Critical Materials Due Diligence Policy** to expand the scope. It aims to ensure that exploitation and trade of tin, tungsten, tantalum and gold (3TG) in Epiroc products does not originate from sources that support finance to armed groups or security forces in resource rich areas. It also lays the ground for transparency and risk management in our upstream supply chain related to the extraction or sourcing of many minerals, materials and their derivatives — essential in our production— such lithium, natural graphite, cobalt, nickel, natural rubber and mica. It aims to ensure sustainable and responsible business operations and to advance ethical business practices and regulatory compliance. The policy applies to significant suppliers whose products contain or are likely to contain any of the critical materials in scope. Those suppliers are required to identify and declare the origin of such materials in the products and components sold to Epiroc.

Epiroc Divisions are responsible for deploying and implementing this policy and are assigned responsibility to oversee the supply chain due diligences process. The policy is reviewed regularly by Group Responsible Sourcing Team and approved by VP Sourcing. It is available for all internal stakeholders in the Epiroc Way. External stakeholders can access the policy on our website.

Epiroc's **Responsible Sales Assessment (RSA) Policy** aims to enhance our understanding of customers and identify potential risks with regards to human rights, including working conditions for workers in downstream value chain, corruption, and environment in markets where Epiroc is present and find mitigation measures for these potential risks. The policy supports our CoC commitment to support all internationally recognized human rights and respect those rights in conducting Epiroc's operations throughout the world. See more in **Polices for affected communities**.

All policies, documents and processes for how Epiroc conducts business are available on the intranet in the Epiroc Way which all employees have access to.

Engagement, remediation and channels to raise concerns

Engagement with value chain workers (S2-2)

Epiroc engages with upstream value chain workers primarily through social audits of suppliers and third-party audit programs. While direct engagement during Epiroc-led audits has historically been limited, we recognize that speaking directly with workers is the most effective way to identify potential impacts. To strengthen this, Epiroc initiated a third-party audit pilot in 2024, which was expanded to a program with more audits in 2025. These audits include on-site interviews and surveys with workers across all groups, including women, minorities, migrants, and workers with disabilities, ensuring that marginalized voices are heard.

Although these engagements do not provide a complete picture of labor and human rights conditions in the supply chain, they offer valuable insights into potential risks and inform remediation actions. For workers in lower tiers of the supply chain, Epiroc relies on external sources such as NGO reports, risk assessments and research to gain additional perspectives.

There is no single person responsible for engaging with value chain workers, instead operational responsibility is managed by different functions involved in sourcing. At Group level Responsible Sourcing reports activities on stakeholder engagement to the Sourcing Council and proposes actions for improvements.

For downstream value chain workers (e.g., at customer sites), Epiroc has not established a formal engagement process. However, we use multiple channels, including the Responsible Sales Assessment (RSA), to understand potential impacts and customers' practices related to worker rights, see more in **ESRS S3**.

Remedy and grievance mechanisms for value chain workers (S2-3)

There are several channels to raise concerns.

- **Third-party audit program:** Workers can raise concerns during interviews and through anonymous surveys accessed via QR codes, ensuring accessibility and confidentiality.
- **Local forums and grievance mechanisms:** In 2025 a pilot project in India identified existing forums where external workers at Epiroc facilities can raise concerns. The pilot showed that there were many good practices fitting to the concept of a grievance mechanism already in place. Based on this, a local Grievance Mechanism Policy and global guidance were developed. The entity now reports quarterly to Group Responsible Sourcing on grievances received at the local level. So far, there has been none reported. Over time, we plan to expand this pilot to other facilities around the world, following a risk-based approach.
- **Epiroc Speak Up system:** The Speak Up channel is open for external parties for confidential and anonymous reporting, but use is limited. Epiroc's Speak Up policy includes safeguards against retaliation for individuals who report concerns to Epiroc. No severe human rights issues and incidents connected to Epiroc's upstream and downstream value chain have been reported through the Speak Up channel. Details are provided in **ESRS G1**.

Epiroc is committed to providing or contributing to remedy where we have caused or contributed to material negative impacts. For impacts that we are linked to by business relations in our upstream or downstream value chain, the responsibility for remediation lies primarily with the supplier or business partner that have caused the violation. Epiroc supports grievance mechanisms at supplier workplaces through our audit programs. When issues are identified through audits or grievance channels, we analyze findings, identify root causes, and work with suppliers on corrective actions to prevent or mitigate harm. Effectiveness is assessed through follow-up reviews and closure of corrective actions.

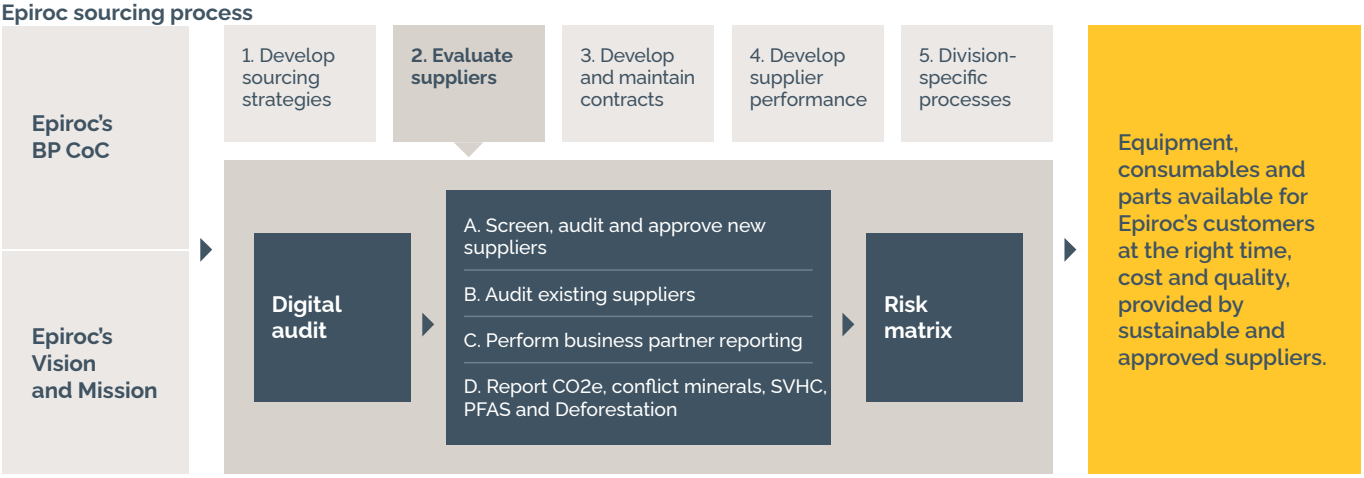
Actions and resources for workers in the value chain (S2-4)

We are committed to uphold high ethical standards and conduct business responsibly in accordance with UN Guiding Principles on Business and Human Rights.

Workers in upstream value chain

Our key actions for workers in the upstream value chain are set out in Epiroc's Responsible Sourcing Due Diligence Framework (DD Framework), with the main elements described in the following sections. It is designed to identify, assess and manage both actual and potential material impacts on value chain workers upstream, including service providers like cleaners and security personnel, as well as factory workers in our supply chain. Epiroc strives to develop and maintain long-term relations with preferred suppliers for mutual benefits to enable sourcing teams to shift from reactive, transactional buying to proactive, strategic supplier management, driving value across cost, quality, innovation, and sustainability. Such practices allow for better planning and cooperation which may also lower the risks for workers in the value chain.

Epiroc sourcing process



Responsible Sourcing Due Diligence Framework

The primary purpose of the DD Framework is to consolidate and enhance Epiroc's efforts in identifying and reducing harm to workers and the environment within the supply chain. It focuses on human rights and labor rights, including forced labor, child labor, human trafficking, health and safety, working hours, wages and freedom of association. Epiroc distinguishes between direct suppliers who provide goods to produce Epiroc products (e.g., steel supplier), and indirect suppliers who provide goods and services for Epiroc's operations (e.g., workwear and security personnel).

Key personnel in Epiroc divisions and entities are responsible for adhering to and implementing the procedures described in the DD Framework, supported by Responsible Sourcing team. Resources dedicated to responsible sourcing are not tracked independently; instead, they are incorporated into the overall expenditures and budgets of relevant functions, reflecting the integration of key actions into regular operations at both the Group and entity levels. There is no significant CapEx or OpEx for these actions.

The effectiveness of actions and initiatives is continuously tracked and assessed through our goals and targets, see **Metrics and targets** as well as other measures and sources of information such as audit results and stakeholder engagement.

Business Partner Code of Conduct compliance

Epiroc's local management is responsible for evaluating their suppliers according to the BP CoC requirements. All business partners must sign and adhere to the policy. If a supplier refuses, they will be contacted for dialogue, and failure to sign may lead to contract termination. First-tier business partners are responsible for ensuring that their sub-suppliers comply with the BP CoC principles. If requested, business partners must inform Epiroc of their sub-suppliers. To identify potential negative impacts, Epiroc requires collaboration and access to business partners' premises. In case of a material breach of the BP CoC, Epiroc reserves the right to terminate the relationship or allow a period for the business partner to address the breach.

Compliance with the BP CoC is tracked for all significant suppliers, i.e. those with the largest purchasing spend. The threshold for purchasing spend is lower for suppliers operating in high-risk countries. High-risk countries are defined using criteria from a third-party risk analytics firm, covering issues such as environmental, labor standards, child labor, modern slavery and corruption.

Risk analysis

Risks associated with high-risk products or geographical areas will vary over time. According to our DD Framework, all regions will be evaluated from a risk-based perspective including human rights and labor breaches. The risk analysis is a key part of our second step in the due diligence process for suppliers, aimed at identifying negative impacts. Our due diligence efforts will focus on those suppliers, materials, products, and/or services identified as higher risk through this assessment. We perform risk assessments and place heightened due diligence efforts on products containing conflict minerals, cobalt, mica, and natural rubber and will do so for batteries too. Our risk analysis will be continuously updated based on changes in our supply base, external developments on inherent potential negative impacts for geographies, and/or materials, and other new information.

In 2024, a high-level risk analysis was conducted for indirect sourcing categories, identifying potential negative impacts on upstream value chain workers and flagging higher-risk products and services in specific regions. Solar panels is a high-risk goods category. A review of our solar panel suppliers was done and the Solar Panels Purchasing Guidance was released to mitigate the risk. Services like cleaning, canteen, and security in high-risk countries are also noted as high risk and will be targeted in further due diligence efforts in coming years.

Own audits for new and existing suppliers

The Responsible Sourcing team supports Epiroc's local purchasing teams in performing Epiroc's own audits for new suppliers. All new suppliers must undergo these audits. The Responsible Sourcing Team also selects a number of sustainability audits for the existing supply base each year.

The supplier evaluation process examines:

- Labor issues: Rejection of forced, compulsory or child labor, elimination of discrimination, safeguarding of employee health and safety, fair wages, decent working hours, collective bargaining rights.
- Environmental performance: Managing waste, minimizing emissions, and reducing consumption of natural resources.
- Human rights issues: Respect for human rights in operations.

In 2025 we strengthened our pilot program for third-party audits and incorporated it as an important component in our due diligence processes for responsible sourcing. We plan to continue developing this program internally and with selected suppliers. For both our own sustainability audits as well as the third-party audits, we have a corrective action plan process for addressing any findings and to ensure the effectiveness of our actions.

Conflict minerals procedure

To support our policy regarding sourcing of minerals that may originate from conflict-affected or high-risk areas, we have a procedure to provide practical guidance on conducting due diligence to ensure Epiroc products are conflict-free. The procedure provides instructions and tools on how to carry out and document a supply chain due diligence review in order to comply with relevant and applicable legislation, regulations and other obligations. The tools and related conflict minerals procedure are built on the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, as well as on the tools of the Responsible Minerals Initiative (RMI) of which Epiroc is a member. This procedure includes identifying suppliers of commodities likely to contain 3TG, requesting these suppliers to complete a conflict mineral reporting template, and evaluating their responses. Supplier responses are accepted based on specific conditions. Information about the presence and origin of 3TG in Epiroc products is consolidated and shared with interested parties. Suppliers are also required to exercise due diligence following the OECD guidelines according to our BP CoC.

Sourcing due diligence training

In 2024, a process was established to train all newly acquired companies on Epiroc's sourcing due diligence processes and supplier requirements. This training will be conducted regularly. Additionally, the Responsible Sourcing team plans to offer due diligence and human rights training to relevant internal and external stakeholders. This training started in 2025 and will be held regularly to ensure all stakeholders involved in implementing our DD Framework can effectively identify, prevent, mitigate, and stop any negative impacts on upstream value chain workers.

Workers in the downstream value chain

Responsible sales assessment and indirect sales partners due diligence

Our key actions to manage impacts and risk relating to downstream workers are part of our Responsible Sales Assessment and due diligence processes for indirect sales partners (IDS partners). The RSA policy requires the customer centers and divisions to carry out a risk assessment and find mitigating measures if potential risks within human rights, corruption and environment are identified. Before

engaging with any IDS partner, entities must perform a compliance screening. Only IDS partners that have successfully passed the compliance screening may be approved for engagement and is continually monitored. Read more in **ESRS S3 Affected communities**

Improved working conditions in mining and construction

To support our customers and their workers downstream in our value chain, we provide solutions that improve productivity, health and safety. We have a long history of autonomous and remote-controlled equipment, making it possible to remove operators from dangerous areas in the mine or at the construction site. Read more about our work with product safety in **ESRS S4 Product safety**.

Battery-electric underground equipment generates less heat, noise and vibrations when in use. This significantly improves working conditions for people on site. Read more about our work with battery-electric products in **ESRS E1 Climate change**.

Metrics and targets

Targets related to workers in the value chain (S2-5)

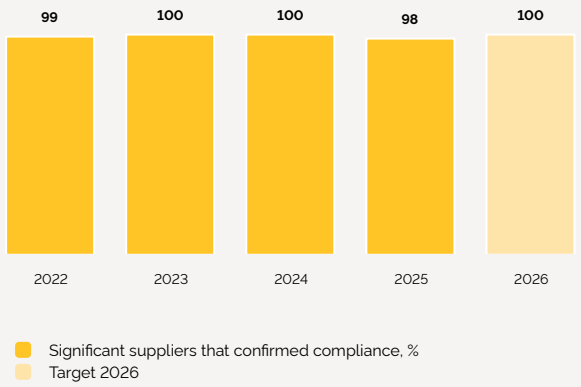
Two of our long-term 2030 goals relate to workers in the value chain:

- Have all business partners comply with our BP CoC.
- Responsible Sales Assessment process implemented, see **ESRS S3 Affected communities**.

We also have yearly targets established, to measure and follow up, to track effectiveness of policy and actions. The targets are integrated into our annual target-setting process. Workers in the value chain have not been involved in target setting or process for tracking performance.

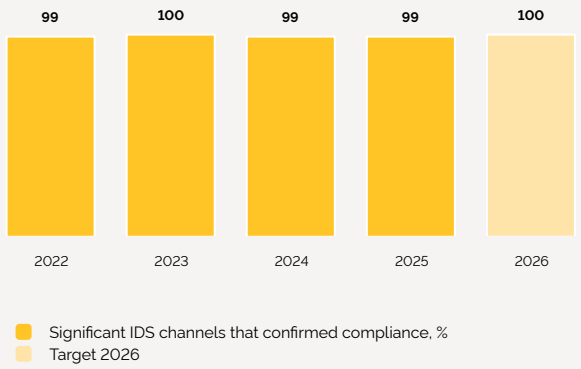
Progress on targets

Significant suppliers that confirmed compliance with Business Partner Code of Conduct, %



In 2025 the target was 100% and the outcome was 98%. By the end of the year 64 significant suppliers had not confirmed compliance with the BP CoC, actions are ongoing to ensure progress.

Significant indirect sales channels (IDS) that confirmed compliance with Business Partner Code of Conduct, %



In 2025, the target was 100% and the outcome was 99%.

Significant suppliers

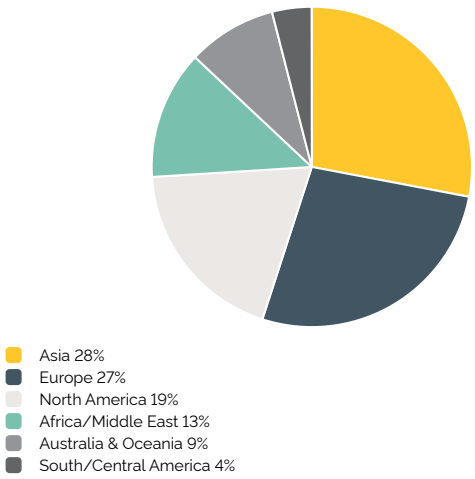
	2025	2024
Significant suppliers, number	3 001	2 401
Significant suppliers asked for commitment to the Epiroc BP CoC, number	3 001	2 401
Significant suppliers that confirmed compliance with the Epiroc BP CoC, number	2 937	2 391
Significant suppliers that confirmed compliance with the Epiroc BP CoC, %	98	100

We work with over 3 000 significant suppliers globally, excluding 56 suppliers phased out, or planned to be phased out at year-end.

Significant suppliers includes all suppliers of goods and services, direct and indirect, with a purchasing value above EUR 100 000. Suppliers are also deemed significant when they are located in high-risk countries and have a purchasing value above EUR 12 500. Purchasing values are based on 12 months values from January to December prior year excluding VAT.

Epiroc requires all business partners to commit to follow our BP CoC. We plan to phase out direct suppliers who have not signed the BP CoC. Indirect suppliers, mainly landlords, are harder to phase out due to long contracts and relocation impracticalities which also include negative impacts on other sustainability areas, such as increased resource use and emissions when adapting facilities.

Significant suppliers, geographical spread , %



Sustainability audits

	2025	2024
Total audits	350	270
Performed on-site	279	222
Performed digitally	71	48
Approved	307	245
Conditionally approved	33	24
Not approved	10	1

The sustainability audits are managed by the Responsible Sourcing team and covers safety, health, social, and environmental issues. By assessing our suppliers' performance in these areas, we work to ensure that the principles in our BP CoC are upheld. Based on spend data, each facility is assigned a number of audits to be performed at their suppliers. 20% of these audits per facility shall be decided by the Responsible Sourcing team, who make their selections based on their social and environmental risk assessment.

Conflict minerals, cobalt and mica

	2025		
	3TG	Cobalt	Mica
Suppliers asked	582	582	582
Suppliers responded	345	345	345
Smelters identified in supply chain	674	107	30

In 2025, a review of products in scope was carried out leading to an increased number of suppliers being included in the due diligence program for conflict minerals, cobalt and mica. The purpose is ensuring that products does not origin from sources that helps finance armed groups and security forces in resource rich areas. 582 (207) relevant suppliers were requested to declare the origin of 3TG present in their products. 59% (58) of the suppliers of products containing 3TG responded, identifying 674 (430) smelters of 3TG, none of which finance armed groups in the Democratic Republic of Congo. In 2025, 582 (39) suppliers of products including cobalt and mica were asked to declare the origin of cobalt and mica included in the products, to get an understanding of supplier awareness and increase transparency. About 59% (41) of the suppliers asked responded.

During 2025 the total number of identified smelters increased. Epiroc will continue to engage with suppliers that did not respond in order to increase response rates and transparency. A new process is being developed and will be released in 2026.

S3 Affected communities

Disclosure requirement	Section	Page
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Affected communities impacts, risks, and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

As a global company with customers active in mining and infrastructure sectors, as well as sourcing of metals and minerals in our upstream value chain, we acknowledge the possible risk that our operations, products, services, and business relationships may impact local communities. In our double materiality assessment, we considered all communities that may be materially impacted by our operations or value chain activities, including communities of indigenous peoples.

The identified material impacts concern local communities living near our customers' sites or those affected by their mining operations, especially in high-risk countries with elevated human rights risks. Risk markets are defined using environmental, human rights and corruption criteria from a third-party risk analytics firm. Examples of risks covered are land, property and housing rights, and indigenous peoples' rights which provides insight about impacts on affected communities in different locations.

Affected communities		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
In high-risk areas there is a risk that human rights are not respected and that local communities are negatively impacted by customers' activities	Potential negative impact			o	o	o	o
If communities in high-risk areas are negatively impacted by customers' activities, it can harm Epiroc's reputation	Risk			o	o	o	o

We have customers in around 150 countries, and they are required to perform their operations, conduct land acquisitions, manage security and handle environmental impacts in a manner that respects human rights and the well-being of local communities, including indigenous peoples that require particular consideration as they may be disproportionately vulnerable due to their close ties to land and natural resources. Potential challenges and negative impacts include community displacement, access to clean water and natural resources, and health issues from chronic pollution. These may arise from systemic problems or isolated incidents, such as environmental accidents or a business partner's disproportionate security response to protesters. Our Responsible Sales Assessment process (RSA) inform us if there are affected communities with particular characteristics, contexts or activities that may be at greater risk of harm.

If communities are negatively impacted by mining and infrastructure activities and human rights are not respected, it can affect our business by damaging our reputation, leading to customer loss and stock devaluation. Geographically, these risks are primarily located in conflict-affected areas and high-risk regions with a heightened risk of human rights violations.

Ensuring that our operations and customers adhere to human rights standards is important for maintaining our market position and customer confidence. As Epiroc is one of many suppliers at a mine site our possibilities and means to use leverage is limited. However,

doing business ethically is important for us and considerations on actual and potential impacts, including risks in specific geographies, have informed our business practices and the development of our due diligence processes such as the RSA process.

Policies for affected communities (S3-1)

Our **Code of Conduct** as well as our **Sustainability Policy** forms the basis of our approach to sustainable development and the respect of human rights. As a signatory to the UN Global Compact we fully support the 10 principles in the areas of human rights, labor, environment, and anti-corruption. We are also committed to implement the UN Guiding Principles on Business and Human Rights (UNGPs) throughout our business operations. Our **Business Partner Code of Conduct (BP CoC)** states that Epiroc strives to be a good and reliable corporate citizen and expects our business partners to be the same. This includes that our business partners in relation to affected communities must:

- Respect all internationally recognized human rights standards including the International Bill of Human Rights and the principles in the international Labor Organization's Declaration on Fundamental Principles and Rights at Work and subsequent core convention.
- Exercise due diligence following the OECD due diligence guidelines if providing parts, products or raw materials that contain one or more conflict minerals, and source from conflict-affected and high-risk countries.

Epiroc's **Responsible Sales Assessment Policy** is a tool for complying with the CoC commitment to support all internationally recognized human rights and respect the same in conducting Epiroc's operations throughout the world. The scope of the RSA is i) to know our customers, ii) to understand potential risks with violation of human rights, corruption and environmental impact and iii) to find mitigation measures for these potential risks.

The policy outlines how to implement our RSA process, which requires our customer centers to identify and mitigate potential risks. Specific criteria allow us to determine when the process is required. These are:

- Country: our third-party risk analytics firm ranks countries according to risks, such as labor standards, child labor, modern slavery, impacts on land rights and indigenous people, environment as well as corruption.
- Customer: type of customer and project.

The responsibility for implementing the RSA policy rests with the divisional Presidents and General Managers for customer centers, while the VP Sustainability is responsible for updating the policy and communicating any changes. The Marketing Council is responsible for following up the implementation of the policy. An E-learning training for the RSA policy and process is available.

For information about policies relating to affected communities in our up-stream supply chain, see Epiroc's Responsible Sourcing Policy and Policy for Critical Minerals Due Diligence in **Polices for workers in the value chain**.

Engagement, remediation and channels to raise concerns

Engagement with affected communities (S3-2)

Epiroc's material impacts related to communities occur primarily in the downstream value chain, linked to mining activities. Direct engagement with affected communities is therefore limited. To address the material impacts, Epiroc primarily engages with affected communities through communication with credible proxies such as NGOs, industry networks, and multi-stakeholder initiatives. We also have to rely on customer having a thorough process in accordance with international standards. We seek to incorporate the perspectives of affected communities through:

- **Responsible Sales Assessment (RSA)**: Conducted before onboarding new customers and regularly for existing customers. RSA incorporates questions how customers engage with affected stakeholders, including indigenous communities, and identifies risks related to human rights, corruption, and environmental impacts.
- **Public Information and collaboration**: We monitor reports from NGOs, industry associations, and multi-stakeholder forums to gain insight into community concerns, including those of vulnerable groups.

Broader stakeholder input is gathered through ongoing participation in industry initiatives; however, there is currently no fixed frequency for this type of engagement. Insights from RSA and external sources inform decisions related to customers and mitigation measures.

There is no single person on Group level that is responsible for engagement with affected communities. Effectiveness is assessed through RSA outcomes and participation in collaborative initiatives.

We also engage and support our local communities in different ways. Our Sponsoring and Community Engagement Policy includes guidance on how to engage in community activities, charity or sponsoring projects locally. We encourage learning and development through cooperation with local communities and believe that this will help to maintain the sustainable development of our business and contribute to developing communities. We have selected three focus areas of engagement; i) mining and construction solutions, ii) education and iii) skills development. Selected projects should always comply with the ethical guidelines and principles outlined in our CoC and additional principles should be followed when we are selecting which community engagements to support.

Remedy and grievance mechanisms (S3-3)

We encourage customers to maintain accessible and trusted grievance processes. The RSA incorporates how customers have set up grievance processes. Currently, Epiroc does not have a systematic process to monitor the effectiveness or trust of the customer grievance channels.

Epiroc's Speak Up system is open for external parties for confidential and anonymous reporting, but use is limited, Epiroc's Speak Up policy includes safeguards against retaliation for individuals who report concerns to Epiroc. No severe human rights issues or incidents connected to affected communities have been reported through the Speak Up channel. Details are provided in **ESRS G1**.

Epiroc is committed to remedying situations where our own activities have caused or contributed to adverse human rights impacts, in line with the UNGPs. For impacts linked to mining operations in our downstream value chain, the responsibility for remediation lies primarily with mining companies. Epiroc takes this into consideration through the responsible sales process which considers customers' practices for stakeholder engagement and remediation.

Actions and resources for affected communities (S3-4)

The Responsible Sales Assessment (RSA) and the Due Diligence process for Indirect sales channels are our key actions to support Epiroc's commitment to the Code of Conduct, particularly the principle of supporting all internationally recognized human rights.

Responsible sales assessment

According to the UNGPs, our responsibility is to ensure that we do not cause or contribute to adverse human rights impacts through our own activities. We should also seek to prevent or mitigate adverse impacts that are directly linked to our operations, products, or services by our business relationships. With regard to where in our value chain our material IROs are placed, our customers have significant responsibilities. However, our company still has a role to play in ensuring that human rights are respected throughout our value chain.

Our RSA process enables us to gain insights about our direct customers, their reputation, and their standing within their local communities. We investigate concerns and potential risks related to the violation of human rights, corruption, and environmental impact, as well as their effects on the communities where they operate. Identified risks and issues are addressed by implementing mitigating actions. Epiroc does not enter a business relationship if significant risks are identified during the assessment. We also terminate a business relationship if significant risks are identified or reported during a relationship. Going forward we will continue to focus on strengthening the process and its quality including increased awareness and trainings.

Indirect sales due diligence

All indirect sales (IDS) channels, including but not limited to distributors, resellers, wholesalers, retailers, traders, catalogue houses, agents, sales representatives, and consultants promoting sales, are required to adhere to our BP CoC. We evaluate our IDS channels through a comprehensive due diligence process. For significant IDS channels, which represent the largest share of sales volume and operate in high-risk countries, we ensure they have confirmed compliance with our BP CoC. We apply stricter criteria for those operating in countries with the highest risk of corruption, environmental, and human rights violations. These are identified using a third-party risk analytics firm. In 2025, the total number of significant IDS channels was 294 (273).

Resources dedicated to the RSA or IDS due diligence process are not tracked independently; instead, they are incorporated into the overall expenditures at Group and entity levels. These actions do not require significant OpEx or CapEx. For actions related to affected communities up-stream in the supply chain, see information about Epiroc's Responsible Sourcing Due Diligence Framework in **Actions for workers in the value chain.**

The effectiveness of actions and initiatives is continuously tracked and assessed through our goals and targets, see **Metrics and targets** as well as other qualitive measures and sources of information, for example from the RSA process and stakeholder engagement.

Metrics and targets

Responsible Sales Assessment target (S3-5)

One of our 2030 goals relates to affected communities downstream:

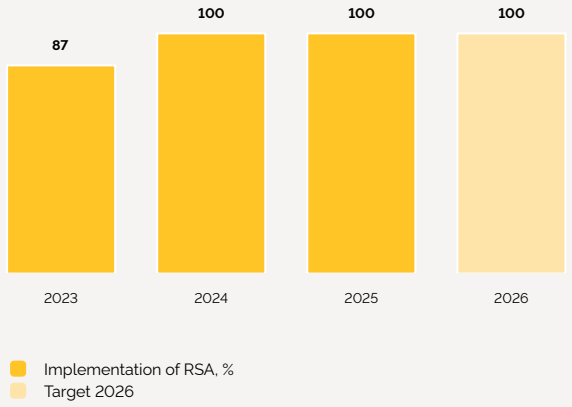
- 100% implementation of the Responsible Sales Assessment (RSA) process.

To track effectiveness of policy and actions, the target measures the share of customers in scope for the RSA process that has been assessed during the year. We also have a yearly target on significant IDS compliance with BP CoC, see **ESRS S2**.

The RSA process is applied to customers based on a combination of country-specific risk classification and a defined sales volume threshold. This ensures that the assessment focuses on the customer relationships where the potential for material impact is greatest. During 2022, a baseline was established to measure our progress toward the 2030 goal of having the RSA process fully implemented. In 2025, Epiroc strengthened the RSA policy and criteria, broadening the scope of customers subject to assessment. The number of customers assessed will therefore increase going forward. Stakeholders from affected communities have not been involved in target setting or process for tracking performance.

Progress on targets

Responsible Sales Assessment implemented, %



In 2025, 100% of the customers in scope for the RSA process have been assessed. The reported percentage of customers assessed in 2025 is based on the scope and criteria applied during the reporting period.

S4 Product safety (consumers and end-users)

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Product safety impacts, risks and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

Safety is of paramount importance for our customer within mining and infrastructure. As a business-to-business manufacturer of mining and infrastructure equipment, our products and services directly impact professional end-users operating our equipment in the mining and construction industries. These end-users can be exposed to potential health and safety risks and it is critical to support customers to improve safety and wellness for the operators and their colleagues. They are dependent on accurate and accessible product- and service related information, such as manuals and product labels, to avoid potentially damaging use.

Through customer dialogues, we develop an understanding of how different end-user groups may face greater product risks. All materially impacted end-users are included in the scope of our disclosures. These users are employed by our customers or Epiroc. For more information about our own employees, see **ESRS S1 Own workforce**. Identified material IROs in this section only covers the area of product safety.

Product safety		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Misuse of products and defective products can risk customer health and safety	Potential negative impact			o	o	o	o
Defective products can risk liability and lead to reputational damage	Risk			o	o	o	o
Safe solutions can increase Epiroc's competitiveness and stakeholder satisfaction	Opportunity			o	o	o	o

Customers expect maximum productivity. The operators and technicians work in challenging conditions that can pose safety risks. To support our customers in meeting their productivity targets while prioritizing safety is a key part of our strategy. We consider product safety in every aspect of the product lifecycle, from design and development to production, testing, services, and customer support. Despite all safety measures, accidents can still happen. We investigate and act on every individual incident communicated to us.

Defective products can result in liabilities such as recalls, legal action, injury compensation, and higher insurance costs, negatively impacting Epiroc's reputation, profitability and customer confidence. To avoid negative impacts and mitigate this risk, we work closely with customers on risk management, accident and incident reporting, training and change management. Safe solutions with a focus on preventive measures uphold our commitment to deliver high-quality and reliable equipment designed for safe operations in challenging environments. These measures preserve customer confidence while enhancing Epiroc's competitiveness, business opportunities, and stakeholder satisfaction.

Policies for product safety (S4-1)

Our **Code of Conduct (CoC), Sustainability Policy** and **Epiroc Safety and Health Principles** set out our commitment to provide innovative, safe, and sustainable solutions and that customer safety is a top priority. Therefore, all products and processes shall be evaluated from a quality, safety, health, and environmental perspective to meet the demands of our customers, reflecting our commitment to ensure product safety across the value chain. Our approach to product safety encompasses the entire lifecycle, from the development of new products to addressing issues with products already in use. These principles guide our actions and decisions regarding product safety. Our commitments and approach to human rights, which stated in our CoC and Business Partner CoC, are the same for our customers, own workers as well as workers in our downstream value chain. For more details, see **Policies for own workforce** and **Polices for workers in the value chain**. No severe human rights issues and incidents connected to end users have been reported through the Speak Up channel. Details are provided in **G1 Business conduct**.

Epiroc's **Product Safety and Liability Policy** establishes procedures to incorporate safety best practices, regulatory requirements, and lessons from incidents and audits into product design and manufacturing. It aims to ensure product safety while optimizing functionality, sustainability, and cost-effectiveness across all divisions, with the overall goal of producing safe, efficient, and compliant products. The policy also includes steps to follow in the case of an incident or accident involving or relating to Epiroc equipment. It applies to all products designed, manufactured, assembled, imported, exported, shipped or supplied by, or on behalf of, any company within the Epiroc Group.

SVP General Counsel has the overall responsibility for ownership of the policy, while each divisional President is responsible for implementing it within their division and ensure reporting of performance to the Group every year. At a local level, General Managers for each legal entity are responsible for ensuring that local procedures are in place, well known, followed and maintained to fulfill the guidelines and procedure in the policy.

As an ISO 9001 certified company, we adhere to internationally recognized standards that serve not only as a reference for product and service quality, but also as a comprehensive framework for structuring, managing, and continuously improving our internal processes, resources, and leadership. By applying this standard, we ensure that our quality management system and related policies are aligned with the interests of our customers and stakeholders, with a strong emphasis on safety and reliability.

All policies are available for all internal stakeholders in the Epiroc Way.

Engagement, remediation and channels to raise concerns

Processes for engagement (S4-2)

Epiroc has sales in around 150 countries and local teams in customer centers in more than 60 countries, that are the key points of contact for customers. This regionalized approach allows Epiroc to stay responsive to specific risks in different markets and pursue opportunities for local partnerships and innovation.

Epiroc consistently engage with customers to understand their business needs, the associated risks and local safety and regulatory standards and targets. This engagement allows us to develop or customize products that help the customers meet their productivity targets while prioritizing their safety. We gather regular feedback through ongoing dialogues, annual surveys and customer experience forms, which helps us continuously improve. These customer touch points not only help us focus on product safety, but they also inform us about our efforts in areas such as responsible business practices and climate change.

Remediation and channels to raise concern (S4-3)

There are several channels through which customers can reach out or raise concerns about product safety or other issues in the interest of end users. Our global network helps address local safety and regulatory requirements. Our customer centers are in close contact with customers and their employees to understand their concerns and to provide quick solutions when possible. We rely on our customers dialogues and their channels for employees to raise concern and have not identified the need of specific channels for end users to raise concerns directly with us. There is no single person responsible for engaging with customers on product safety at Group level, instead this responsibility lies with each General Manager on a local level.

Epiroc ensures that any concern about product safety is addressed through formal investigations and corrective actions. Our Product Safety and Liability Policy outlines processes for remediating negative impacts and allowing our customers to raise concerns. Each division, product company and customer center has a product safety committee with the responsibility of coordinating and guiding efforts to prevent and correct risk of injury to persons when using products. The committees are cross-functional and organized with members having authority to take decisions. Any incident in the field, indications of inappropriate design (including non-compliance with local safety laws), manufacturing or workmanship, would trigger the product safety committee to act as per the defined process. In case of significant incidents (e.g., serious injury, death, or substantial property damage), the divisional President and the legal and Insurance function gets involved. Remediation measures and assessment of their effectiveness would be determined on a case-by-case basis and according to the local context. Remediation can include implementing corrective actions and ensuring knowledge-sharing to prevent similar cases from arising in the future. During this product safety process, if urgent information needs to be communicated to a customer to prevent further incidents, an appropriate document is immediately drafted in consultation with the legal team. These notices are given the highest priority. When Epiroc takes necessary corrective actions in the field, such as recalls or upgrades to affected products, customers are notified of these actions and can engage with Epiroc for further information or assistance. Safety information is communicated to customers through safety notices, technical service news bulletins, campaigns, or recalls, prioritizing cases with risks of critical incidents.

Epiroc has zero tolerance for hindering reporting and retaliation if the reporting person has reasonable grounds to believe that the information on breaches reported is true.

Actions and resources related to product safety (S4-4)

Our product safety approach spans the entire lifecycle, from development of new products to ensuring the safety of those already sold. Our key actions consists of developing solutions that improve safety and close customer cooperation.

Our ISO 9001 certified quality management system supports us in establishing clear and effective processes for quality management across all functions, conducting systematic evaluations that drive continuous improvement, and consistently meeting customer requirements and expectations with a high level of professionalism and reliability. This integrated approach reinforces our commitment to excellence and ensures that safety is embedded in every aspect of our operations and mitigate potential risks that our own practices lead to negative impacts for the end users.

Electrification, digitalization and automation solutions for safer mining and construction operations

Employee and customer safety is a key focus for our electrification, automation and digitalization solutions. It's a key part of our strategy to develop solutions that improve safety and avoid high-risk incidents, such as automated drilling, loading and hauling, and to remove operators from hazardous processes. Read more in **Accelerate the productivity and sustainability transformation in our industry**. Actions are identified through innovation and by driving systematic improvements. Some of our key actions towards achieving measurable safety gains are described below. Additionally, all equipment is delivered with comprehensive safety instructions and warnings. Throughout the years, we have invested in product development and acquired several companies to further enhance our product safety offerings. However, we are currently unable to isolate and define significant OpEx or CapEx specifically attributable to product safety. Research and development costs are embedded within broader innovation and product development budgets, and acquisition-related investments are reported at a consolidated level without detailed allocation to safety-related activities.

Automation

By automating critical manual tasks, Epiroc reduces human intervention, minimizing the risk of errors and accidents. Our advanced automation solutions integrate software, hardware, and services to deliver a comprehensive system that not only boosts efficiency but also enhances safety by removing operators from hazardous environments. We offer remote control systems, which allow operators to control machines from a safe distance. This reduces operator fatigue, prevents repetitive stress injuries and provides added protection in high-risk areas. One example is a remote control system where machine operators are relocated to a secure control room,

We also offer fully autonomous solutions for both drilling, loading and haulage, both for surface and underground applications. We are collaborating with our customers to develop our solutions further. One collaboration with Boliden, Algoryx and Örebro University is pioneering a project with the goal of achieving fully autonomous mining. In 2025, Epiroc achieved a significant safety-related milestone in autonomous haulage when two retrofitted MT65 Autonomous Minetrucks successfully performed a fully autonomous meet-and-pass maneuver on a shared single-lane ramp. This advancement improves operational safety by reducing the risk of vehicle-to-vehicle interaction.

Digitalization

Most mines have no system in place to indicate where people or machines are located. Epiroc offers solutions that provide real time situation awareness of people and machines which increase safety. Digitalization provides valuable insights by gathering and managing data generated across operations in different systems. Some key digital solutions and their impact on product safety include:

Situational awareness offers situational awareness for both personnel and assets through real-time data and 3D visualization. Personnel in the control room can visualize the whole mine or tunnel and improve daily mine safety by making it possible to send zone-based messages. With this heightened awareness, faster reactions are possible. One example is the mobile safety solution project, a collaboration between LKAB and Epiroc, involving both existing products from Epiroc and new development.

Titan Collision Avoidance System enhances safety in mining operations by addressing collision risks involving vehicles, obstacles, and pedestrians. It detects and alerts vehicle operators and pedestrians of each other's presence, and ultimately it stops vehicles to avoid collisions with people and other vehicles.

Blast support is a digital decision support tool to ensure improved personnel safety at blasting. It uses 3D visualization with open space positioning, giving the control room an overview of everyone's location. Hazardous areas, such as blast areas, zones with a risk of falling rocks or with a risk of land slide, can be defined on the 3D map.

Electrification

Our electrification solutions keep people from fumes, noise and heat and improve working conditions. The battery-electric equipment and batteries are designed with modularity and safety in mind, allowing each battery component to be monitored and controlled separately. Their stable design makes them ideal for harsh environments.

There are some general concerns that batteries can be unsafe and unreliable, which might discourage some customers from choosing battery products. To mitigate these concerns, we have developed a battery solution with advanced safety features, and we continuously invest in R&D to further enhance battery safety as well as perform training to teach customers about the safety of

battery-powered equipment. Our safety precautions for batteries include protection against internal and external fires, electrical protection and rock fall protection. In 2025, one battery pack in a South African mine caught fire. The thermal management system, which functions as the lid of the battery system, had been removed, leaving the battery exposed to dust and water.

Live Work Elimination

Epiroc proactively identifies material risks during the product design phase, ensuring compliance with the highest safety standards and environmental regulations. Epiroc has been running the Live Work Elimination (LWE) program since 2020. This initiative is a collaborative effort involving our customers, R&D and service teams. The program strives to eliminate live work using technology such as remote tools for diagnostics and other tasks, thereby making operations safer for both customers and employees. In 2025, we further expanded our LWE product portfolio with a tool for remote breaking allowing maintenance teams to stay away from a running machine.

Customer training and feedback

We work closely with customers on learning and change management to promote best practices among equipment operators and service technicians to avoid incidents and accidents and mitigate the associated risk. We provide equipment training for operators and service technicians, and we have developed a learning portal for customer operator training. For example, our Rig Control System (RCS) trainer allows a user to start and stop RCS-simulation software on a desktop. It enables preparation and training on different machine types and options without having to access the machine, saving valuable production time.

At Epiroc, customer feedback is a vital part of our commitment to service excellence and continuous improvement. It is also a main input to identifying actions and assess the effectiveness of our actions. We gather input through customer surveys, on-site discussions, follow-ups, formal complaint systems, performance reviews, and digital channels. This feedback is assessed in our Field Situations Meetings and if deemed as product safety the case is managed by the divisional Field Quality function, reporting to the Product Safety Committee. The divisional Field Quality function documents, categorizes, and assigns tasks to responsible owners across departments. We analyze recurring themes, implement corrective actions, and ensure customers are informed and satisfied with the outcomes. This structured approach strengthens our focus on safety, responsiveness, and long-term improvement.

Customer training and feedback is operated on a continuous basis and enhanced year after year. Resources are allocated at entity level. There is no significant CapEx or OpEx for these actions.

Metrics and targets

Targets related to product safety (S4-5)

We have no Group target for product safety.

Our approach is to work with product safety throughout the entire lifecycle, from developing new products to ensuring the safety of those already sold. Our quality management system is regularly audited by third party auditors and processes related to product safety are followed up in internal audit programs. At the moment, there are no plans to set a Group target.

Metrics

Safety issues on already delivered products are tracked through safety campaigns consisting of appropriate actions and information. Incidents of non-compliance of voluntary codes are situations where a part needs to be replaced, or a program modified to enhance the safety of the product. 8 (9) incidents for non-compliance with voluntary codes concerning the health and safety impacts of products and services were reported for 2025. There were no incidents of non-compliance resulting in warnings, fines or penalties reported for 2025.

G1 Business conduct

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G1-3	Prevention and detection of corruption and bribery	151
MDR-T	Targets related to business conduct	152
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Business conduct impacts, risks, and opportunities (SBM-3)

Material impacts, risks and opportunities and their interaction with strategy and business model

Epiroc has sales in around 150 countries, where we adhere to laws and regulations, and uphold high ethical standards. Our growth strategy require us to ensure that the companies that we acquire uphold the same standards. The different geographical locations of our sites, suppliers, and customers provide different risk exposures as market complexities and varying environmental, social, and governance laws affect our exposure to sanctions, corruption, human rights risks, and environmental risks.

Epiroc may be affected by various government actions. In general Epiroc is not actively and directly engaged in lobbying actions related to governments. Instead, we are a member of selected industry trade associations and we are also member of certain government-led partnerships, notably in the EU, that aim to promote safety and energy efficiency within our industry. We continuously monitor regulatory developments relevant to our industry and operations.

Corporate culture		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Failure to protect whistleblowers' anonymity can lead to retaliation	Potential negative impact	o	o	o	o	o	o
Non-adherence to our Code of Conduct may harm employees or other stakeholders	Potential negative impact	o	o	o	o	o	o
Unhealthy culture could hinder talent attraction, productivity, and innovation	Risk		o		o	o	o

Upholding our Code of Conduct and protecting whistleblower anonymity and confidentiality is crucial for maintaining a transparent and ethical business environment. A potential risk is failing to effectively engage employees, especially those from newly acquired entities, in embracing our corporate culture, ethics, and adhering to our policies. This could harm employees, for example by unequal treatment and harassments, and our relationships with suppliers and customers. Failure to protect whistleblowers from retaliatory actions could foster a culture of fear and silence among employees. This may result in prolonged unethical practices affecting workplace safety and compliance, legal liabilities, fines, and reputational damage, while hindering the identification and prevention of wrongdoing.

These risks impact all levels of our value chain, particularly internal operations, and employee interactions, and may extend to our relationships with business partners who need to trust our commitment to ethical conduct and transparency. If not addressed, these issues could result in financial impacts such as reduced productivity, difficulties in talent attraction and retention, and reputational damage to the Epiroc brand.

To mitigate these risks, we implement comprehensive onboarding, integration programs and mandatory compliance training that emphasize our ethical standards and corporate culture. Acquired companies are given access to the Epiroc Way, which is the management system for Epiroc, outlining all documents and processes for how Epiroc conducts business. Acquired companies are normally also ISO certified within two years. To ensure whistleblower anonymity and confidentiality and to comply with applicable legislation, we have implemented our whistleblower system Speak Up. Our whistleblower policy and system are evaluated regularly to ensure protection of whistleblowers.

Corruption and bribery		Location in value chain			Time horizon		
		Up-stream	Own operations	Down-stream	Short-term	Medium-term	Long-term
Corruption or bribery can lead to legal consequences and hinder social development	Potential negative impact	o	o	o	o	o	o
Corrupt behavior may cause financial loss/fines and damage reputation	Risk	o	o	o	o	o	o

Corruption, bribery and any unethical business practices hinder economic and social development, erode trust in institutions and damage business environments. As a global company, we may face corruption risks across our value chain, particularly in regions with weaker institutions. Any instance of corruption could lead to legal and financial consequences, damage our reputation, and hinder social progress. Recognizing these risks, we maintain a zero bribery and corruption tolerance to protect our integrity, performance, and the communities we serve. Our commitment to ethical practices is stated in our CoC and Business Partner CoC and apply to all our operations worldwide. Certain roles such as managers, sales and sourcing employees, as well as interaction with third parties, have increased exposure to these risks. To mitigate these risks, we implement specific activities such as targeted training and risk assessments.

Business conduct policies and corporate culture (G1-1)

Code of Conduct (CoC)

Our CoC outlines the appropriate business conduct and expected behaviors we all must follow to live up to the high ethical standards and integrity we hold ourselves to. It is based on applicable law and internationally recognized principles for how companies should conduct business responsibly. It summarizes the policies that apply to all companies in the Epiroc Group. It sets out important principles and outlines the channels through which we can raise a concern or obtain guidance. It guides our relationships with stakeholders, helping us maintain our reputation, and to continuing to earn their trust every day.

Epiroc is a signatory of UN Global Compact (UNGC) and is committed to conducting its business in accordance with:

- UN Guiding Principles on Business and Human Rights (UNGP)
- United Nations International Bill of Human Rights
- International Labour Organization Declaration on Fundamental Principles and Rights at Work and subsequent core conventions
- OECD's Guidelines for Multinational Enterprises
- UN Sustainable Development Goals (SDGs)
- UN Convention against Corruption
- The Rio Declaration on Environment and Development

These commitments are reflected in Group policies and procedures.

The CoC is designed to help all Epiroc employees, including everyone acting on behalf of Epiroc, to do the right thing. It is applicable to situations that may occur in our workday and sets out the principles for interactions with our stakeholders. A CoC E-learning, mandatory for all employees to conduct once every year, is available in twelve languages.

Group functions and councils are responsible for oversight within their respective areas, and our divisions and local management drive the implementation of our CoC and our compliance governance framework at local level. Each manager is responsible for the implementation, day-to-day reinforcement and follow-up. It is the responsibility of each employee to make themselves familiar with and follow the CoC and be committed to living our values.

The CoC is reviewed regularly by VP Group Compliance and VP Sustainability and approved by the President and CEO. External stakeholders can access our CoC via our Group website, **https://www.epirocgroup.com/en/sustainability/code-of-conduct.**

Speak Up Policy

The purpose of this policy is to describe the reporting channels that Epiroc offers for receiving reports with information on misconduct. It includes information about what can be reported, how reports are handled, who can report and how. Epiroc will not tolerate retaliation against any employee for reporting an ethics or compliance issue or for participating in an investigation in good faith. The Speak Up policy states that Epiroc will not hinder reporting persons from reporting information, nor retaliate against them, those assisting them, related third parties (like colleagues or relatives), associated legal entities, or for consulting with their labor union.

The policy applies to all Epiroc entities. The manager of each entity is responsible for translating the policy into the local language and sharing it with the organization by publishing it on the intranet and other relevant platforms. The policy is reviewed annually by VP Group Compliance and approved by SVP General Counsel.

The Speak Up policy is highlighted in the mandatory annual CoC training for all employees to support the effective use of this channel.

Anti-Corruption Policy

The purpose of this policy is to guide our employees in adhering to Epiroc's principles of abstaining from corrupt practices, never paying or accepting bribes, and competing fairly for business opportunities. It provides information about prohibited actions for employees and third parties, definitions of anti-corruption terms, procedures for reporting policy violations, and the consequences of non-compliance.

The policy applies to all Epiroc employees. Additionally, Epiroc expects its business partners to conduct themselves in an ethical manner consistent with the mandates in this policy and Epiroc's Business Partner CoC. The General Managers at each Epiroc entity, with support from divisions, are responsible for fulfilling applicable requirements in this policy and local legal anti-bribery and anti-corruption requirements, in their respective organizations.

The policy is reviewed annually by VP Group Compliance and approved by SVP General Counsel. Epiroc's internal policies and guidelines are published in the Epiroc Way.

Mechanisms for identifying, reporting and investigating concerns

Employees and external parties are encouraged to report violations of laws, regulations, or Group policies. To facilitate reporting, we have the Epiroc Speak Up system, managed by Group Compliance. This is a third-party phone and web-based reporting tool, allowing open or anonymous reporting of concerns in local languages. The Speak Up system can be used to report information, acquired in a work-related context, on misconduct in violation of applicable laws (including European Union law), other irregularities in respect of which there is a public interest, violations of the Epiroc CoC, Epiroc BP CoC or Group policies. For example, issues such as fraud and corruption, conflict of interest situations, non-compliance with environmental laws, health and safety issues, violations of human and labor rights, harassment, and diversity issues.

Reporting in Speak Up is open to all employees, business contacts, applicants, volunteers, trainees, self-employed persons, persons working under the supervision and control of customers, contractors, sub-contractors, suppliers or other undertakings or bodies, shareholders, persons who are members of administrative, management or supervisory bodies or available for such positions.

In addition to the Speak Up system, employees have other reporting channels available to them. They can directly approach their manager, their manager's manager, the local HR representative, or internal resources within Compliance or Legal departments. These internal channels are the most common way for employees to raise concerns.

In the Speak Up process, receipt of report will be acknowledged within seven days, and impartial investigator(s) will be designated to investigate reported issues and provide feedback to the reporting person on the outcome of the investigation and potential actions taken, preferably within three months, as was the case in 78% of closed cases in 2025. The Legal and Compliance Board is provided with an overview of the matters handled in Speak Up, the outcome of the investigations and any actions taken, on a quarterly basis. As

a learning organization, we embrace the lessons learned from the issues and concerns raised to us. Speak Up cases are reported to the Audit Committee once per year.

The system is widely recognized, with reports being received from all regions of our global operations. Information about Speak Up is displayed on posters at all sites and published on both the internal and external websites. For those without internet access, Speak Up can also be reached via phone, ensuring all employees have access.

In 2024, the system was upgraded to a new platform with enhanced features, such as better possibilities for statistics e.g. based on more detailed misconduct categories, additional outcome categories, etc. During 2025, the investigation process has been revised with Group Internal Audit and Assurance, alongside updates to the Speak Up Policy, Investigation Guidelines, and all regular investigators has received class-room training.

Epiroc is subject to the EU Whistleblowing directive (Directive 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law). By implementing the Speak Up Policy, the directive is adhered to.

Corporate culture

Epiroc's vision "Dare to think new" challenge our ways of working, thinking, and acting to find new, effective, and sustainable solutions. This vision is embedded in our value-creating strategy. Our values are integrated into our Hire-to-Retire processes - from recruitment and onboarding to performance development and leadership programs. We promote our culture through ongoing communication and collaboration events for all our employees, such as Epiroc Day and Career Days. We foster an inclusive environment where everyone can develop, grow professionally, and build a career. Read more in **ESRS S1 Own workforce**.

Our CoC, supplemented by other policies, for example our Sustainability Policy and Speak Up Policy, provides direction for making ethical decisions and maintaining integrity. Given the varying laws and conditions across our regions, the CoC guides ethical business practices, promotes positive social and environmental impact, and supports a Speak Up culture. Epiroc conducts an annual employee survey to measure engagement and capture employees' perceptions of our management. The survey includes a leadership index based on responses related to leadership expectations. Epiroc places a high focus on safety culture and behavior. Metrics such as sickness levels and employee voluntary turnover indicate how employees experience their environment.

By integrating these elements into our ongoing operations, Epiroc ensures that our corporate culture is continuously developed, promoted, and evaluated to align with our vision and strategic goals.

Actions and resources for business conduct (G1-3)

Our Group Compliance function is responsible for the design and roll out of compliance programs, including risk identification, policies, training, and digital tools, to manage compliance risks in all countries where we conduct business. This setup ensures an effective control structure within areas such as anti-corruption, third-party due diligence, anti-trust, trade compliance, and data privacy. To ensure comprehensive coverage, in-house lawyers and Regional Compliance Officers support entities with advice on corruption laws and regulations.

Throughout 2025, our primary focus has been on implementing and further developing our compliance programs and raising awareness through training, actions that is planned to continue. There is no significant CapEx or OpEx for these actions, resources are included as an integrated part of the relevant functions budgets.

Prevention and detection of corruption and bribery

As a global company, Epiroc must follow the anti-bribery and anti-corruption laws and regulations of every country in which we operate, such as the US Foreign Corrupt Practices Act (FCPA), the French Sapin II law, and the UK Bribery Act. We are an active member of the Swedish chapter of Transparency International. We have zero tolerance for corruption and bribery. This is stated in our CoC and Business Partner CoC. All our business partners are required to confirm compliance with the BP CoC. Firm actions will be taken on any violation.

The investigation process for allegations or incidents related to corruption and bribery is designed to ensure independence from the management chain involved in the matter. This independence is facilitated by the anonymity provided by the Speak Up system. Additionally, we have Regional Compliance Officers who are empowered to conduct compliance investigations. Furthermore, our Group Internal Audit and Assurance function has the autonomy to initiate any investigations they deem necessary, ensuring an unbiased and thorough examination of the issues.

Regional Compliance Officers monitor anti-bribery and anti-corruption compliance, report risks, incidents and breaches to local management and VP Group Compliance. VP Group Compliance then reports material risks, incidents and breaches to SVP General Counsel, a member of Group Management.

Responsible sourcing is important to Epiroc, and we use a risk-based approach. For our significant suppliers, we track compliance with our BP CoC. Our supplier evaluation process includes examination of our business partners' record of governance, ethics and stance against corruption. In addition, our indirect sales (IDS) channels are vetted in a due diligence process. We also have a responsible sales assessment process. Its purpose is to better understand and identify mitigation measures for potential risks with regards to human rights, corruption, and environment in markets, where Epiroc is present. See more about our due diligence processes on suppliers and other business partners in **S2 Workers in the value chain** and **S3 Affected communities**.

Training and awareness

Our key actions to ensure CoC compliance and promote ethical behaviors is a continuous focus on training and raising awareness throughout our decentralized organization. Each employee is responsible for familiarizing themselves with and adhering to the CoC. Translations, questions and answers, and other relevant materials are developed to support employees in understanding and adhering to our CoC. During 2025, the mandatory CoC E-learning was assigned to all employees. The training includes all areas in the CoC with ethical dilemmas, some inspired by actual situations in Epiroc, to deepen our employees´understanding and allow them to practice how to solve challenging situations. As part of completing the training, employees must also certify compliance with our CoC. Managers hold employees accountable for completing CoC training requirements. In addition to the CoC training, risk- based in-depth trainings e.g. on trade compliance, anti-trust, anti-bribery and data privacy was provided to relevant roles such as individuals in management, sales, and sourcing positions.

In 2024, mandatory global digital anti-bribery and anti-corruption training was rolled out for identified high-risk groups, including Group Management and all managers, sales staff, and sourcing teams. All high-risk functions are covered by the enhanced training, it aims to ensure that key personnel can identify and mitigate bribery risks in their daily operations and will take place every other year. In 2026 a new version of the training will be rolled out. In addition to the digital training, our Regional Compliance Officers are responsible for providing region-specific guidance and conducting anti-bribery and anti-corruption training. These officers work closely with local teams to address entity-specific risks and ensure compliance with both global policies and local legal requirements.

During 2026 an up-date of the CoC training is planned to further strengthen awareness and better meet the needs of the company.

Metrics and targets

Targets related to business conduct (MDR-T)

- Our 2030 goal is to have all employees sign and comply with the CoC.

This is measured through mandatory CoC training, where employees sign and confirm their compliance upon completion. This is complemented by annual targets for both employees and managers. These targets reinforces the CoCs core objectives—upholding ethical behavior, transparency, and accountability. Annual training ensure progress toward embedding these principles into our culture, strengthening governance and stakeholder trust.

Progress on targets

Managers and employees that signed and confirmed compliance with our Code of Conduct, %

The levels of signed and confirmed compliance among managers and employees remain high. In 2025, the target for managers was 100% and the result was 100% (100). The target for all employees was 98% in 2025 and the result was 99% (99).

Confirmed incidents of corruption or bribery and other violations of Code of Conduct (G1-4)

In 2025, in total 214 (195) complaints were reported through Speak Up. 68 of these cases are still under investigation. Out of the total number, 59 complaints concern labor relations, 26 fraud and corruption, and 64 harassment. No cases during the year were deemed material (i.e. risk of regional or Group impact). There are no confirmed incidents where employees were dismissed or disciplined for corruption. Additionally, during the year, no convictions or fines for violation of anti-corruption and anti-bribery laws have been reported through our Speak Up line. A breach of our Anti-Corruption Policy or law is always considered an incident.

All Speak Up cases are investigated in accordance with specific procedures. Based on the results of the investigation, the lead investigator will recommend appropriate actions to the business organization, which may include disciplinary action, corrective action, or legal action. If breaches of anti-bribery or anti-corruption requirements are identified, disciplinary actions will always follow. Through the Speak Up platform, categorization, outcomes and implementation of disciplinary actions can be followed up by Group Compliance.

Speak Up cases

Reported potential violations, number	2025	2024
Fraud and corruption	26	20
Labor relations	59	63
Health & Safety	15	7
Discrimination and Human Rights	5	6
Harassment	64	57
Conflict of interest	21	19
Breach of data privacy	1	1
Security	1	0
Other	22	22
Total	**214**	**195**

Methodology

The data is based on reported incidents in the Speak Up system. Classification is done by Group Compliance. If there are any material cases which are reported through other channels, these are added manually to the Speak Up system, hence they will be included in the Speak Up data.

List of disclosures

Disclosure requirements in ESRS covered by the undertaking's sustainability statement

List of ESRS disclosure requirements

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BP-1 General basis for preparation of sustainability statements	81-82
BP-2 Disclosure in relation to specific circumstances	82-83
GOV-1 The role of the administrative, management and supervisory bodies	83-85
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	83-85
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SBM-1 Strategy, business model and value chain	87-88
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E2-1 Policies related to pollution	109-110
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E5-3 Targets related to resource use and circular economy	116
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S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	124
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G1-1 Business conduct policies and corporate culture	149-151
G1-3 Prevention and detection of corruption and bribery	151-152
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List of data points in cross-cutting and topical standards that derive from other EU legislation

The table below illustrates the datapoints in each ESRS that derive from other EU legislation, indicating where they can be found in the sustainability statement and whether they are assessed as material or not material.

Disclosure Requirement and related datapoint	SFDR	Pillar 3	Benchmark Regulation	EU Climate Law	Page / Not material
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	x		x		60
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			x		60
ESRS 2 GOV-4 Statement on due diligence paragraph 30	x				85-86
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	x	x	x		99
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	x		x		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	x		x		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			x		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				x	96-99
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		99
ESRS E1-4 GHG emission reduction targets paragraph 34	x	x	x		102-104
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	x				105
ESRS E1-5 Energy consumption and mix paragraph 37	x				105
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	x				105
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	x	x	x		105
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	x	x	x		106
ESRS E1-7 GHG removals and carbon credits paragraph 56				x	108
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x		Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		x			Not material
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		x			Phase-in
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			x		Phase-in
ESRS E2-4 Amount of each pollutant listed in Annex II of the EPRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	x				Not material
ESRS E3-1 Water and marine resources paragraph 9	x				Not material
ESRS E3-1 Dedicated policy paragraph 13	x				Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	x				Not material

ESRS E3-4 Total water recycled and reused paragraph 28 (c)	x		Not material
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	x		Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	x		Not material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	x		Not material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	x		Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	x		Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	x		Not material
ESRS E4-2 Policies to address Deforestation paragraph 24 (d)	x		Not material
ESRS E5-5 Non-recycled waste paragraph 37 (d)	x		117
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	x		117
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	x		122
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	x		122
ESRS S1-1 Human rights policy Commitments paragraph 20	x		122
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21		x	122
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	x		122
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	x		122
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	x		124
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	x	x	127
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	x		127
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	x	x	132
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	x		132
ESRS S1-17 Incidents of Discrimination paragraph 103 (a)	x		132
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	x	x	132
ESRS 2- SBM3 S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	x		133-134
ESRS S2-1 Human rights policy commitments paragraph 17	x		134-135
ESRS S2-1 Policies related to value chain workers paragraph 18	x		134-135
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	x	x	134-135
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19		x	134-135
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x		136

ESRS S3-1 Human rights policy commitments paragraph 16	x		141
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	x	x	141
ESRS S3-4 Human rights issues and incidents paragraph 36	x		142
ESRS S4-1 Policies related to consumers and end-users paragraph 16	x		145
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	x	x	145
ESRS S4-4 Human rights issues and incidents paragraph 35	x		147
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	x		Not material
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	x		Not material
ESRS G1-4 Fines for violation of anti-corruption and anti- bribery laws paragraph 24 (a)	x	x	153
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	x		153

Group financial information

Consolidated income statement

January-December, MSEK	Note	2025	2024
Revenues	4	61 998	63 604
Cost of sales		-39 024	-40 658
Gross profit		**22 974**	**22 946**
Administrative expenses		-4 498	-4 531
Marketing expenses		-4 021	-4 250
Research and development expenses		-1 966	-2 282
Other operating income	7	262	628
Other operating expenses	7	-826	-106
Share of profit in associated companies	15	0	-20
Operating profit	4, 5, 6, 7, 17	**11 925**	**12 385**
Financial income	8, 9	476	470
Financial expenses	8, 9	-1 165	-1 416
Net financial items		**-689**	**-946**
Profit before tax		**11 236**	**11 439**
Income tax expense	10	-2 637	-2 683
Profit for the year		**8 599**	**8 756**
Profit attributable to:			
– owners of the parent		8 602	8 731
– non-controlling interests		-3	25
Basic earnings per share, SEK	12	7.12	7.23
Diluted earnings per share, SEK	12	7.11	7.23

Consolidated statement of comprehensive income

January-December, MSEK	Note	2025	2024
Profit for the year		**8 599**	**8 756**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit pension plans		135	204
Income tax relating to items that will not be reclassified		-30	-45
Total items that will not be reclassified to profit or loss		**105**	**159**
Items that may be reclassified subsequently to profit or loss			
Translation differences on foreign operations		-4 688	1 459
Hedge of net investments in foreign operations		-76	251
- realized and reclassified to income statement		-251	-
Cash flow hedges		240	-288
Income tax relating to items that may be reclassified		18	8
Total items that may be reclassified subsequently to profit or loss		**-4 757**	**1 430**
Other comprehensive income for the year, net of tax	11	**-4 652**	**1 589**
Total comprehensive income for the year		**3 947**	**10 345**
Total comprehensive income attributable to			
- owners of the parent		3 990	10 317
- non-controlling interests		-43	28

Consolidated balance sheet

MSEK	Note	Dec. 31, 2025	Dec. 31, 2024
Assets			
Non-current assets			
Intangible assets	13	21 923	25 075
Rental equipment	14	1 300	1 543
Other property, plant and equipment	14	7 449	7 932
Investments in associated companies	15	29	34
Other financial assets and other receivables	16	2 638	2 225
Deferred tax assets	10	1 505	1 576
Total non-current assets		**34 844**	**38 385**
Current assets			
Inventories	17	18 100	19 191
Trade receivables	18	11 155	12 424
Other receivables	19	3 952	3 868
Current tax receivables		1 386	1 059
Financial assets	16	1 366	1 483
Cash and cash equivalents	20	9 574	7 179
Total current assets		**45 533**	**45 204**
Total assets		**80 377**	**83 589**
Equity and liabilities			
Equity			
Share capital		500	500
Other paid-in capital		118	117
Reserves		-2 524	2 193
Retained earnings including profit for the year		44 167	39 947
Equity attributable to owners of the parent		**42 261**	**42 757**
Non-controlling interests		11	423
Total equity	21	**42 272**	**43 180**
Liabilities			
Non-current liabilities			
Interest-bearing liabilities	22, 23	16 776	19 612
Post-employment benefits	24	178	201
Deferred tax liabilities	10	1 552	1 737
Other liabilities		132	165
Provisions	27	311	442
Total non-current liabilities		**18 949**	**22 157**
Current liabilities			
Interest-bearing liabilities	22, 23	4 247	2 405
Trade payables	26	5 683	5 756
Current tax liabilities		627	444
Other liabilities	26	8 163	9 143
Provisions	27	436	504
Total current liabilities		**19 156**	**18 252**
Total equity and liabilities		**80 377**	**83 589**

Consolidated statement of changes in equity

2025	Equity attributable to owners of the parent							
MSEK	Share capital	Other paid-in capital	Translation reserve	Cash flow hedge	Retained earnings	Subtotal	Non-controlling interests	Total equity
Opening balance, Jan. 1	**500**	**117**	**2 192**	**1**	**39 947**	**42 757**	**423**	**43 180**
Profit for the year	-	-	-	-	8 602	8 602	-3	8 599
Other comprehensive income for the year	-	-	-4 648	-69	105	-4 612	-40	-4 652
Total comprehensive income for the year	**-**	**-**	**-4 648**	**-69**	**8 707**	**3 990**	**-43**	**3 947**
Dividend	-	-	-	-	-4 594	-4 594	-16	-4 610
Divestment of 666 914 series A shares	-	1	-	-	141	142	-	142
Share-based payment, equity settled								
– expense during the year	-	-	-	-	9	9	-	9
– exercise option	-	-	-	-	-41	-41	-	-41
Non-controlling interest acquired/divested	-	-	-	-	-2	-2	-353	-355
Closing balance, Dec. 31	**500**	**118**	**-2 456**	**-68**	**44 167**	**42 261**	**11**	**42 272**

2024	Equity attributable to owners of the parent							
MSEK	Share capital	Other paid-in capital	Translation reserve	Cash flow hedge	Retained earnings	Subtotal	Non-controlling interests	Total equity
Opening balance, Jan. 1	**500**	**105**	**735**	**30**	**35 452**	**36 822**	**388**	**37 210**
Profit for the year	–	–	–	–	8 731	8 731	25	8 756
Other comprehensive income for the year	–	–	1 456	-29	159	1 586	3	1 589
Total comprehensive income for the year	**–**	**–**	**1 456**	**-29**	**8 890**	**10 317**	**28**	**10 345**
Dividend	–	–	–	–	-4 591	-4 591	-2	-4 593
Divestment of 1 405 910 series A shares	–	13	–	–	277	290	–	290
Share-based payment, equity settled								
– expense during the year	–	–	–	–	13	13	–	13
– exercise option	–	–	–	–	-93	-93	–	-93
Non-controlling interest acquired/divested	–	–	–	–	0	0	9	9
Closing balance, Dec. 31	**500**	**117**	**2 192**	**1**	**39 947**	**42 757**	**423**	**43 180**

Consolidated statement of cash flows

January - December, MSEK	Note	2025	2024
Cash flow from operating activities			
Operating profit		11 925	12 385
Adjustments for:			
Depreciation, amortization and impairment	13, 14	3 088	3 444
Capital gain/loss and other non-cash items		-7	-958
Net financial items received/paid		-1	-447
Taxes paid		-2 824	-3 039
Pension funding and payment of pension to employees		-75	-68
Cash flow before change in working capital		**12 106**	**11 317**
Change in:			
Inventories		-1 035	1 589
Operating receivables		-757	-1 620
Operating liabilities		714	-543
Change in working capital		**-1 078**	**-574**
Increase in rental equipment		-917	-878
Sale of rental equipment		564	595
Net cash flow from operating activities		**10 675**	**10 460**
Cash flow from investing activities			
Investments in other property, plant and equipment		-1 120	-890
Sale of other property, plant and equipment		18	16
Investments in intangible assets	13	-875	-966
Sale of intangible assets	13	7	–
Acquisition of subsidiaries and associated companies	3	-88	-9 658
Divestment of subsidiaries and associated companies		1	–
Proceeds to/from other financial assets, net		-182	-192
Net cash flow from investing activities		**-2 239**	**-11 690**
Cash flow from financing activities			
Dividend		-4 594	-4 591
Dividend to non-controlling interest		-16	-2
Acquisition of non-controlling interest		-355	–
Divestment of own shares		142	290
Borrowings		3 820	12 164
Repayment of borrowings		-3 833	-5 295
Payment of lease liabilities	23	-782	-667
Net cash flow from financing activities		**-5 618**	**1 899**
Net cash flow for the year		**2 818**	**669**
Cash and cash equivalents, Jan. 1		7 179	6 401
Exchange rate difference in cash and cash equivalents		-423	109
Cash and cash equivalents, Dec. 31	20	**9 574**	**7 179**
Operating cash flow			
Net cash from operating activities		10 675	10 460
Net cash from investing activities		-2 239	-11 690
Acquisition and divestment of subsidiaries and associated companies		87	9 658
Other adjustments [1]		-797	704
Operating cash flow		**7 726**	**9 132**

[1] Mainly currency hedges of loans and changes in Financial Solutions portfolios.

Group notes

Note 1 Accounting policies

The consolidated financial statements comprise Epiroc AB, the Parent Company ("the Company"), and its subsidiaries (together "the Group" or Epiroc) and the Group's interest in associated companies. Epiroc AB is headquartered in Nacka, Sweden. The financial year for Epiroc is Jan 1 - December 31.

The Annual Report for the Group and for Epiroc AB, including financial statements, was approved for issuance on March 19, 2026. The balance sheets and income statements are subject to approval by the Annual General Meeting of the shareholders on May 5, 2026.

Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the EU, the Swedish recommendation RFR 1 "Supplementary Accounting Rules for Groups" and applicable statements issued by the Swedish Financial Reporting Board.

The Group describes the most material accounting policies in conjunction with each note with the aim of providing enhanced understanding of each accounting area.

Functional currency and foreign currency translation

The financial statements are presented in Swedish krona (SEK), which is the functional reporting currency for Epiroc AB and the presentation currency for the Group. Unless otherwise stated, the amounts presented are in millions Swedish krona (MSEK).

Exchange rates for major currencies that have been used for the Group's financial statements are disclosed below.

CURRENCY RATES USED IN THE FINANCIAL STATEMENTS

			Year-end rate		Average rate	
	Value	Code	2025	2024	2025	2024
Australia	1	AUD	6.15	6.86	6.34	6.96
Canada	1	CAD	6.70	7.64	7.03	7.71
Chile	1 000	CLP	10.02	11.07	10.33	11.17
EU	1	EUR	10.80	11.47	11.07	11.42
South Africa	1	ZAR	0.55	0.59	0.55	0.57
USA	1	USD	9.17	11.00	9.86	10.56

New and revised accounting policies 2025

The revised accounting standards effective from January 1, 2025, have not materially affected the Group's financial statements.

New and revised accounting policies 2026 and later

An evaluation of the impact of IFRS 18 Presentation and Disclosure in Financial Statements has been performed. Implementation of IFRS 18 will have impact on presentation and classifications in the income statement and cash flow. No other new accounting standards and interpretations are considered to have a material impact on the Group's financial statements.

Accounting policies	Note	IFRS standard
Acquisitions and divestments	3. Acquisitions and divestments	IFRS 3, IFRS 10
Operating segments	4. Segment information and revenues	IFRS 8
Revenue recognition	4. Segment information and revenues	IFRS 15
Incentive programs	5. Employees and personnel expenses	IAS 19, IFRS 2
Hyperinflation	8. Remeasurement for hyperinflation	IAS 29
Income taxes	10. Income taxes	IAS 12
Earnings per share	12. Earnings per share	IAS 33
Intangible assets	13. Intangible assets	IFRS 3, IAS 36, IAS 38
Property, plant and equipment	14. Property, plant and equipment	IAS 36
Inventories	17. Inventories	IAS 2
Leasing	23. Leases	IFRS 16
Pensions and other obligations	24. Post-employment benefits	IFRS 2, IAS 19
Share-based payments	25. Share-based payments	IFRS 2
Financial instruments	29. Financial instruments	IFRS 7, IFRS 9, IFRS 13, IAS 32

Note 2 Critical accounting estimates and judgments

The preparation of financial reports requires management's judgment and the use of estimates and assumptions that affect the amounts reported in the Group's financial statements. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the prevailing circumstances. Actual results may differ from those estimates. The estimates and assumptions are reviewed on an on-going basis. Changes in accounting estimates are recognized in the period in which they are revised and in any future periods affected.

The estimates and the judgments which, in the opinion of management, are significant to the underlying amounts included in the financial reports and for which there is a significant risk that future events or new information could entail a change in those estimates or judgments are presented in connection to the items considered to be affected. The table discloses where to find these descriptions.

Critical accounting estimates and judgments	Note
Business combinations	3. Acquisitions and divestments
Revenue recognition	4. Segment information and revenues
Impairment of goodwill	13. Intangible assets
Inventories	17. Inventories
Trade and financial receivables	18. Trade receivables

The Group's assessment of how climate related issues might affect the business has been integrated into its strategic and financial planning process. At the same time, the Group reviews the potential impact of the material risks and opportunities on the balance sheet, critical accounting estimates and accounting policies including the useful economic lives of intangible and tangible assets.

The Group has issued green bonds to support the implementation of the transition plan. Epiroc is allocating funds that directly contribute to our 2030 climate goals. Sustainability targets are included in the variable compensation plans for all Group management members, including the President and CEO. Relevant sustainability targets, such as safety, CO2e reductions, or a mix of targets, are also set for other managers and employees based on their roles and responsibilities.

In summary, the Group's climate change considerations did not have a material impact on the consolidated financial reports or on the critical accounting estimates and judgments during the year.

Note 3 Acquisitions and divestments

ACCOUNTING POLICY

Business combinations
Business combinations are accounted for using the acquisition method. Business combinations are seen as if the Group directly acquires the assets and assumes the liabilities of the entity acquired. At the acquisition date, the date on which control is obtained, each identifiable asset acquired, and liability assumed is recognized at its acquisition date fair value. When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in a business combination. When a business combination is achieved in stages, the Group's previously held interests (including associated companies) in the acquired entity are remeasured to its acquisition date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Transaction costs that the Group incurs in connection with a business combination are expensed as incurred as operating expenses.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree, if any, over the net of acquisition date fair value amounts of the identifiable assets acquired and liabilities assumed.

Non-controlling interest is initially measured at the non-controlling interest's proportionate share of the fair value of identifiable net assets. Subsequent profit or loss attributable to the non-controlling interest is allocated to the non-controlling interest, even if it puts the non-controlling interest in a deficit position. Acquisitions of non-controlling interests are recognized as a transaction between owners of the parent and non-controlling interests. The difference between consideration paid and the proportionate share of net assets acquired is recognized in equity.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The valuation of business combinations is based on management assessment of the future earnings of the acquired company. The determination of the fair value of assets and liabilities in connection to a business combination requires the Group to apply assumptions and estimates which can vary from the actual outcomes. Some of the business combinations contain earn-outs which are based on the acquisitions achieving future targets for revenues for a predetermined period. The fair value of earn-outs is reviewed on a regular basis.

Acquisitions 2025

On April 2, 2025, Epiroc acquired the remaining share of Radlink. Epiroc acquired a majority shareholding of Radlink, 53%, already in 2022, and now owns 100%. The business has been consolidated and reported within "Service" since 2022. The transaction of MSEK -355 is reported as acquisition of non-controlling interest included in financing activities. Radlink provides mines with wireless data and voice communication networks and supporting infrastructure to surface and underground mines, vital to support mining automation. The company has approximately MSEK 1 330 in annual revenues and 415 employees. No other acquisitions have been made 2025.

Fair value (preliminary) of acquired assets and liabilitites	Changes related to acquisitions made before 2025 [1]
	2025
Net assets identified	212
of which:	
Intangible assets	33
Tangible assets	-51
Inventory	-35
Trade payables	-199
Goodwill	-180
Total consideration	**32**
Contingent consideration	-56
Net cash outflow	**88**

[1] The changes are related to updated final purchase price allocations for acquisitions completed in 2024, and payout of earn-out related to acquisitions prior years.

Divestments 2025

No material divestments of subsidiaries have been made during the last twelve months. The cash flow effect related to divestment amounts to 1 MSEK.

Acquisitions 2024

All acquisitions described below were made through the purchase of 100% of shares and voting rights or through the purchase of the net assets of the acquired business, except for ASI Mining where the remaining 66% of the shares and voting rights were acquired. Epiroc owned 34% of the shares in ASI Mining (associated company) before the acquisition date. The transaction resulted in a revaluation gain on non-controlling interest of 554 which was recognized in Other operating income. See note 7. From July 3, ASI Mining is a fully-owned subsidiary.

The Group received control over the businesses upon the date of the acquisition. All acquisitions have been accounted for using the acquisition method, no equity instruments have been issued in connection with the acquisitions.

Acquisitions that support profitable growth are a natural part of the strategy and in 2024, Epiroc has completed five acquisitions:

In April, reporting segment Tools & Attachments acquired Stanley Infrastructure, USA, including subsidiaries. The company designs, manufactures, and sells attachments, typically used on excavators, and handheld hydraulic and battery-powered tools for applications in infrastructure, construction, scrap recycling, deconstruction, and railroad infrastructure.

In May, reporting segment Equipment & Service acquired Weco Proprietary Limited, South Africa including subsidiaries. The company manufactures precision-engineered rock drilling parts and provides related repairs and services.

In June, reporting segment Tools & Attachments acquired Yieldpoint, Canada. The company designs, manufactures and sells advanced digital geotechnical instruments and has customers worldwide.

In July, reporting segment Equipment & Service acquired ASI Mining, USA, including subsidiary. The company provides mining automation systems such as remote control, teleoperation, and fully autonomous solutions.

In September, reporting segment Tools & Attachments acquired ACB+, France including subsidiary. The company manufactures attachments and quick couples used on excavators for construction and related areas such as scrap recycling and deconstruction.

The amounts in the following table detail the recognized amounts according to the preliminary purchase price allocations. The amounts are aggregated for four of the acquisitions made during the year, as the relative amounts of these individual acquisitions are not considered significant. The fifth acquisition, Stanley Infrastructure, is reported separately. The purchase price allocations are finalized within twelve months, when all relevant information have been retrieved.

Fair value (preliminary) of acquired assets and liabilitites	Group recognized values (Total)	Whereof Stanley Infrastructure	Whereof changes related to acquisitions made before 2024 [1]
	2024	2024	2024
Net assets identified	4 031	3 646	6
of which:			
Intangible assets	3 029	2 559	2
Tangible assets	1 269	1 125	–
Inventory	1 092	999	–
Trade receivables	525	467	–
Trade payables	532	507	–
Goodwill	6 094	4 334	-6
Total consideration	**10 125**	**7 980**	**-0**
Acquired cash and cash equivalents	120	36	–
Revaluation gain on noncontrolling interest in ASI Mining	554	–	–
Contingent consideration [2]	-207	–	-633
Net cash outflow	**9 658**	**7 944**	**633**

[1] The changes are related to updated final purchase price allocations for acquisitions completed in 2023, and payout of earn-out related to acquisitions prior years.
[2] The contingent consideration consists of paid earn-out and hold-back amounts of -633 and hold-back amounts related to acquisitions in 2024 of 426. The total outstanding earn-out per December 31, amounts to 423, which corresponds to the maximum amount. The change in fair value of earn-out is included in other operating income and other operating expenses

The goodwill recognized on acquisitions is primarily related to the synergies expected to be achieved from integrating these companies into the Group's existing structure. As of December 31, the acquisitions have a total cash flow effect of -9 025. The earn-out is recognized as a liability at fair value. The payment is dependent on achieving future targets for revenues within two years of the acquisition. The fair value is based on probability-weighted scenarios and is discounted to net present value. According to the preliminary purchase price allocations, total consideration amounts to 10 125. The acquired businesses have contributed to revenues by 2 807 and to operating profit by -3 since their respective dates of acquisition.

CONTRIBUTION FROM BUSINESSES ACQUIRED IN 2024

MSEK	Total	Whereof Stanley Infrastructure [1]
Contribution from date of control		
Revenues	2 807	2 635
Operating profit	-3	-17
Contribution if the acquisition had occured on Jan. 1		
Revenues	4 072	3 595
Operating profit	-233	-167

[1] The revenues were lower 2024 due to weak construction market in USA.

Divestments 2024

No material divestments of subsidiaries have been made during the last twelve months.

Note 4 Segment information and revenues

ACCOUNTING POLICY - SEGMENT INFORMATION

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group's President and CEO, who is the chief operating decision maker for Epiroc, monitors the operations by divisions which represent the operating segments for the Group. In the Group's financial statements, the operating segments are aggregated into two Business Areas, Equipment & Service and Tools & Attachments, which are the reporting segments, in accordance with IFRS 8.

The Group is organized in eight separate and focused, but still integrated operating divisions, which in turn are organized in two Business Areas: Equipment & Service and Tools & Attachments. The Business Areas offer different products and services and are also, together with the divisions, the basis for management and internal reporting and are regularly reviewed by the Group's President and CEO. The Business Areas are the reporting segments for Epiroc.

2025	Equipment & Service	Tools & Attachments	Common group functions	Eliminations	Group
Revenues from external customers	47 121	14 783	94	-	61 998
Inter-segment revenues	-	5	27	-32	-
Total revenues	**47 121**	**14 788**	**121**	**-32**	**61 998**
Operating profit	**10 458**	**1 810**	**-372**	**29**	**11 925**
– of which share of profit in associated companies	-	-	-	-	-
Net financial items	-	-	-	-	-689
Income tax expense	-	-	-	-	-2 637
Profit for the year	**-**	**-**	**-**	**-**	**8 599**
Non-cash expenses					
Depreciation/amortization	2 206	818	76	-15	3 085
Impairment	3	-	-	-	3
Other non-cash expenses/income	16	-111	-8	-	-103
Segment assets	**41 275**	**21 142**	**5 447**	**-1 003**	**66 861**
– of which goodwill	7 587	6 944	-	-	14 531
Investments in associated companies	27	2	-	-	29
Unallocated assets	-	-	-	-	13 487
Total assets	**-**	**-**	**-**	**-**	**80 377**
Segment liabilities	**12 718**	**3 938**	**1 998**	**-972**	**17 682**
Unallocated liabilities	-	-	-	-	20 423
Total liabilities	**-**	**-**	**-**	**-**	**38 105**
Capital expenditures					
Property, plant and equipment	2 099	634	53	-10	2 776
– of which assets leased	523	215	-	-	739
Intangible assets	751	94	30	-	875
Total capital expenditures	**2 850**	**728**	**83**	**-10**	**3 651**
Intangible assets acquired (acquisition of business)	6	27	-	-	33
Goodwill acquired	16	-196	-	-	-180

2024	Equipment & Service	Tools & Attachments	Common group functions	Eliminations	Group
Revenues from external customers	48 793	14 637	174	–	63 604
Inter-segment revenues	121	3	23	-147	-
Total revenues	**48 914**	**14 640**	**197**	**-147**	**63 604**
Operating profit	**11 310**	**1 373**	**-306**	**8**	**12 385**
– of which share of profit in associated companies	*-20*	–	–	–	*-20*
Net financial items	–	–	–	–	-946
Income tax expense	–	–	–	–	-2 683
Profit for the year	**–**	**–**	**–**	**–**	**8 756**
Non-cash expenses/income					
Depreciation/amortization	2 268	740	118	-29	3 097
Impairment	347	–	–	–	347
Other non-cash expenses/income	-15	-93	-75	-	-183
Segment assets	**44 643**	**24 031**	**4 981**	**-454**	**73 201**
– of which goodwill	*8 444*	*8 255*	–	–	*16 699*
Investments in associated companies	31	3	–	–	34
Unallocated assets	–	–	–	–	10 354
Total assets	**–**	**–**	**–**	**–**	**83 589**
Segment liabilities	**13 227**	**4 549**	**1 302**	**-391**	**18 687**
Unallocated liabilities	–	–	–	–	21 722
Total liabilities	**–**	**–**	**–**	**–**	**40 409**
Capital expenditures					
Property, plant and equipment	2 239	569	188	-37	2 957
– of which assets leased	*936*	*240*	*14*	–	*1 189*
Intangible assets	882	74	10	–	966
Total capital expenditures	**3 121**	**643**	**196**	**-37**	**3 923**
Intangible assets acquired (acquisition of business)	399	2 630	–	–	3 029
Goodwill acquired	1 450	4 461	–	183	6 094

Common group functions are functions which serve the whole Group and is not considered a segment. Common group functions include Epiroc Financial Solutions. Revenues from operating leases owned by Epiroc Financial Solutions are reported under common group functions.

Segment assets comprise property, plant and equipment (including right-of-use assets), intangible assets, lease receivables, other non-current receivables, inventories, and current receivables. Segment liabilities include the sum of non-interest-bearing liabilities such as operating liabilities, other provisions, and other non-current liabilities. Lease liabilities (part of interest-bearing liabilities) are also included. Capital expenditure includes property, plant and equipment, and intangible assets, but excludes the effect of goodwill, intangible assets and property, plant and equipment through acquisitions.

ACCOUNTING POLICY - REVENUE RECOGNITION

Revenue recognition
Revenue is recognized to an amount that reflects the expected and entitled consideration for transferring goods and/or services to customers when control has passed to the customer.

Goods sold/Equipment
Revenue from goods sold is recognized at one point in time when control of the goods has been transferred to the customer. This occurs when the Group has a present right to payment for the goods, the customer has legal title of the goods, the goods have been delivered to the customer and/or the customer has the significant risks and rewards of the ownership of the goods.

When the goods sold are highly customized and an enforceable right to payment is present, revenue is recognized over time using the proportion of cost incurred to date compared to estimated total cost to measure progress towards transferring the control of the goods to the customer.

Some contracts with customers provide a right of return, trade discounts or volume rebates. With such components, revenue is deferred until highly probable that a reversal of revenue will not occur. Such provisions are estimated at contract inception and updated thereafter.

When a contract with a customer provides a right to return the goods within a specified period, the Group accounts for the right of return using the expected value method based on historical experience with the customer or similar customers and taking into consideration future expected deliveries. The amount of revenue related to the expected returns is deferred and recognized in the balance sheet within "Other liabilities". A corresponding adjustment is made to the cost of sales and recognized in the balance sheet within "Other receivables".

The performance obligation is satisfied upon delivery of the equipment, except for equipment with complex installation, in these circumstances; the performance obligation is satisfied upon completion of installation of the equipment. Payment is generally due between 30–60 days from delivery. In some contracts, short-term advances are required before the equipment is delivered. Some contracts contain right of return, late delivery penalties, volume rebates and buy-backs, which give rise to variable consideration. With variable consideration revenue is deferred until highly probable that a reversal of revenue will not occur.

Installation services are sold either separately or as a part of an equipment sale. The performance obligation is satisfied over time and payment is generally due upon completion and acceptance by the customer.

Services
Revenue from services is recognized over time by reference to the progress towards satisfaction of each performance obligation. The progress towards satisfaction of each performance obligation is measured by the proportion of cost incurred to date compared to estimated total cost of each performance obligation.

Where the outcome of a service contract cannot be estimated reliably, revenue is recognized to the extent of costs incurred that are expected to be recoverable. When it is probable that total contract costs will exceed total revenue, the expected loss is recognized as an expense immediately. Payment is generally due 30–60 days after completion.

Rental operations
Rental income from rental equipment is recognized on a straight-line basis over the rental period. Sale of rental equipment is recognized as revenue when the significant risks and rewards of ownership have been transferred to the buyer. The carrying value of the rental equipment sold is recognized as cost of sales. Investments in and sale of rental equipment are included in cash flow from operating activities.

Contract assets and contract liabilities
If the right to consideration for a specific performance obligation is conditional on satisfying another performance obligation, the right is classified as a contract asset. When payment has been received in advance of satisfying the performance obligation, the liability is classified as a contract liability.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Revenue for services is recognized over time in profit or loss by reference to the progress towards satisfaction of the performance obligation at the balance sheet date. The progress towards satisfaction is determined by the proportion of cost incurred to date compared to estimated total cost of each performance obligation. Revenue for goods sold is recognized in profit or loss at one point in time when control of the goods has been transferred to the customer.

Management's judgment is used, for instance, when assessing:

- the degree of progress towards satisfaction of the performance obligations and the estimated total costs for such contracts when revenue is recognized over time, to determine the revenue and cost to be recognized in the current period, and whether any losses need to be recognized,
- if the control has been transferred to the customer (i. e., the Group has a present right to payment for the goods, the customer has legal title of the goods, the goods have been delivered to the customer and/or the customer has the significant risks and rewards of the ownership of the goods), to determine if revenue and cost should be recognized in the current period,
- the transaction price of each performance obligation when a contract includes more than one performance obligation, to determine the revenue and cost to be recognized in the current period, and
- the customer credit risk (i.e., the risk that the customer will not meet the payment obligation), to determine and justify the revenue recognized in the current period.

REVENUES BY SEGMENT AND CATEGORY

	2025	2024
Equipment & Service	47 121	48 914
of which Equipment	21 229	*21 726*
of which Service [1]	25 892	*27 188*
Tools & Attachments	14 788	14 640
Common Group functions/eliminations	89	50
Total	**61 998**	**63 604**

[1] Service includes spare parts and service.

Geographical information

The revenues presented are based on the location of the customers while non -current assets are based on the geographical location of the assets. These assets include non-current assets other than financial instruments, investments in associated companies, deferred tax assets, and post-employment benefit assets.

GEOGRAPHICAL DISTRIBUTION OF REVENUES

	2025	2024
Epiroc Group [1]	**61 998**	**63 604**
North America	17 808	17 795
South America	7 808	7 760
Europe	8 270	8 719
Africa/Middle East	9 961	10 832
Asia/Australia	18 151	18 498
Equipment & Service	**47 121**	**48 914**
North America	11 217	11 679
South America	6 950	6 838
Europe	5 503	6 151
Africa/Middle East	7 858	8 592
Asia/Australia	15 593	15 654
Tools & Attachments	**14 788**	**14 640**
North America	6 533	6 040
South America	858	922
Europe	2 739	2 592
Africa/Middle East	2 103	2 240
Asia/Australia	2 555	2 846

[1] Including 89 (50) related to common group functions and eliminations.

BY GEOGRAPHIC AREA/COUNTRY

	Revenues		Non-current assets	
	2025	2024	2025	2024
North America				
USA	8 803	8 293	9 664	11 977
Canada	6 360	6 905	1 496	1 716
Mexico	2 645	2 597	851	871
	17 808	**17 795**	**12 011**	**14 564**
South America				
Chile	3 619	3 250	205	246
Peru	1 897	1 819	91	108
Brazil	1 276	1 409	74	72
Argentina	211	332	1	2
Dominican Republic	199	248	0	0
Other countries	606	702	18	17
	7 808	**7 760**	**389**	**445**
Europe				
Sweden	1 655	1 468	5 992	5 843
Türkiye	1 099	1 386	11	15
France	649	452	413	461
Spain	623	565	26	31
Germany	586	546	185	328
Norway	470	558	52	63
Poland	423	419	6	6
Italy	377	466	164	150
Other countries	2 388	2 859	458	482
	8 270	**8 719**	**7 307**	**7 379**
Africa/Middle East				
South Africa	4 017	4 309	1 047	1 128
Congo (DRC)	1 494	2 472	115	110
Zambia	1 028	1 072	41	46
Ghana	583	430	27	37
Mali	349	256	14	16
Tanzania	297	291	23	21
Other countries	2 193	2 002	46	34
	9 961	**10 832**	**1 313**	**1 392**
Asia/Australia				
Australia	10 461	10 444	8 139	9 198
China	2 750	2 812	718	833
India	1 690	1 777	497	431
Kazakhstan	994	990	50	41
Mongolia	812	699	37	6
Indonesia	563	740	41	54
Other countries	881	1 036	170	207
	18 151	**18 498**	**9 652**	**10 770**
Total	**61 998**	**63 604**	**30 672**	**34 550**

Performance obligations

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially satisfied as of December 31) are as follows:

	2025	2024
Within one year	636	1 542
More than one year	771	799

The remaining performance obligations expected to be recognized within one year or more than one year, relate to combined service contracts, where the entire contract is assessed to be one performance obligation.

The amount of remaining performance obligations not yet satisfied or partially satisfied has not been disclosed for:

- Contracts with a contract period of less than one year.
- Contracts meeting the requirement for the right to invoice expedient.

Note 5 Employees and personnel expenses

ACCOUNTING POLICY

Incentive programs
The Group has share-based incentive programs, consisting of stock options and share appreciation rights, which may be offered to certain employees based on position and performance. Additionally, the Board are offered synthetic shares. The incentive programs are accounted for in accordance with IAS 19 Employee benefits. See note 25.

AVERAGE NUMBER OF EMPLOYEES

	2025			2024		
	Women	Men	Total	Women	Men	Total
Parent Company						
Sweden	31	23	54	31	22	53
Subsidiaries						
North America	812	3 376	4 187	756	3 231	3 987
South America	254	1 137	1 391	248	1 222	1 470
Europe	1 139	3 668	4 807	1 103	3 620	4 723
– of which Sweden	853	2 659	3 512	*832*	*2 675*	*3 507*
Africa/Middle East	520	2 238	2 758	472	2 334	2 806
Asia/Australia	1 080	4 777	5 857	1 022	4 717	5 739
Total subsidiaries	**3 804**	**15 196**	**19 000**	**3 601**	**15 124**	**18 725**
Total	**3 835**	**15 219**	**19 054**	**3 632**	**15 146**	**18 778**

NUMBER AND PROPORTION OF WOMEN IN THE BOARD OF DIRECTORS, GROUP MANAGEMENT AND OTHER SENIOR MANAGERS

	2025			2024		
Group	Women	Men	Proportion of women %	Women	Men	Proportion of women %
Board of Directors excl. union representatives [1]	5	4	56	5	4	56
Group Management	2	4	33	3	10	23
Other senior managers in subsidiaries [2]	5	37	12	5	31	14

[1] The President and CEO is also a member of the Board of Directors.
[2] Other senior managers refer to General Managers and Regional General Managers with legal functions.

REMUNERATION AND OTHER BENEFITS FOR THE GROUP

KSEK	2025	2024
Salaries and other remuneration [1], [2]	12 082	12 813
of which Parent Company [2]	*111*	*101*
Contractual pension benefits [3]	844	778
of which Parent Company	*17*	*16*
Other social costs	1 642	1 594
of which Parent Company [2]	*25*	*20*
Total	**14 568**	**15 185**

[1] Salaries and other remuneration including variable compensation to Board of Directors and Group Management, excluding pensions, 91 (91).
[2] Recognized costs for share-based payments 16 (7) of which 3 (3) to Group Management and social costs 4 (-7).
[3] Pensions to Group Management 13 (16).

REMUNERATION TO SENIOR MANAGERS IN SUBSIDIARIES [1]

MSEK	2025	2024
Salaries and other remuneration [2]	126	108
Contractual pension benefits	11	9
Other social costs	9	8

[1] Senior managers refer to General Managers and Regional Managers with legal functions.
[2] Salaries and other remuneration include recognized cost for share-based payments.

REMUNERATION AND OTHER BENEFITS TO THE BOARD OF DIRECTORS

2025 KSEK	Fee	Value of synthetic share at grant date	Number of shares at grant date	Other fees [1]	Total fees incl. value of synthetic shares at grant date [2]	Effect of vesting and change in stock price [3]	Total expense recognized
Chair of Board:							
Ronnie Leten	2 876	-	-	493	3 369	-	3 369
Other members of the Board:							
Anthea Bath	452	452	2 119	81	984	111	1 095
Astrid Skarheim Onsum [4]	302	-	-	83	385	166	551
Fredric Stahl	601	-	-	15	616	-	616
Helena Hedblom	-	-	-	-	-	-	-
Jeane Hull	903	-	-	-	903	-	903
Jenny Lindqvist	301	301	1 389	-	601	-	601
Johan Forssell	452	452	2 119	123	1 026	230	1 256
Lennart Evrell [4]	151	151	729	126	428	237	665
Ulla Litzén	452	452	2 119	452	1 355	23	1 378
Sigurd Mareels	452	452	2 119	-	903	230	1 133
Union representatives [5]	-	-	-	96	96	-	96
Total	**6 940**	**2 258**	**10 593**	**1 470**	**10 667**	**996**	**11 664**

[1] Refers to fees in board committees.
[2] Provision for synthetic shares (excl. social costs) at December 31, 2025, amounted to MSEK 9.6 (8.9).
[3] Refers to synthetic shares received in 2021-2025.
[4] Astrid Skarheim Onsum and Lennart Evrell left the board after the Annual General Meeting 2025.
[5] Union representatives receive compensation to prepare for their participation in board meetings.

2024 KSEK	Fee	Value of synthetic share at grant date	Number of shares at grant date	Other fees [1]	Total fees incl. value of synthetic shares at grant date [2]	Effect of vesting and change in stock price [3]	Total expense recognized
Chair of Board:							
Ronnie Leten	2 668	-	-	449	3 117	-	3 117
Other members of the Board:							
Anthea Bath	418	418	2 034	-	836	-44	793
Astrid Skarheim Onsum	836	-	-	200	1 037	-28	1 009
Helena Hedblom	-	-	-	-	-	-	-
Jeane Hull	836	-	-	-	836	-	836
Johan Forssell	418	418	2 034	111	947	-58	890
Lennart Evrell	418	418	2 034	330	1 166	-58	1 190
Ulla Litzén	569	268	1 293	414	1 250	-17	1 233
Sigurd Mareels	418	418	2 034	-	836	-75	761
Union representatives [4]	-	-	-	96	96	-	96
Total	**6 583**	**1 941**	**9 428**	**1 600**	**10 123**	**-279**	**9 844**

[1] Refers to fees in board committees.
[2] Provision for synthetic shares (excl. social costs) at December 31, 2024, amounted to MSEK 8.9 (9.6).
[3] Refers to synthetic shares received in 2020-2024.
[4] Union representatives receive compensation to prepare for their participation in board meetings.

REMUNERATION AND OTHER BENEFITS TO GROUP MANAGEMENT

2025 KSEK	Base salary	Variable compensation [1]	Other benefits [2]	Pension fees	Total, excl. recognized costs for share-based payments	Recognized costs for share-based payments [3]	Total expense recognized
President and CEO							
Helena Hedblom	13 650	3 740	127	4 777	22 294	1 691	23 985
Other members of Group Management (5 positions) [4]	41 243	14 720	6 316	8 683	70 962	3 781	74 743
Total	**54 893**	**18 460**	**6 443**	**13 460**	**93 256**	**5 472**	**98 728**

[1] Variable compensation refers to amount earned in 2025 and to be paid in 2026

[2] Refers to vacation pay, company car, medical insurance, housing allowance, severance pay and other benefits.

[3] Refers to the stock options received in 2018–2025 and includes recognized costs due to change in stock price and vesting period.

[4] Effective September 1, 2025, Epiroc introduced two Business Areas. Division Presidents now report to Business Area Presidents instead of the CEO, reducing other Group Management positions from twelve to five. Expenses for the twelve positions are included until August 31, 2025.

2024 KSEK	Base salary	Variable compensation [1]	Other benefits [2]	Pension fees	Total, excl. recognized costs for share-based payments	Recognized costs for share-based payments [3]	Total expense recognized
President and CEO							
Helena Hedblom	13 000	2 093	129	4 550	19 772	2 483	22 255
Other members of Group Management (12 positions) [4]	45 415	7 389	13 026	11 227	77 057	330	77 387
Total	**58 415**	**9 482**	**13 155**	**15 777**	**96 829**	**2 813**	**99 642**

[1] Variable compensation refers to amount earned in 2024 and to be paid in 2025

[2] Refers to vacation pay, company car, medical insurance, housing allowance, severance pay and other benefits.

[3] Refers to the stock options received in 2017–2024 and includes recognized costs due to change in stock price and vesting period.

[4] In April 2024 Wayne Symes joined as President of Underground Division, replacing Sami Niiranen who left for a position outside the Group. In June 2024 Jodie Velasquez joined as President of Part & Services APAC Division, replacing Arman Bagdasarian who left for a position outside the Group.

REMUNERATION AND OTHER FEES FOR MEMBERS OF THE BOARD OF DIRECTORS, THE PRESIDENT AND CEO, AND OTHER MEMBERS OF GROUP MANAGEMENT

Remuneration to the Board of Directors 2025

The remuneration to the Board of Directors is approved at the Annual General Meeting of the shareholders. Remuneration and fees are based on the work performed by the Board. The Annual General Meeting held on May 8, 2025, decided that fees to the Board members elected by the general meeting, until the next Annual General Meeting, should be as follows:

- The Chair of the Board was granted an amount of SEK 2 960 000.
- Each of the other Board members not employed by the Group were granted SEK 930 000.
- An amount of SEK 372 000 was granted to the Chair of the Audit Committee and SEK 242 000 to each of the other members of this committee.
- An amount of SEK 172 000 was granted to the Chair of the Remuneration Committee and SEK 125 000 to each of the other members of this committee.
- An amount of SEK 85 000 to each non-executive director who, in addition, participates in committee work decided upon by the Board.

The Board members may choose to receive their whole remuneration in cash or 50% of the remuneration in cash and 50% of their remuneration in the form of synthetic shares. The synthetic shares received will be based on an average of the closing price of A-shares during ten trading days following the publishing of the first quarter results 2025. The payment of each synthetic share is made in 2030 and corresponds to the average price during the ten trading days after the publishing of the first quarterly result in 2030. The synthetic shares also carry the right to a recalculation in order to take into account the value of any dividend paid on Epiroc's shares during the period the synthetic shares have been held.

Five Board members accepted the right to receive synthetic shares. The number and costs at grant date and at the end of the fiscal year are disclosed by Board member in the table "Remuneration and other benefits to the Board of Directors".

Remuneration to Group Management

The principles for the remuneration to the members of Group Management are adopted by the general meeting of the shareholders in the Guidelines for Senior Executive Remuneration. The present guidelines were adopted by the Annual General Meeting 2025. These

approved guidelines are outlined below. They will be in force until the Annual General Meeting 2029 unless the Board before then finds a need for material amendments and proposes to the general meeting to adopt such amendments.

Group Management consists of the present President and CEO and five other members. The compensation to Group Management consists of base salary, variable compensation, possible long-term incentive, pension benefits and other benefits.

President and CEO

The variable compensation can provide a maximum of 70% of the base salary. The variable compensation is not included in the basis for pension benefits.
The President and CEO is a member of the Epiroc group pension policy for executives in Sweden, which is a defined contribution plan. The contribution is age related and 35% of the base salary for the President and CEO. The retirement age is 65.
The President and CEO is entitled to severance pay of 12 months if the Company terminates employment and a further six months if the President and CEO has not been engaged in a new employment contract.
The President and CEO is eligible to a performance related employee stock option plan during 2025. Further information about the plan is found in note 25.

Other members of Group Management

The variable compensation can provide a maximum of 40-60% of the base salary depending on position.

Members of Group Management locally employed in Sweden have a defined contribution pension plan, with contribution ranging from 30% to 35% of the base salary depending on age. The variable compensation is not included in the basis for pension benefits. The retirement age is 65. One member is on expatriate terms and conditions and on a defined contribution pension plan with contributions related to the home country pension plan. One member is locally employed in the US with a defined contribution pension plan according to local market practice.

Other benefits mainly consist of company car and private health insurance. One member is on expatriate terms and conditions and receive benefits according to the Epiroc Group Expatriate Policy and one member is locally employed in the US with benefits according to local market practice.

Other members of Group Management are entitled to severance pay if the Company terminates their employment. The amount of severance pay is dependent on the length of employment with the Company and the age of the executive, but never more than 24 months' salary.

Stock Options, holdings for Group Management

Group Management is eligible for a performance based employee stock option plan during 2025. The stock options holdings as of December 31, 2025, are detailed below. Further information about the plan is found in note 25.

STOCK OPTIONS HOLDINGS (INCLUDING MATCHING OPTIONS) AT DEC. 31, 2025

Grant Year	President and CEO	Other members of Group Management
2019	32 563	24 523
2020	58 723	24 189
2021	153 341	67 046
2022	129 062	122 223
2023	14 496	15 632
2024	6 033	8 767
2025 [1)]	89 970	71 960
Total	**484 188**	**334 340**

[1)] Estimated grants for the 2025 stock option program.

Performance based employee stock option plan

It is important that key personnel at Epiroc have a long-term interest in good value development of the shares of the Company and align their performance in a manner that enhances such development. In particular, this applies to the group of key personnel that consists of the senior executives. It is also the assessment of the Board that a share related employee stock option program increases the attractiveness of Epiroc on the global market and enhances the possibility to recruit and keep key personnel in the Group.

Guidelines for senior executive remuneration, as adopted by the Annual General Meeting 2025

The President and CEO and the other members of Group Management fall within the provisions of these guidelines and are hereinafter referred to as "senior executives". The guidelines are forward-looking, i.e., they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2025. These guidelines do not apply to remuneration decided or approved by the general meeting.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

For more information regarding the Company's business strategy, see chapter "Value-creating strategy". A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration.

Long-term share-related incentive programs have been implemented in the Company. Such programs have been decided, and any future such program will be decided, by the general meeting and are therefore excluded from these guidelines. For more information on the existing programs, see note 25.

Types of remuneration, etc.

The remuneration may consist of a base salary, annual variable compensation, pension contributions and additional benefits and shall be on market terms. Additionally, the Annual General Meeting may, irrespective of these guidelines, decide on, among other things, share-related or share price-related remuneration.

Base salary

The base salary shall reflect the position, competence and individual performance.

Variable cash remuneration

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration compensation is limited to a maximum of 70% of the base salary. The variable cash remuneration shall be linked to criteria that can be financial or non-financial. The financial goals may be in relation to, for example, value creation, and development of revenues, operating profit or working capital. The goals may be individualized, quantitative or qualitative objectives. The objective with the variable cash remuneration is to promote the fulfillment of annual short-term goals in line with the company's business strategy and long-term interests, including its sustainability. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 100% of the annual base salary. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the remuneration committee.

To what extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the President and CEO. For variable cash remuneration to other executives, the President and CEO is responsible for the evaluation.

Right to reclaim and withhold variable cash remuneration

The Board of Directors shall have the possibility to partially or fully reclaim payments, if these are made on incorrect grounds for example in breach of Epiroc's Code of Conduct, if possible, according to contractual provisions and applicable law. The Board of Directors shall under exceptional circumstances have the possibility to adjust payment of variable compensation, to protect the company's long-term interests provided it is possible according to contractual provisions and applicable law.

Pension benefits

The pension benefits shall be defined contribution to a maximum of 35% of the base salary. Variable cash remuneration shall not qualify for pension benefits if not stipulated by mandatory law or by collective agreement covering the executive.

Other benefits

Other benefits may include, for example, life insurance, private medical insurance and company cars. Premiums and other costs relating to such benefits may amount to not more than 15% of the base salary.

Conditions for expatriates, etc.

For a senior executive working on an international assignment outside of own home country, certain other benefits apply in compliance with the Company's Conditions for Expatriate Employees. For executives employed in other countries than Sweden the pension and other benefits will be according to local market practice.

Termination of employment

In case of termination of employment of a senior executive by the Company, the compensation can amount to a maximum of 24 months' base salary depending on age, length of employment and possible income from other economic activity or employment. When the executive terminates employment, the period of notice is six months. The executive will in the latter case not be entitled to severance pay unless bound by a non-compete obligation.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for other employees of the company have been taken into account. This is done by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The remuneration committee's tasks include preparing the Board of Directors' decision to propose guidelines for senior executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be valid until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for executive management, the application of the guidelines for senior executive remuneration as well as the current remuneration structures and compensation levels in the Company.

Deviations from these guidelines

The Board of Directors may resolve to deviate from these guidelines, in whole or in part, if in a specific case there is special cause for the deviation and the Board deems a deviation is reasonable to serve the company's long-term interests or to ensure the company's financial viability. As set out above, the remuneration committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

Note 6 Remuneration to auditors

AUDIT FEES AND OTHER SERVICES

	2025	2024
Ernst & Young		
Audit fees	54	55
Audit activities other than the audit assignment	5	1
Tax services	3	3
Other services	2	4
Other audit firms		
Audit fees	8	6
Total	**72**	**69**

Audit fees refers to audit of the financial statements and the accounting records. For the Parent Company this also includes audit of the administration of the business by the Board of Directors, and the President and CEO as well as the Sustainability audit at Group level.
Tax services include both tax consulting services and tax compliance services. Other services include comfort letters and other quality assurance services.
At the Annual General Meeting 2025, Ernst & Young was elected as auditor for the Epiroc Group until the Annual General Meeting 2026.

Note 7 Other operating income and expenses

OTHER OPERATING INCOME

	2025	2024
Capital gain on sale of property, plant and equipment	42	31
Revaluation gain on non-controlling interest in ASI Mining	-	554
Foreign exchange gains	-	23
Insurance settlement gain	85	-
Other operating income	135	20
Total	**262**	**628**

Gains and losses on disposals of non-current assets are determined by comparing the proceeds from disposal with the carrying amount. Included in the operating profit are exchange rate gains and losses on translation of payables and receivables of an operating nature.

Additional information on costs by nature
Cost of sales includes expenses for inventories, see note 17, warranty costs, environmental fees, and transportation costs.

Salaries, remunerations and employer contributions amounted to 14 568 (15 185) of which expenses for post-employment benefits amounted to 844 (778). See note 5.

Amortization, depreciation and impairment for the year amounted to 3 088 (3 444). Costs for research and development, including amortization, depreciation and impairment, amounted to 1 966 (2 282). Amortization related to development expenditure amounted to 561 (862). See note 13 and 14.

OTHER OPERATING EXPENSES

	2025	2024
Capital loss on sale of property, plant and equipment and intangible assets	-33	-11
Foreign exchange loss	-664	-
Other operating expenses	-129	-95
Total	**-826**	**-106**

Note 8 Remeasurement for hyperinflation

ACCOUNTING POLICY

Epiroc's operations in Türkiye are accounted for according to IAS 29, Financial reporting in Hyperinflationary economies. Remeasurement of the non-monetary balance sheet items and the statement of income on subsidiary level is part of the net monetary gain or loss recognized in the statement of income as part of financial income and expenses. The statement of income has been translated at the closing rate on the balance sheet date.

EXCHANGE RATES AND INDEX

	2025	2024
Exchange rate SEK/TRY	0.21	0.31
Index	3 513.87	2 684.55

The impact on the consolidated statement of income from IAS 29 is illustrated below. The index used by Epiroc for the remeasurement of the financial statements is the consumer price index with base period January 2003.

NET MONETARY GAIN OR LOSS RECOGNIZED IN THE CONSOLIDATED STATEMENT OF INCOME

	2025	2024
Net monetary gain or loss	-19	-9

Note 9 Financial income and expenses

FINANCIAL INCOME AND EXPENSES

	2025	2024
Assets measured at amortized cost		
Interest income		
– cash and cash equivalents	188	240
– financial lease receivables	215	228
Interest income at effective interest method	**403**	**467**
Assets measured at fair value through profit or loss		
Capital gain – other assets	0	2
Foreign exchange gain, net	73	-
Financial income	**476**	**470**
Liabilities measures at amortized cost		
Interest expenses		
– borrowings	-686	-811
Total interest expenses at effective interest method	**-686**	**-811**
Liabilities measured at fair value through profit or loss		
– derivatives	-303	-321
– leases liabilities	-130	-121
– pension provisions, net	-2	-7
– other	-46	-64
Change in fair value		
– other liabilities and borrowings	1	-74
Foreign exchange loss, net	-	-33
Impairment gain or loss	1	15
Financial expenses	**-1 165**	**-1 416**
Financial expenses, net	**-689**	**-946**

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the balance sheet date. Non-monetary items that are measured at historical cost are not retranslated.

Interest income and interest expense are recognized in profit or loss using the effective interest rate method. Foreign exchange gain, net includes foreign exchange gains of 1 165 (471) and foreign exchange losses of -1 092 (-503). The gains and losses refer to revaluation of derivatives, interest-bearing liabilities and cash in foreign currency.

Note 10 Income taxes

ACCOUNTING POLICY

Income taxes include both current and deferred taxes. A current tax liability or asset is recognized for the estimated tax payable or refundable for the current year or prior years.

Deferred tax is recognized using the balance sheet liability method; based on differences between the values reported in the balance sheet and their values for taxation, referred to as temporary differences. To calculate the deferred tax asset or liability, the temporary differences are multiplied with the enacted or substantively enacted tax rates for the relevant tax jurisdictions. Temporary differences attributable to the following assets and liabilities are not provided for: the initial recognition of goodwill, the initial recognition (other than in business combinations) of assets or liabilities that affect neither accounting nor taxable profit, and differences related to investments in subsidiaries and associated companies to the extent that they will probably not reverse in the foreseeable future, and for which the Company is able to control the timing of the reversal of the temporary differences. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Current and deferred tax assets and liabilities are netted when there is a legally enforceable right to do so, and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The legal entities of the Group are frequently subject to audits by tax authorities in accordance with standard practice in the countries where the Group operates. In instances where the tax authorities have a different view on how to interpret the tax legislation, the Group makes estimates as to the likelihood of the outcome of the dispute, as well as estimates of potential claims which may vary from actual outcomes.

Epiroc is applying BEPS Pillar 2 in all countries where Epiroc has subsidiaries. Epiroc and each of its subsidiaries have reported tax rates of at least 15% in 2025 and Epiroc has not incurred any top-up taxes under BEPS Pillar 2.

INCOME TAX EXPENSE

	2025	2024
Current taxes	-2 556	-2 691
Deferred taxes	-81	8
Total	**-2 637**	**-2 683**

The income tax expense recognized was -2 637 (-2 683), which corresponds to an effective tax rate of 23.5 % (23.5). The major differences between the effective tax rate and the expected tax rate are explained below. The expected tax rate is calculated as a weighted average, based on profit before tax multiplied by the statutory tax rate in each country.

BRIDGE OF THE EFFECTIVE TAX RATE

	2025	2024
Profit before tax	**11 236**	**11 439**
Expected income tax expense (weighted average)	-2 526	-2 588
Expected tax in %	**22.5**	**22.6**
Tax effect of:		
Non-deductible expenses	-152	-163
Non-taxable income	228	256
Withholding taxes	-48	-17
Adjustments related to prior years, net:		
– current taxes	-243	-119
– deferred taxes	87	-17
Tax loss carryforwards and tax credits, net	22	-37
Change in tax rates, deferred tax	5	8
Other items	-10	-6
Recognized income tax expense	-2 637	-2 683
Effective tax in %	**23.5**	**23.5**

The income tax expense was mainly impacted by non-deductible expenses and non-taxable income. Included in non-taxable income is income subject to reduced taxation under local tax law, mainly in China and USA. Withholding taxes concern taxes on profit repatriation. Adjustments from prior years, current and deferred taxes, relate to adjustments of tax provisions and tax assessments for previous years. The net effect from tax credits and tax loss carryforwards relates to expired tax credits and tax loss carryforwards, as well as utilized tax credits and tax loss carryforwards for which no deferred tax assets previously were recognized. Change in tax rate relates to changed corporate tax rates in certain countries.

Changes in the net deferred tax asset balance from the beginning of the year to the end of the year are explained below:

CHANGE IN NET DEFERRED TAX ASSET BALANCE

	2025	2024
Opening balance, Jan. 1	-161	587
Recognized in the income statement	-81	8
Tax on amounts recorded in equity	-13	-37
Acquisitions	77	-725
Translation difference	60	8
Transaction with shareholders	71	-2
Closing balance, Dec. 31	**-47**	**-161**

Changes in deferred taxes recognized in the income statement are attributable to the change in temporary differences on the following items:

DEFERRED TAXES RECOGNIZED IN THE INCOME STATEMENT

	2025	2024
Intangible assets	159	41
Property, plant and equipment	-35	-175
Other financial assets	1	-8
Inventories	-21	-9
Current receivables	224	-220
Operating liabilities	13	8
Provisions	-352	134
Post-employment benefits	-68	94
Borrowings	-9	72
Other items	7	95
Changes due to temporary differences	**-81**	**32**
Tax loss/credit carryforwards	0	-24
Charges to profit for the year	**-81**	**8**

The deferred tax assets and liabilities recognized in the balance sheet are attributable to temporary differences on the following items:

DEFERRED TAX ASSETS AND LIABILITIES

	2025			2024		
	Assets	Liabilities	Net balance	Assets	Liabilities	Net balance
Intangible assets	118	1 331	-1 213	35	1 558	-1 523
Property, plant and equipment	97	857	-760	100	1 056	-956
Other financial assets	16	80	-64	15	203	-188
Inventories	1 066	8	1 058	1 086	18	1 068
Current receivables	67	68	-1	55	111	-56
Operating liabilities	471	73	398	810	13	797
Provisions	198	74	124	248	129	119
Post-employment benefits	18	2	16	22	2	20
Borrowings	432	-	432	643	0	643
Tax loss/credit carryforwards	151	0	151	129	1	128
Other items [1]	25	213	-188	0	213	-213
Deferred tax assets/liabilities	**2 659**	**2 706**	**-47**	**3 143**	**3 304**	**-161**
Netting of assets/liabilities	-1 154	-1 154		-1 567	-1 567	
Net deferred tax balances	**1 505**	**1 552**	**-47**	**1 576**	**1 737**	**-161**

[1] Other items primarily relate to provision for taxes on profit repatriation.

Epiroc has tax loss carryforwards of 347 (301), for which no deferred tax assets have been recognized. Such tax loss carryforwards expire as indicated below.

EXPIRATION OF UNUSED TAX LOSS CARRYFORWARDS

	2025	2024
Expires after 1-2 years	3	5
Expires after 3-4 years	4	5
Expires after 5-6 years	63	74
Expires after 6 or more years	13	22
No expiry date	264	195
Total	**347**	**301**

Note 11 Other comprehensive income

OTHER COMPREHENSIVE INCOME FOR THE YEAR

	2025			2024		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Attributable to owners of the parent						
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit plans	135	-30	105	204	-45	159
Items that may be reclassified subsequently to profit or loss						
Translation differences on foreign operations	-4 648	-	-4 648	1 456	–	1 456
- realized and reclassified to profit and loss	-76	-	-76			
Hedge of net investments in foreign operations	-251	-	-251	251	–	251
Cash flow hedges	240	18	258	-288	8	-280
Total other comprehensive income	**-4 600**	**-12**	**-4 612**	**1 623**	**-37**	**1 586**
Attributable to non-controlling interests						
Translation differences on foreign operations	-40	-	-40	3	–	3
Total other comprehensive income	**-4 640**	**-12**	**-4 652**	**1 626**	**-37**	**1 589**

Note 12 Earnings per share

ACCOUNTING POLICY

Basic earnings per share are calculated based on the profit for the year attributable to owners of the parent and the basic number of shares outstanding adjusted for any subsequent split made prior to the release of the financial statements. Diluted earnings per share are calculated based on the profit for the year attributable to owners of the parent and the diluted number of shares outstanding. Dilutive effects arise from stock options that are settled in shares. Stock options have a dilutive effect when the average share price during the period exceeds the exercise price of the options. When calculating the dilutive effect, the exercise price is adjusted by the value of future services related to the options.

EARNINGS PER SHARE

SEK	2025	2024
Basic earnings per share	7.12	7.23
Diluted earnings per share	7.11	7.23

The calculation of earnings per share presented above is based on profits and average number of shares as detailed below.

PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT

	2025	2024
Profit for the year	8 602	8 731

AVERAGE NUMBER OF SHARES OUTSTANDING

	A shares		B shares		Total	
In thousands of shares	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Basic weighted average number of shares outstanding	818 900	817 871	389 973	389 973	1 208 873	1 207 844
Effect of employee stock options	219	519	0	–	219	519
Diluted weighted average number of shares outstanding	**819 119**	**818 390**	**389 973**	**389 973**	**1 209 092**	**1 208 363**

Note 13 Intangible assets

ACCOUNTING POLICY

Goodwill
Goodwill is recognized at its acquisition cost, as determined on the date of acquiring a business, reduced by any accumulated impairment losses. Goodwill is allocated to the cash-generating units (CGUs) expected to benefit from the synergies resulting from the business combination. The divisions represent the operating segments and Epiroc has identified the operating segments as CGUs. Impairment testing is performed at least annually or whenever the need is indicated. Goodwill is reported as an intangible asset with an indefinite useful life.

Technology-based intangible assets
Expenditures related to research activities are expensed as they are incurred. Research projects acquired as part of business combinations are initially recognized at their fair value as of the acquisition date. After initial recognition, these research projects are carried at cost, less any amortization and impairment losses. Expenditures associated with development activities are also expensed as incurred unless they meet specific criteria for capitalization:

- the product or process under development is estimated to be technically and commercially feasible with the potential to generate probable future benefits.
- the Group has the intent and capability to complete, sell, or utilize the product or process.
- the Group can reliably measure the expenditures directly attributable to the development of the intangible asset.

Capitalized expenditure includes the cost of materials, direct labor, and other costs directly attributable to the project. Capitalized development expenditure is recorded at cost, reduced by accumulated amortization and impairment losses.

Other intangible assets
Other intangible assets include trademarks, marketing and customer related intangible assets and contract-based rights, such as licenses or franchise agreements. Other intangible assets acquired in relation to contract-based rights, including licenses or franchise agreements, are initially capitalized at their fair value upon acquisition and subsequently reported at cost, reduced by accumulated amortization and impairment losses. Expenditure on internally generated goodwill, trademarks and similar items is expensed as incurred.

The estimated useful lives are as follows:

- Technology-based intangible assets (Product development and Other technology and contract based) 3–15 years
- Trademarks 4–10 years
- Marketing and customer related intangible assets 4–10 years

Straight-line basis amortization is utilized as the method for allocating the cost of an asset over its useful life and residual values. The useful life and residual values are reassessed annually or more frequently if there are indications of impairment.

Climate risks create uncertainties in the assessment of useful life of intangible assets. Climate-related regulations may also lead to changes in useful life and impairment assessments. Legal or regulatory limitations related to emissions or sustainability practices could also impact the recoverable value of intangible assets.

Research and development related to climate-change mitigation might provide opportunities for Epiroc and could create new intangible assets while failure to invest in climate-related research and development may lead to missed opportunities, increased impairments or negative impact on the recoverable value of existing intangible assets.

Considerations related to climate risks have not had any significant impact on the financial reporting including any changes of useful economic lives of intangible assets.

Impairment
Goodwill is allocated and tested at the level of cash-generating units, which are identified as Epiroc's operating segments. The Group conducts a periodic assessment of the carrying values of its non-financial assets, which takes place annually or whenever there are indications of impairment. When such indications are identified, the Group proceeds to estimate the recoverable amount of the asset. The recoverable amount for each cash-generating unit has been determined based on the value in Epiroc's valuation model. Epiroc's valuation model is based on discounted future cash flows, with a forecast period of either five years or ten years, depending on applicability. The forecast is based on the business plan of each operating segment, considering the characteristics and development of its specific end markets. This assessment is based on both internal and external sources and reflects management's best estimate of the trajectory of its business operations. The parameters used to calculate future cash flows are assumptions on revenue growth, gross margin development, functional cost efficiency, as well as capital efficiency. This includes planned capital expenditures and target levels of working capital. Epiroc's weighted average cost of capital (WACC) is calculated at 8% (8) after tax. Since the operating segments are all relatively diversified but with similar geographic coverage and share similar organizational structures and customer bases, the same discount rate is applied to all segments. The perpetual growth beyond the forecast period is assumed as 2% (2).

An impairment loss is acknowledged when the carrying value of an asset or its cash-generating unit (CGU) surpasses its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. When determining value in use, the estimated future cash flows are discounted to their present value, employing a discount rate that reflects the current market's assessment of the time value of money and the specific risks associated with the asset or CGU. Impairment loss related to goodwill is not subject to reversal in contrast to other assets where impairment losses incurred in previous periods are subject to periodic review with possibility of impairment reversal.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Impairment of goodwill
Key sources of estimation uncertainty
Asset impairment requires management's judgment, particularly in assessing:

- whether an event has occurred that may affect asset values,
- whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset in the business,
- the appropriate assumptions to be applied in preparing cash flow projections, and
- the discounting of these cash flows.

Changing the assumptions selected by management to determine the level of impairment, if any, could affect the financial position and results of operation.

GOODWILL

	2025	2024
Underground Division	1 445	1 604
Surface Division	2 824	3 196
Parts & Services Division APAC	644	790
Parts & Services Division NASA	428	463
Parts & Services Division EMEA	91	90
Digital Solutions Division	2 156	2 301
Equipment & Service	**7 587**	**8 444**
Tools Division	973	1 108
Attachments Division	5 971	7 147
Tools & Attachments	**6 944**	**8 255**
Total	**14 531**	**16 699**

In 2025, the estimated value of all Epiroc's operating segments exceeded their carrying values, and no impairment was recognized. Epiroc also performed sensitivity analysis including a range for the most critical assumptions, including revenue growth, gross margin development, WACC and perpetual growth rate, and concluded that neither of these scenarios would give rise to any impairment charge.

The table presents the carrying value of goodwill allocated to operating segments (cash-generating units) and reporting segments.

Amortization and impairment of intangible assets are recognized on the following line items in the income statement:

	2025		2024	
	Internally generated	Acquired	Internally generated	Acquired
Cost of sales	5	42	-	49
Administrative expenses	86	39	89	55
Marketing expenses	-	304	-	329
Research and development expenses	372	189	342	520
Total	**463**	**574**	**431**	**953**

Impairment charges on intangible assets totaled 3 (347), of which 3 (0) were classified as cost of sales, 0 (303) were classified as research and development expenses and 0 (44) were classified as marketing expenses in the income statement.

2025	Internally generated		Acquired				
	Product development	Other technology and contract based	Trademarks	Marketing and customer related	Other technology and contract based	Goodwill	Total
Cost							
Opening balance, Jan. 1	4 965	810	1 261	3 173	4 159	16 699	31 067
Additions	723	12	-	-	140	-	875
Acquisition of business	-	-	1	41	-9	-180	-147
Disposals	-22	-3	-	-21	-131	-	-177
Reclassifications	-10	4	-11	10	-1	-	-8
Translation differences	-277	-20	-172	-401	-412	-1 988	-3 270
Closing balance, Dec. 31	**5 379**	**803**	**1 079**	**2 802**	**3 746**	**14 531**	**28 340**
Amortization and impairment losses							
Opening balance, Jan. 1	3 157	461	268	585	1 521	-	5 992
Amortization	357	106	66	230	275	-	1 034
Impairment charge	-	-	-	-	3	-	3
Disposals	-22	-3	-	-21	-128	-	-174
Reclassifications	-5	-	-	-1	-2	-	-8
Translation differences	-179	-20	-28	-75	-128	-	-430
Closing balance, Dec. 31	**3 308**	**544**	**306**	**718**	**1 541**	**-**	**6 417**
Carrying amounts							
At Jan. 1	1 808	349	994	2 588	2 637	16 699	25 075
At Dec. 31	**2 071**	**259**	**773**	**2 084**	**2 205**	**14 531**	**21 923**

2024	Internally generated		Acquired				
	Product development	Other technology and contract based	Trademarks	Marketing and customer related	Other technology and contract based	Goodwill	Total
Cost							
Opening balance, Jan. 1	4 448	809	465	2 043	2 915	10 222	20 902
Additions	741	7	-	-	218	-	966
Acquisition of business	-	-	768	1 275	986	6 094	9 123
Disposals	-358	-16	-	-210	-30	-	-614
Reclassifications	-5	-	-	-	-2	-	-7
Translation differences	139	10	28	65	72	383	697
Closing balance, Dec. 31	**4 965**	**810**	**1 261**	**3 173**	**4 159**	**16 699**	**31 067**
Amortization and Impairment losses							
Opening balance, Jan. 1	3 067	378	174	516	924	-	5 059
Amortization	342	89	79	225	302	-	1 037
Impairment charge	-	-	12	32	303	-	347
Disposals	-358	-15	-	-210	-30	-	-613
Reclassifications	-5	-	-	-	-1	-	-6
Translation differences	111	9	3	22	23	-	168
Closing balance, Dec. 31	**3 157**	**461**	**268**	**585**	**1 521**	**-**	**5 992**
Carrying amounts							
At Jan. 1	1 381	431	291	1 527	1 991	10 222	15 843
At Dec. 31	**1 808**	**349**	**994**	**2 588**	**2 637**	**16 699**	**25 075**

Other technology and contract based intangible assets include computer software, patents, trademarks, customer relationships and contract based rights such as licenses and franchise agreements.

Note 14 Property, plant and equipment

ACCOUNTING POLICY

Property, plant and equipment
Property, plant, and equipment items are carried at cost less accumulated depreciation and impairment losses. The cost of an asset within this category encompasses several components, including the purchase price, import duties, and any expenses directly associated with placing the asset in the required location and condition for use. The cost also includes dismantlement and removal of the asset in the future, if applicable. Borrowing costs incurred for assets requiring a substantial period to get ready for their intended use are included in the cost value until the assets are substantially prepared for their use or sale, after which they are subject to depreciation. The Group adheres to a policy of capitalizing costs upon initial recognition and for the replacement of substantial parts of property, plant, and equipment, provided that it is probable the future economic benefits associated with these expenditures will accrue to the Group, and the costs can be reliably measured. Conversely, all other expenses are immediately recognized in the profit or loss statement upon their incurrence.

Rental equipment
The rental fleet includes drill rigs, mine trucks, loaders, and to a lesser extent hydraulic attachments, simulators and other mining and construction equipment. Rental equipment is initially recognized at cost and is depreciated over the estimated useful life of the equipment. The depreciation of rental equipment is structured with consideration for a residual value, estimated within a range of 0-10% of the equipment's cost.

Depreciation and amortization
Depreciation and amortization are calculated based on the cost of the asset and are applied using the straight-line method over the estimated useful life. In cases where certain components of property, plant, and equipment have a substantial cost relative to the total cost of the item and do not share a corresponding useful life, they are depreciated separately.

The estimated useful lives are as follows:
Buildings 25–50 years
Machinery and equipment 3–10 years
Vehicles 4–5 years
Computer hardware and software 3–10 years
Rental equipment 3–8 years

The useful life and residual values are reassessed annually or more often if there are indications of impairment. Land and assets under construction are not depreciated or amortized.

Epiroc considers climate risk factors when evaluating the estimated useful life of property, plant and equipment. The heightened occurrence and severity of extreme weather events, such as floods and storms, could impact the production capacity and maintenance of buildings and equipment. Additionally, water shortages in specific regions may also affect production capacity. If innovations lead to alternatives with lower climate impact, older equipment may become obsolete earlier than anticipated. Additionally, stricter regulations and increased requirements related to climate and environmental protection may impact the use and valuation of certain equipment.

Considerations related to climate risks have not had any significant impact on the financial reporting including any changes of useful economic lives of tangible assets.

2025	Buildings and land	Machinery and equipment	Construction in progress and advances	Right of use-asset	Total	Rental equipment	Right of use-asset	Total Rental equipment
Cost								
Opening balance, Jan. 1	2 691	7 622	589	5 035	15 937	2 992	-1	2 991
Additions	172	321	627	739	1 859	917	-	917
Acquisitions of business	-20	-28	-3	-	-51	-	-	0
Divestment of business	-	-1	-	-	-1	-	-	0
Disposals	-43	-286	-	-416	-745	-580	-	-580
Reclassifications	245	334	-596	0	-17	-327	-	-327
Translation differences	-320	-596	-41	-397	-1 354	-221	-	-221
Closing balance, Dec. 31	**2 725**	**7 366**	**576**	**4 961**	**15 628**	**2 781**	**-1**	**2 780**
Depreciation and impairment losses								
Opening balance, Jan. 1	809	5 148	-	2 047	8 004	1 449	-1	1 448
Depreciation	110	576	-	788	1 474	577	-	577
Divestment of business	-	-1	-	-	-1	-	-	0
Disposals	-20	-274	-	-350	-644	-253	-	-253
Reclassifications	2	-1	-	-	1	-183	-	-183
Translation differences	-105	-382	-	-168	-655	-109	-	-109
Closing balance, Dec. 31	**796**	**5 066**	**-**	**2 317**	**8 179**	**1 481**	**-1**	**1 480**
Carrying amounts								
At Jan. 1	1 882	2 474	589	2 987	7 932	1 543	-	1 543
At Dec. 31	**1 929**	**2 300**	**576**	**2 644**	**7 449**	**1 300**	**-**	**1 300**

Set out below are the carrying amounts of right-of-use assets by class of underlying asset recognized. See also note 23.

RIGHT OF USE- ASSETS

2025	Buildings and land	Machinery and equipment	Total	Rental equipment
Carrying amounts, Jan. 1	2 389	601	2 987	-
Carrying amounts, Dec. 31	**2 063**	**580**	**2 644**	**-**

2024	Buildings and land	Machinery and equipment	Construction in progress and advances	Right of use-asset	Total	Rental equipment	Right of use-asset	Total Rental equipment
Cost								
Opening balance, Jan. 1	1 952	6 504	598	3 919	12 973	2 815	6	2 821
Additions	35	284	571	1 189	2 079	878	-	878
Acquisitions of business	477	566	29	197	1 269	-	-	-
Divestment of business	-	-	-2	-	-2	-	-	-
Disposals	-16	-276	0	-373	-665	-729	-	-729
Reclassifications	155	366	-615	-6	-100	-48	-7	-55
Translation differences	88	178	8	109	383	76	-	76
Closing balance, Dec. 31	**2 691**	**7 622**	**589**	**5 035**	**15 937**	**2 992**	**-1**	**2 991**
Depreciation and impairment losses								
Opening balance, Jan. 1	676	4 656	-	1 609	6 941	1 233	6	1 239
Depreciation	102	577	-	724	1 403	657	-	657
Disposals	-14	-257	-	-323	-594	-398	-	-398
Reclassifications	18	31	-	-6	43	-79	-7	-86
Translation differences	27	141	-	43	211	36	-	36
Closing balance, Dec. 31	**809**	**5 148**	**-**	**2 047**	**8 004**	**1 449**	**-1**	**1 448**
Carrying amounts								
At Jan. 1	1 276	1 848	598	2 310	6 032	1 582	-	1 582
At Dec. 31	**1 882**	**2 474**	**589**	**2 987**	**7 932**	**1 543**	**-**	**1 543**

Depreciation and impairment of tangible assets are recognized on the following line items in the income statement:

	2025	2024
Cost of sales	1 460	1 454
Administrative expenses	354	394
Marketing expenses	112	110
Research and development expenses	88	60
Other operating expenses	37	42
Total	**2 051**	**2 060**

Depreciation for the period relating to right-of-use assets amounted to a total of 788 (724), of which 554 (515) relates to Buildings and land, 234 (209) to Machinery and equipment and 0 (0) to Rental equipment.

Note 15 Investments in associated companies

An associated company is an entity in which the Group has significant influence, but not control, over financial and operating policies. When the Group holds 20–50% of the voting power, it is presumed that significant influence exists, unless otherwise demonstrated. Investments in associated companies are reported according to the equity method.

ACCUMULATED CAPITAL PARTICIPATION

	2025	2024
Opening balance, Jan. 1	34	49
Impairment	0	0
Profit for the year after income tax	0	-20
Translation differences	-5	5
Closing balance, Dec. 31	**29**	**34**

SUMMARY OF FINANCIAL INFORMATION FOR ASSOCIATED COMPANIES

2025	Country	Assets	Liabilities	Equity	Revenues	Profit for the year	Group's share, %
Shenzhen Nectar Engineering & Equipment Co. Ltd.	China	174	93	81	98	2	25
Glass Terra Pty Ltd.	Australia	0	0	0	0	0	27
Sirius Consulting Pty Ltd.	South Africa	3	1	2	1	-1	50

2024	Country	Assets	Liabilities	Equity	Revenues	Profit for the year	Group's share, %
Shenhzen Nectar Engineering & Equipment Co. Ltd.	China	191	100	91	220	1	25
Glass Terra Pty Ltd.	Australia	0	0	0	0	0	27
Sirius Consulting Pty Ltd.	South Africa	13	4	9	5	10	50

The above table is based on the most recent financial reporting available from associated companies. The Epiroc percentage share of each holding represents both ownership interest and voting rights.

Note 16 Other financial assets

Fair value of financial instruments under other financial assets corresponds to their carrying value.

	2025	2024
Non-current assets		
Pension plan assets in excess of pension obligations (note 24)	407	315
Derivatives		
– designated for hedge accounting	591	197
Available-for-sale investments	29	30
Financial assets classified at amortized cost		
– finance lease receivables	474	492
– other financial receivables	1 137	1 191
Closing balance, Dec. 31	**2 638**	**2 225**
Current assets		
Derivatives		
– recognized at fair value through profit and loss	94	228
– designated for hedge accounting	3	3
Financial assets classified at amortized cost		
– finance lease receivables	248	299
– other financial receivables	1 021	953
Closing balance, Dec. 31	**1 366**	**1 483**

The gross amount of finance lease receivables amounted to 723 (792), of which 1 (1) have been impaired. The gross amount of other financial receivables amounted to 2 178 (2 152), of which 20 (8) have been impaired. The total estimated fair value of collateral to finance lease receivables and other financial receivables was 300 (292) and 1 397 (1 461), respectively, consisting primarily of repossession rights. See note 23 for information regarding finance leases for Group as lessor and note 30 for information on credit risk.

Note 17 Inventories

ACCOUNTING POLICY

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recognized according to the first- in-first- out principle and include the cost of acquiring inventories and bringing them to their existing location and condition, or through a method that is built on weighted average prices. Inventories of similar nature are valued according to the same method. Inventories manufactured by the Group and work in progress include an appropriate share of production overheads based on normal operating capacity. Inventories are reported net of deductions for obsolescence and internal profits arising in connection with deliveries from the production companies to the distribution and customer centers.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Group values inventory at the lower of historical cost, based on the first-in-first-out basis, and net realizable value. The calculation of net realizable value involves management's judgment as to the estimated sales prices, overstock articles, outdated articles, damaged goods, and selling costs. If the estimated net realizable value is lower than historical cost, a valuation allowance is established for inventory obsolescence.

	2025	2024
Raw materials	1 017	1 451
Work in progress	3 503	3 266
Semi-finished goods	2 547	2 724
Finished goods	11 033	11 750
Closing balance, Dec. 31	**18 100**	**19 191**

Provisions for obsolescence and other write-downs of inventories recorded as cost of sales amounted to 850 (850). Reversals of writedowns which were recognized in earnings totaled 477 (265). Previous write-downs have been reversed as a result of improved market conditions in certain markets. Inventories recognized as expenses amounted to 30 937 (29 960).

Note 18 Trade receivables

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Trade and financial receivables

Key sources of estimation uncertainty

The Group measures the expected credit losses on financial assets classified at amortized cost including trade and financial receivables, lease receivables and contract assets. The expected credit losses are an assessment that reflects an unbiased, expected outcome based on reasonable and supportable forecasts.

Accounting judgment

Management's judgment considers rapidly changing market conditions which may be particularly sensitive in customer financing operations. An overall control is performed to ensure that an adequate loss allowance is recognized.

Fair value for trade receivables corresponds to their carrying value. Trade receivables are classified at amortized cost.

TRADE RECEIVABLES

	2025		2024	
Gross value	**Gross**	**Impaired**	**Gross**	**Impaired**
Not past due	7 944	2	8 757	9
Past due				
0-30 days	1 544	2	1 975	5
31-60 days	525	0	578	1
61-90 days	280	2	348	2
More than 90 days	1 531	663	1 296	513
Total	**11 824**	**669**	**12 954**	**530**

Trade receivables relate to a large number of customers, spread across diverse geographical areas and reflect the spread of sales. Within overdue receivables more than 90 days the majority of the receivables which are not impaired relate to the sub-Sahara region where there are longer payment patterns. The group considers the total credit risk to be limited.

EXPECTED CREDIT LOSSES, TRADE RECEIVABLES

	2025	2024
Provisions at Jan. 1	530	576
Business acquisitions and divestments	0	0
Provisions recognized for expected credit losses	345	189
Release of unutilized provisions	-117	-143
Write-offs	-50	-120
Translation differences	-39	28
Closing balance, Dec. 31	**669**	**530**

Trade receivables of 11 155 (12 424) are reported net of impairment amounting to 669 (530). The expected credit loss amounted to 5,7% (4.1) of gross total customer receivables. Impairment recognized in the income statement totaled 345 (189). Trade receivables are non-interest bearing and are generally on terms of 30 to 60 days. The acquisition of subsidiaries increased trade receivables by 0 (525) at date of completion of the acquisitions.

The impairment assessed for individual receivables affected the loss provision negatively. The change in the provision for potential credit losses is due to assessments made on an individual basis for each receivable, which also takes into account future ability to pay, changed market conditions, and is not always linked to a change in the size of the balance sheet item.

Note 19 Other receivables

Fair value for other receivables corresponds to their carrying value.

	2025	2024
Other receivables	2 573	2 365
Accrued income	420	514
Prepaid expenses	959	989
Closing balance, Dec. 31	**3 952**	**3 868**

Other receivables consist primarily of VAT claims and advances to suppliers. Accrued income relates mainly to service and construction projects. Prepaid expenses include items such as rent, insurance, interest, IT and employee costs. Other receivables are reported net of impairments. See note 30 for information regarding derivatives.

Note 20 Cash and cash equivalents

Cash and cash equivalents are classified at amortized cost. Fair value corresponds to their carrying value. Cash equivalents consist of short-term bank deposits with a maturity less than three months and investments in liquidity funds that can easily be converted into cash. Cash and cash equivalents are subject to impairment testing according to the expected credit loss model. During 2025 the impairment was insignificant and therefore not recognized. Cash and cash equivalents had an estimated average effective interest rate of 2.2% (3.1).

The committed, but unutilized, credit line is MSEK 4 000 (4 000), see note 22 for additional information.

	2025	2024
Cash	6 649	5 112
Cash equivalents	2 925	2 068
Closing balance, Dec. 31	**9 574**	**7 179**

Note 21 Equity

At year-end, Epiroc's share capital totaled 500 (500). The total number of issued Epiroc shares was 1 213 738 703 (1 213 738 703) shares, of which 823 765 854 (823 765 854) were class A shares and 389 972 849 (389 972 849) were class B shares, each with a quota value of approximately SEK 0.41 (0.41). Class A shares entitle the owner to one vote while class B shares entitle the owner to one tenth of a vote. Class A shares and class B shares carry equal rights to a part of the company's assets upon liquidation and distribution of dividends.

The Board of Directors of Epiroc has been granted a mandate by Epiroc's Annual General Meeting on May 8, 2025, to repurchase, transfer and sell own shares in order to fulfill the obligations under Epiroc's performance based employee stock option plans. Repurchase and sale will be made at a price per share within the registered trading interval, at any given point in time. The mandate is valid until Epiroc's Annual General Meeting 2026 and allows:

1. The acquisition of not more than 1 900 000 series A shares, of which a maximum of 1 800 000 may be transferred to option holders under the performance based personnel option plan 2025.
2. The acquisition of not more than 20 000 series A shares, later to be sold on the market in connection with payment to Board members who have opted to receive synthetic shares as part of their remuneration.
3. The sale of not more than 60 000 series A shares to cover costs related to previously issued synthetic shares to Board members.
4. The sale of a maximum 4 100 000 series A shares currently held by the company, for the purpose of covering costs of fulfilling obligations related to the performance based personnel option plans 2018, 2019, 2020, 2021 and 2022.

The Board of Directors of Epiroc has been granted a mandate by Epiroc's Annual General Meeting on May 14, 2024, to repurchase, transfer and sell own shares in order to fulfill the obligations under Epiroc's performance based employee stock option plans. Repurchase and sale will be made at a price per share within the registered trading interval, at any given point in time. The mandate was valid until Epiroc's Annual General Meeting 2025 and allowed:

1. The acquisition of not more than 1 950 000 series A shares, of which a maximum of 1 900 000 may be transferred to option holders under the performance based personnel option plan 2024.
2. The acquisition of not more than 20 000 series A shares, later to be sold on the market in connection with payment to Board members who have opted to receive synthetic shares as part of their remuneration.
3. The sale of not more than 60 000 series A shares to cover costs related to previously issued synthetic shares to Board members.
4. The sale of a maximum 4 000 000 series A and series B shares currently held by the company, for the purpose of covering costs of fulfilling obligations related to the performance based personnel option plans 2018, 2019, 2020 and 2021.

During 2025 Epiroc divested 666 914 class A shares in accordance with mandates granted by the 2025 and 2024 Annual General Meeting. As of December 31, 2025, Epiroc AB held 4 695 191 (5 362 105) class A shares. More information regarding employee stock option plans can be found in note 25.

Reserves
Consolidated equity includes certain reserves which are described below:

Translation reserve
The translation reserve comprises all exchange differences arising from the translation of the financial statements of foreign operations, the translation of intra- group receivables from or liabilities to foreign operations that in substance are part of the net investment in the foreign operations, as well as from the translation of liabilities that hedge the company's net investments in foreign operations.

Cash flow hedges
Cash flow hedges amounts to -67 (1). See note 30 for more information.

Non-controlling interest
The non- controlling interest amounts to 11 (423). On April 2, 2025, Epiroc acquired the remaining share of Radlink. Epiroc acquired a majority shareholding of Radlink, 53%, already in 2022, and now owns 100%.

Appropriation of profit
The Board of Directors proposes a dividend of SEK 3.80 (3.80) per share, totaling 4 594 (4 594) if shares held by the Company on December 31, 2025, are excluded. The dividend is proposed to be paid in two equal installments during 2026.

Amounts in SEK	
Retained earnings including reserve for fair value	44 656 785 351
Profit for the year	3 168 444 236
Total	**47 825 229 587**
The Board of Directors proposes that these earnings be appropriated as follows;	
To the shareholders, a dividend of SEK 3.80 per share [1]	4 594 365 346
To be retained in the business	43 230 864 241
Total	**47 825 229 587**

[1] Based on number of shares outstanding at the balance sheet date.

The proposed dividend for 2024 of SEK 3.80 per share, that was approved by the Annual General Meeting on May 8, 2025, was accordingly paid by Epiroc AB. Total dividend paid amounted to SEK 4 593 965 614.

Note 22 Borrowings

		2025		2024	
	Maturity	Carrying amount	Fair value	Carrying amount	Fair value
Non-current					
Medium Term Note Program MSEK 1 000, Fixed	2026	1 000	1 001	999	981
Medium Term Note ProgramMSEK 1 000, Floating	2026	998	1 004	999	1 009
Medium Term Note Program MSEK 1 500, Fixed	2027	1 499	1 554	1 499	1 561
Medium Term Note Program MSEK 500, Floating	2027	499	506	500	508
Medium Term Note Program MSEK 1 000, Fixed	2028	999	1 054	999	1 056
Medium Term Note Program MSEK 500, Floating	2028	499	509	499	509
Medium Term Note Program MSEK 500, Fixed	2029	500	540	500	541
Medium Term Note Program MEUR 500, Fixed	2031	5 356	5 653	5 681	6 032
Bilateral borrowings MSEK 1 000, Floating	2027	1 000	1 027	999	1 043
Bilateral borrowings MSEK 2 000, Floating	2030	1 996	2 058	1 996	2 042
Bilateral borrowings MSEK 1 000, Floating	2030	998	1 036	997	1 042
Bilateral borrowings MAUD 200, Floating	2034	1 228	1 385	1 368	1 563
Other bank loans		74	74	105	105
Less current portion of long-term borrowings		-2 000	-2 000	-4	-4
Total non-current bonds and loans		**14 645**	**15 399**	**17 137**	**17 988**
Lease liabilities		2 015	2 015	2 336	2 336
Other financial liabilities		116	116	139	139
Total non-current borrowings		**16 776**	**17 531**	**19 612**	**20 463**
Current					
Current portion of long-term borrowings		2 000	2 000	4	4
Loans		314	314	186	186
Lease liabilities		754	754	792	792
Commercial papers		482	482	1 111	1 111
Other financial liabilities		697	697	312	312
Total current borrowings		**4 247**	**4 247**	**2 405**	**2 405**
Closing balance Dec. 31		**21 023**	**21 778**	**22 017**	**22 868**

The difference between carrying amount and fair value of borrowings relates to the measurement method as certain liabilities are reported at amortized cost and not at fair value. See additional information about the Group's exposure to interest rate risk and foreign currency risk in note 30.

Debt in the Group is primarily raised by the Parent Company and transferred to subsidiaries as internal loans or capital injections. Financing is also undertaken locally in countries in which there are legal restrictions preventing financing through Group companies. The bilateral sustainability-linked credit facility of MSEK 2 000 has been prolonged two years and is maturing in 2030. The bilateral sustainability-linked credit facility of MSEK 1 000 has been prolonged one year and is maturing in 2030.

In May 2025, S&P Global Ratings affirmed Epiroc's BBB+ credit rating with a stable outlook. The Euro Medium Term note (EMTN) program has a program limit of MEUR 2 000 and the commercial paper program has a framework amount of MSEK 2 000. The table below shows the Group's back-up facility.

BACK-UP FACILITIES

	2025		2024	
	Facility size	Utilized	Facility size	Utilized
Revolving credit facility [1]	4 000	-	4 000	-
Commercial paper program	2 000	482	2 000	1 111
Total back-up facilities	**6 000**	**482**	**6 000**	**1 111**

[1] The revolving credit facility matures in 2030.

RECONCILIATION OF CHANGES IN LIABILITIES

2025	Opening balance	Financing cash flows	New Leases	Other changes in lease liabilities	Acquired/divested companies	Fair Value change through P/L	Foreign exchange movement	Reclassification	Closing Balance
Non-current									
Loans and bonds	17 137	-1	-	-	-	-16	-474	-2 001	14 645
Lease liabilities	2 336	-72	322	3	-	-	-166	-408	2 015
Other financial liabilities	139	1	-	-	-	-	-24	-	116
Total non-current borrowings	**19 612**	**-72**	**322**	**3**	**0**	**-16**	**-664**	**-2 409**	**16 776**
Current									
Loans	190	157	-	-	-	-	-34	2 001	2 314
Lease liabilities	792	-703	417	-90	-	-	-70	408	754
Other financial liabilities	1 423	-202		-	-	-	-42	-	1 179
Total current borrowings	**2 405**	**-748**	**417**	**-90**	**0**	**0**	**-146**	**2 409**	**4 247**
Total	**22 017**	**-820**	**739**	**-87**	**0**	**-16**	**-810**	**0**	**21 023**

2024	Opening balance	Financing cash flows	New Leases	Other changes in lease liabilities	Acquired/divested companies	Fair Value change through P/L	Foreign exchange movement	Reclassification	Closing Balance
Non-current									
Loans and bonds	10 012	7 017	-	-	2	11	99	-4	17 137
Lease liabilities	1 808	-54	781	-27	150	-	52	-374	2 336
Other financial liabilities	2	133	-	-	0	-	-	4	139
Total non-current borrowings	**11 822**	**7 096**	**781**	**-27**	**152**	**11**	**151**	**-374**	**19 612**
Current									
Loans	117	48	-	-	20	-	6	0	190
Lease liabilities	596	-629	408	-22	47	-	17	374	792
Other financial liabilities	1 440	-255	-	-	231	-	7	0	1 423
Total current borrowings	**2 153**	**-836**	**408**	**-22**	**298**	**0**	**30**	**374**	**2 405**
Total	**13 975**	**6 260**	**1 189**	**-49**	**450**	**11**	**181**	**-0**	**22 017**

Note 23 Leases

ACCOUNTING POLICY

Group as the Lessee
The Group recognizes a right-of-use asset and a corresponding lease liability on the balance sheet at the lease commencement date. The lease liability's initial measurement is based on the present value of unpaid lease payments, employing the contract's implicit interest rate or, when not readily available, the incremental borrowing rate. This rate takes into consideration country-specific risks. This includes fixed and variable payments, residual value guarantees, and lease payments linked to options reasonably expected to be exercised.

The lease liability is adjusted when there are changes in lease terms, purchase option assessments, variations in lease payments due to index fluctuations, or modifications to the lease contract, using recalculated discount rates.

Lease contracts involving low-value assets or with a term of less than 12 months are treated differently. Such payments are recognized as expenses over the lease term. Variable non-lease components, like service-related components, are expensed over the lease term.

The Group's leasing contracts primarily encompass properties, machinery, technical assets, equipment, and installations, including facilities, offices, technical assets, and company cars. Lease agreements for office and factory facilities, as well as machinery, generally have durations ranging from 3 to 15 years, while motor vehicles and other equipment typically feature lease terms spanning 2 to 5 years. A limited number of these leasing contracts offer purchase and renewal options. With regards to machinery, there is often an option to acquire the underlying asset and extend the contract, and for premises, an extension option is available.

Consolidated Balance Sheet and Cash Flow
In the consolidated balance sheet, the Group categorizes lease liabilities into two sections: "non-current interest-bearing liabilities" and "current interest-bearing liabilities". For more details on the right-of-use asset, see note 14.

In the consolidated statement of cash flows, the Group includes a line item labeled "Payment of lease liabilities". This line item represents the amortization of liabilities arising from lease agreements and is included to account for the depreciation of the right to use the leased assets. Additionally, there is another line item labeled "Net financial items received/paid" which encompasses the portion of lease expenses related to ongoing interest costs on lease agreements. This includes any adjustments resulting from changes in the discount rates used for present value calculations.

Group as the Lessor
Lease contracts, provided by Epiroc Financial Solutions and certain other subsidiaries, are divided into two categories: operating and finance leases.

When the Group is acting as a lessor under an operating lease, the Group classifies the asset as rental equipment. Operating leases result in the recognition of assets valued at cost, accounting for depreciation over the contract term and considering future realizable value and residual value risks. Lease income is evenly distributed throughout the contract period.

In finance leases where the Group acts as the lessor, the transaction is recorded as a sale, creating a lease receivable that encompasses future minimum lease payments and any residual value guaranteed to the lessor. Lease payments represent both the repayment of the lease receivable and interest income.

In instances involving intermediate lessor roles, the Group accounts separately for head-lease and sub-lease arrangements, taking into consideration the right-of-use asset arising from the head-lease.

Leases – lessee

The carrying amount of right-of-use assets as of December 31, 2025, amounted to 2 644 (2 987). See note 14 for the carrying amounts of right-of-use assets by class of underlying asset recognized and movements during the period.

The carrying amounts of lease liabilities (included under interest- bearing liabilities) are presented below.

Lease liability	2025	2024
Carrying amounts, Jan. 1	3 128	2 404
Carrying amounts, Dec. 31	**2 769**	**3 128**
Non-current	2 015	2 336
Current	754	792
Total	**2 769**	**3 128**

See note 30 for maturity analysis of the lease liability. The Group had a cash outflow for lease liabilities of 782 (667), see note 22 for more information.

The amounts recognized in the income statement are the following;

	2025	2024
Costs for low value leases	-16	-16
Costs for short-term leases	-37	-25
Variable lease payments not included in the lease liability	-7	-7
Income from subleasing right-of-use assets	1	-1
Interest expenses on lease liability	-130	-121
Depreciation	-788	-724

For information on financial exposure and policies for control of financial risks see note 30.

Leases – lessor

Operating leases – lessor

Future payments for non-cancelable operating leasing contracts fall due as follows:

Fall due year:	2025	2024
2025		213
2026	175	78
2027	43	88
2028	21	15
2029	19	3
2030	-	-
Total	**258**	**397**

During 2025, lease income relating to operating lease contracts amounted to 518 (553).

Finance leases – lessor

See note 30 for information on financial exposure and policies for control of financial risks. Future lease payments to be received fall due as follows:

Fall due year:	2025	2024
2025		72
2026	249	215
2027	140	117
2028	191	282
2029	113	106
2030 and later	82	-
Undiscounted lease payments	**775**	**792**
Unguaranteed residual value	-	2
Less: Unearned finance income	52	2
Present value of lease payments receivable	**723**	**792**
Impairment loss allowance	-1	-1
Net investment in the lease	**722**	**791**

The selling profit/loss (net) recognized in the income statement amounted to 122 (147), and the finance income on the net investment in the lease amounted to 0 (0).

Note 24 Post-employment benefits

ACCOUNTING POLICY

Post-employment benefit plans are classified either as defined contribution or defined benefit plans. Under a defined contribution plan, the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all employee benefits. Contributions to defined contributions plans are expensed when employees provide services entitling them to the contribution.

Defined benefit plans are the Group's obligation to provide agreed benefits to current and former employees. The net obligation of defined benefit plans is calculated by estimating the amount of future benefits that employees have earned in return for their services in current and prior periods.

The amount is discounted to determine its present value and the fair values of any plan assets are deducted. Funded plans with net assets, i.e., plans with assets exceeding the commitments, are reported as non-current financial assets.

The costs for defined benefit plans are calculated using the Projected Unit Credit Method, which distributes the cost over the employee's service period. The calculation is performed annually by independent actuaries using actuarial assumptions such as employee turnover, mortality and future increase in salaries and medical costs. Changes in actuarial assumptions, experience adjustments of obligations and changes in fair value of plan assets result in remeasurements and are recognized in OCI. Each quarter a remeasurement is performed to adjust the present value of pension liabilities and the fair value of pension assets against OCI. Net interest on defined benefit obligations and plan assets is reported as interest income or interest expense.

Epiroc provides post-employment defined benefit pension plans and other long-term employee benefits in most of its major locations. The most significant countries in terms of size of plans are Sweden, Germany and India.

The plans in the three countries are funded with different local financing vehicles, held separated from the Group for future benefit payments. In Sweden, the main ITP 2-plans retirement pension is funded by the Group's pension foundation. In addition, the Epiroc family pension under ITP 2 is insured by a third-party insurer, Alecta. This plan is recognized as a defined contribution plan as sufficient information for calculating the net pension obligation is not available. Alecta's surplus can be distributed among the policyholders and/or the insured. At the end of 2025, Alecta's surplus of its so-called collective funding amounted to 167% (162). The collective funding consists of the fair value of Alecta's assets as a percentage of the insurance obligations calculated in accordance with Alecta's actuarial calculation assumptions.

The Group identifies a number of risks in the investments of pension plan assets. The main risks are interest rate risk, market risk, counter-party risk, liquidity risk, inflation risk and currency risk. The risk that the managed pension assets will not cover the pension commitments is also affected by life expectancy and any large wage increases. The Group works continuously to manage the risks and ensure that the investment orientations reflect Epiroc's risk tolerance level and that the investments have a long-term investment horizon. The investment portfolio should be diversified, which means that multiple asset classes, markets and issuers should be utilized. An asset liability management assessment should be conducted periodically. The study should include a number of elements. The most important elements are the duration of the assets and the timing of settlement of liabilities, the expected return of the assets, the expected development of liabilities, the forecasted cash flows and the impact of a shift in interest rates on the obligation.

The net obligations for post-employment benefits and other long-term employee benefits have been recognized in the balance sheet as follows:

	2025	2024
Financial assets (note 16)	-407	-315
Post-employment benefits	178	201
Other provisions (note 27)	160	159
Closing Balance, Dec. 31	**-69**	**45**

The tables show the Group's obligations for post-employment benefits and other long-term employee benefits, the assumptions used to determine these obligations and the assets relating to these obligations for employee benefits, as well as the amounts recognized in the income statement and the balance sheet.

The net amount recognized in the balance sheet amounted to -69 (45). The weighted average remaining duration of the obligation is 19,6 (20.1) years.

POST-EMPLOYMENT BENEFITS

2025	Funded pension plans	Unfunded pension plan	Other funded plans	Other unfunded plans	Total
Present value of defined benefit obligations	1 432	288	7	155	1 882
Fair value of plan assets	-1 930	-	-21	-	-1 951
Net amount recognized in balance sheet	**-498**	**288**	**-14**	**155**	**-69**

2024	Funded pension plans	Unfunded pension plan	Other funded plans	Other unfunded plans	Total
Present value of defined benefit obligations	1 428	288	10	149	1 875
Fair value of plan assets	-1 810	-	-20	-	-1 830
Net amount recognized in balance sheet	**-382**	**288**	**-10**	**149**	**45**

PLAN CONSISTS OF THE FOLLOWING:

2025	Quoted market price	Unquoted market price	Total
Debt instruments	414	-	414
Equity instruments	268	-	268
Property [1)]	-	478	478
Assets held by insurance companies	72	0	72
Cash	107	-	107
Investment funds	96	501	597
Derivatives	-	3	3
Others	12	-	12
Closing balance, Dec 31	**969**	**982**	**1 951**

[1)] There are properties occupied and used by Epiroc.

2024	Quoted market price	Unquoted market price	Total
Debt instruments	425	0	425
Equity instruments	207	0	207
Property [1)]	-	414	414
Assets held by insurance companies	56	0	56
Cash	142	0	142
Investment funds	107	464	571
Derivatives	-	1	1
Others	14	0	14
Closing balance, Dec 31	**951**	**879**	**1 830**

[1)] There are properties occupied and used by Epiroc.

MOVEMENT IN PLAN ASSETS

	2025	2024
Fair value of plan assets at Jan. 1	1 830	1 736
Interest income	66	60
Remeasurement – return on plan assets	79	118
Settlements	0	-77
Other significant events	-	0
Employer contributions	85	99
Plan members contributions	-	-
Benefit paid by the plan	-83	-114
Translation differences	-26	8
Fair value of plan assets at Dec 31	**1 951**	**1 830**

THE PLAN ASSETS ARE ALLOCATED AMONG THE FOLLOWING GEOGRAPHIC AREAS

	2025	2024
Europe	1 865	1 758
of which Sweden	*1 739*	*1 621*
Rest of the world	86	72
Total	**1 951**	**1 830**

ASSET CEILING

	2025	2024
Asset ceiling at Jan. 1	-	18
Interest income	-	0
Remeasurements – asset ceiling	-	-18
Translation difference	-	0
Asset ceiling, Dec. 31	**-**	**-**

MOVEMENT IN PRESENT VALUE OF THE OBLIGATIONS FOR DEFINED BENEFITS

	2025	2024
Defined benefit obligations at Jan. 1	1 875	1 873
Current service cost	111	123
Past service cost	0	-3
Gain/loss on settlement	0	18
Interest expense (+)	68	67
Other significant events	19	19
Actuarial gains (–)/ losses (+) arising from experience adjustments	21	71
Actuarial gains (–)/ losses (+) arising from financial assumptions	-66	-135
Actuarial gains (–)/ losses (+) arising from demographic assumptions	0	20
Settlements	0	-76
Benefits paid from plan or company assets	-83	-114
Translation differences	-63	12
Defined benefit obligations, Dec. 31	**1 882**	**1 875**

Remeasurements recognized in other comprehensive income amount to -135 (-204) and 12 (23) in profit and loss. The Group expects to pay 92 (85) in contributions to defined benefit plans in 2026.

EXPENSES RECOGNIZED IN THE INCOME STATEMENT

	2025	2024
Current service cost	111	123
Past service cost	0	-3
Gain/loss on settlements	0	18
Net interest cost	2	8
Remeasurement of other long-term benefits	12	23
Total	**125**	**169**

The total benefit expense for defined benefit plans amounted to 125 (169), of which -123 (-161) has been charged to related functions under operating expenses and -2 (-8) to financial expenses. Expenses related to defined contribution plans amounted to 722 (617).

PRINCIPAL ACTUARIAL ASSUMPTIONS

Europe	2025	2024
Financial assumptions		
Discount rate %	4.05	3.62
Salary increases %	3.00	2.80
Inflation rate %	2.00	1.77
Demographic assumptions		
Life expectancy after age 65 in years	21.65	22.15

The Group has identified discount rate, future salary increases, inflation rate and life expectancy as the primary actuarial assumptions for determining defined benefit obligations. Changes in those actuarial assumptions affect the present value of the net obligation. The discount rate is determined by reference to market yields at the balance sheet date using, if available, high quality corporate bonds (AAA or AA) matching the duration of the pension obligations. In countries where corporate bonds are not available, government bonds are used to determine the discount rate. In Sweden, in line with prior years, mortgage bonds are used for determining the discount rate.

Epiroc's mortality assumptions are set by country, based on the most recent available mortality studies. Where possible, generational mortality assumptions are used, meaning that they include expected improvements in life expectancy over time.

The table below shows the sensitivity analysis for principal actuarial assumptions, and describes the potential effect on the present value of the defined pension obligation.

SENSITIVITY ANALYSIS OF PRINCIPAL ACTUARIAL ASSUMPTIONS

Europe	2025	2024
Financial assumptions		
Discount rate + 0.50%	-149	-153
Discount rate - 0.50%	168	173
Salary increase rate + 0.50%	30	37
Salary increase rate - 0.50%	-28	-35
Inflation rate + 0.50%	164	169
Inflation rate - 0.50%	-146	-149
Demographic assumptions		
Life expectancy +/- 1 year	60	60

Note 25 Share-based payments

ACCOUNTING POLICY

The Group has share- based incentive programs, consisting of stock options and share appreciation rights, which may be offered to certain employees based on position and performance. Additionally, the Board are offered synthetic shares.

The fair value of stock options that can only be settled in shares (equity- settled) is recognized as an employee expense with a corresponding increase in equity. The fair value, measured at grant date using the Black- Scholes model, is recognized as an expense over the vesting period. The amount recognized as an expense is adjusted to reflect the actual number of stock options vested.

The fair value of the share appreciation rights, synthetic shares, and options with a choice for employees to settle in shares or cash is recognized in accordance with policies for cash- settled share-based payments. The value is recognized as an employee expense with a corresponding increase in liabilities. The fair value, measured at grant date and remeasured at each reporting date using the Black- Scholes model, is accrued, and recognized as an expense over the vesting period. Changes in fair value are, during the vesting period and after the vesting period until settlement, recognized in profit or loss as an employee expense. The accumulated expense recognized equals the cash amount paid at settlement. Social security charges are paid in cash and are accounted for in line with the policies for cash- settled share- based payments, regardless of whether they are related to equityor cash- settled share-based payments.

Share value based incentive programs

Performance based employee stock option plan 2018-2024

Approximately 270 key employees of Epiroc have received under the performance based stock option plan for the years 2018-2024 options related to Epiroc and receive incentives related to the performance of Epiroc. The terms and conditions of the performance based employee stock option plans for the years 2018–2024 are in all material aspects similar to the terms and conditions of the performance based employee stock option plan for 2025 in Epiroc, as described below, except for that the 2018-2024 plans for senior executives also included matching options. The matching options were allotted to the senior executives proportionally to the number of Epiroc A shares acquired which was and still is a condition for participation in the plan. As from 2025 matching options are no longer allotted to senior executives, but the requirement of own investment remains as a condition for participation of the plan.

Performance based employee stock option plan 2025

The Annual General Meeting of Epiroc held on May 8, 2025, resolved, based on a proposal from the Board of Directors, to introduce a performance based employee stock option plan for 2025, which is similar in structure to the previous stock option plans approved by the Annual General Meeting.

The performance based employee stock option plan is directed at a maximum of 140 key employees in Epiroc, who will have the possibility to acquire a maximum of 1 800 000 Class A shares in Epiroc. The issuing of options for all categories depends on the value increase of Epiroc expressed as Economic Value Added during 2025. In an interval of SEK 1 200 000 000, the allotment varies linear from zero to 100% of the maximum number. In 2025, ESG targets were introduced for the CEO and the rest of the Group Management (including Division Presidents). The ESG target having a weight of approximately 15% and Economic Value Added then having a weight of approximately 85%.

The participating key employees are divided into four categories, with different amounts of maximum of options, depending on their positions. The issuing of options will take place no later than March 20, 2026. The term of the options is seven years from granting, and the options are exercisable not earlier than three years from grant date. The exercise price shall be set at an amount corresponding to 110% of the average of the closing rates on Nasdaq Stockholm of Epiroc's Class A shares during a period of ten business days following the date of the publishing of the Interim report Q4, 2025. A participant must still be employed in order to exercise the options. The options are not transferable and a single payment in relation to an option can never be higher than four times the exercise price of the option.

The costs of the performance based employee stock option plan will, on an on-going basis during the term of the plan, be reported in accordance with IFRS 2, and is estimated to amount up to approximately 36,8. The estimated costs for advice and administration linked to the program are approximately 3.5. In order to limit the exposure of the performance based employee stock option plan, hedging measures have been adopted in the form of share buy-backs (see note 21), which can be transferred to the participants of the plan pursuant to resolutions passed at the Annual General Meeting of Epiroc.

A prerequisite for the participation of senior executives (11 participants) in the performance based employee stock option plan is an investment of a maximum of ten percent of the participants' respective base salary (20% for expatriates with net salary) for 2025 before tax, in series A shares of Epiroc. The investments may be made in cash or by payment of shares, however, not by shares that are obtained as a part of the performance based employee stock option plans for 2023 – 2024. The senior executive's participation the plan corresponds proportionally to the investment made. The acquired shares need to be kept during the vesting period of the plan. If the number of the acquired shares are reduced, the the right to the options is reduced proportionally.

For all the programs, 2019–2025, a total maximum of 3 264 256 shares could be delivered to employees, corresponding to approximately 0.3% of the total number of shares in Epiroc.

The Board of Epiroc has the right to decide to implement an alternative incentive solution (SARs) for key persons in such countries where the grant of employee stock options is not feasible. Such alternative incentive solutions (SARs) shall, to the extent possible, have terms and conditions corresponding to the ones applicable to the performance based employee stock option plan.

The Black-Scholes model is used to calculate the fair value of the options/SARs in the plans at issue date. For the programs in 2025, the fair value of the options/SARs was based on the following assumptions:

KEY ASSUMPTIONS

	2025 Program (Dec. 31, 2025)	2024 Program (Dec. 31, 2024)
Expected exercise price, SEK [1]	230.89	211.81/144.41
Expected volatility, %	30	30
Expected options life (years)	4.42	4.42
Expected share price, SEK	209.90	192.55
Expected dividend, SEK, (growth %)	3.80 (6%)	3.80 (6%)
Risk free interest rate, %	2.35	2.17
Expected average grant value, SEK [1]	40.40	35.69/59.37
Number of outstanding options	1 739 050	1 850 279
– of which forfeited [2]	-807 658	-1 850 279
Number of matching options	-	25 697

[1] Matching options for senior executives.
[2] Including adjustments for performance achievement.

The expected volatility has been determined by analyzing the historic development of the Epiroc A Share price and other shares on the stock market. When determining the expected option life, assumptions have been made regarding the expected exercising behavior of different categories of optionees.

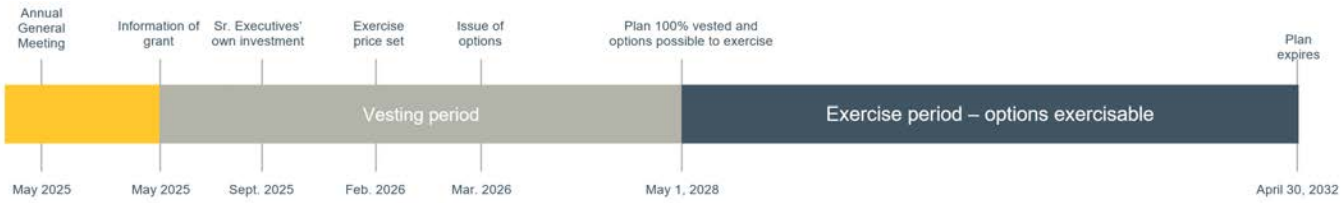
For the stock options in the 2018–2025 programs, the fair value is recognized as an expense over the following vesting periods:

PROGRAM

	Vesting period		Exercise period	
Stock options	**From**	**To**	**From**	**To**
2018	May-18	Apr-21	May-21	Apr-25
2019	May-19	Apr-22	May-22	Apr-26
2020	May-20	Apr-23	May-23	Apr-27
2021	May-21	Apr-24	May-24	Apr-28
2022	May-22	Apr-25	May-25	Apr-29
2023	May-23	Apr-26	May-26	Apr-30
2024	May-24	Apr-27	May-27	Apr-31
2025	May-25	Apr-28	May-28	Apr-32

For the 2025 program, a new valuation of the fair value has been performed and will be performed at each reporting date until the issue date, which as indicated below will occur in March 2026.

Timeline 2025 Option plan



For SARs, the fair value is recognized as an expense over the same vesting period; the fair value is, however, remeasured at each reporting date and changes in the fair value after the end of the vesting period continue to be recognized as a personnel expense.

In accordance with IFRS 2, the expense in 2025 for the Group for all share-based incentive programs amounted to 16 (7) excluding social costs, of which 9 (13) refers to equity-settled options. The related costs for social security contributions are accounted for in accordance with the statement from the Swedish Financial Reporting Board (UFR 7) and are classified as personnel expenses. In the balance sheet, the provision for the Group for share appreciation rights as of December 31, 2025, amounted to 21 (36). See additional information about the Group's share based incentive program in note 5.

SUMMARY OF SHARE VALUE BASED INCENTIVE PROGRAMS

Program	Initial number of employees	Number of options	Additional number of options, share split redemption 2021 [1]	Expiration date	Exercise price, SEK [1]	Type of share	Fair value at grant date	Intrinsic value for vested SARs
Stock options								
2018	63	1 976 817	25 383	4-30-2025	95.39	A	15.63	–
2019	70	743 903	11 210	4-30-2026	127.85	A	6.48	–
2020	64	393 126	5 939	4-30-2027	179.91	A	37.04	–
2021	69	1 188 927	n/a	4-30-2028	218.06	A	39.59	–
2022	87	1 047 348	n/a	4-30-2029	226.55	A	32.94	–
2023	95	1 037 004	n/a	4-30-2030	203.23	A	44.38	–
2024	93	1 316 978	n/a	4-30-2031	211.81	A	35.69	0
Matching options								
2018	11	50 566	760	4-30-2025	65.04	A	27.11	–
2019	13	44 784	670	4-30-2026	87.17	A	14.14	–
2020	11	37 891	569	4-30-2027	122.66	A	61.34	–
2021	11	24 101	n/a	4-30-2028	148.68	A	66.66	–
2022	11	26 479	n/a	4-30-2029	154.46	A	57.31	–
2023	12	27 534	n/a	4-30-2030	138.57	A	70.27	–
2024	11	25 697	n/a	4-30-2031	158.31	A	70.40	0
Share appreciation rights								
2018	24	555 408	6 301	4-30-2025	95.39	A	–	114.51
2019	21	184 998	2 785	4-30-2026	127.85	A	–	82.05
2020	27	138 965	2 101	4-30-2027	179.91	A	–	29.99
2021	23	335 425	n/a	4-30-2028	218.06	A	–	-8.16
2022	33	339 809	n/a	4-30-2029	226.55	A	–	-16.65
2023	49	391 340	n/a	4-30-2030	203.23	A	–	–
2024	47	517 759	n/a	4-30-2031	211.81	A	–	–

1) A share split and mandatory redemption of the Epiroc share was executed in May 2021. In order to ensure that the economic value for the participant was not negatively affected, the exercise price and the number of stock options, matching options and share appreciation rights were adjusted, similar to the method used by Nasdaq Stockholm to adjust exchange traded option contracts.

NUMBER OF OPTIONS/RIGHTS 2025

Program	Outstanding January 1	Exercised	Expired/ forfeited	Outstanding Dec. 31	–of which exercisable	Time to expiration, in months	Average stock price for exercised options, SEK
Stock options							
2018	216 617	216 617	-	-	-	-	212.47
2019	420 974	129 553	-	291 421	291 421	4	212.88
2020	291 791	41 533	4 834	245 424	245 424	16	213.22
2021	970 114	-	39 945	930 169	930 169	28	-
2022	920 274	-	45 112	875 162	875 162	40	-
2023	69 958	-	3 764	66 194	-	52	-
2024	1 316 978	-	1 316 978	0	-	64	-
Matching options							
2018	10 242	10 242	-	-	-	-	215.66
2019	20 059	13 969	-	6 090	6 090	4	221.45
2020	24 701	-	-	24 701	24 701	16	-
2021	18 882	-	-	18 882	18 882	28	-
2022	20 896	-	-	20 896	20 896	40	-
2023	25 983	-	-	25 983	-	52	-
2024	25 697	-	-	25 697	-	64	-
Share appreciation rights							
2018	134 288	134 288	-	-	0	-	210.76
2019	138 817	53 845	-	84 972	84 972	4	211.65
2020	110 223	19 336	-	90 887	90 887	16	209.88
2021	295 480	-	13 315	282 165	282 165	28	-
2022	289 865	-	33 834	256 031	256 031	40	-
2023	22 699	-	3 117	19 582	-	52	-
2024	517 759	-	517 759	-	-	64	-

NUMBER OF OPTIONS/RIGHTS 2024

Program	Outstanding January 1	Exercised	Expired/ forfeited	Outstanding Dec. 31	–of which exercisable	Time to expiration, in months	Average stock price for exercised options, SEK
Stock options							
2017	181 218	181 218	–	–	–	–	202.84
2018	728 081	511 464	–	216 617	216 617	4	207.86
2019	562 543	141 569	–	420 974	420 974	16	206.36
2020	344 965	53 174	–	291 791	291 791	28	204.86
2021	1 091 981	39 945	81 922	970 114	970 114	40	228.43
2022	998 049	–	77 775	920 274	–	52	–
2023	1 037 004	–	967 046	69 958	–	64	–
Matching options							
2017	3 471	3 471	–	–	–	–	194.40
2018	27 504	17 262	–	10 242	10 242	4	207.57
2019	31 758	11 699	–	20 059	20 059	16	213.89
2020	24 701	–	–	24 701	24 701	28	–
2021	20 398	–	1 516	18 882	18 882	40	–
2022	22 443	–	1 547	20 896	–	52	–
2023	27 534	–	1 551	25 983	–	64	–
Share appreciation rights							
2017	206 976	206 976	–	–	–	–	198.94
2018	222 522	88 234	–	134 288	134 288	4	219.10
2019	163 300	24 483	–	138 817	138 817	16	227.27
2020	116 896	6 673	–	110 223	110 223	28	227.32
2021	295 480	–	–	295 480	295 480	40	–
2022	332 962	–	43 097	289 865	–	52	–
2023	391 340	–	368 641	22 699	–	64	–

Note 26 Trade payables and other liabilities

Trade payables and other financial liabilities are classified at amortized cost. Fair value of other liabilities corresponds to carrying value.

Other current liabilities	2025	2024
Trade payables	5 683	5 756
Derivatives		
– classified at fair value through profit and loss	149	348
Other financial liabilities		
– other liabilities	1 569	1 550
– accrued expenses	4 107	4 583
Advances from customers [1]	1 711	2 058
Deferred revenues service contracts [1]	627	605
Closing balance, Dec 31	**13 846**	**14 899**

[1] In advances from customers and deferred revenue, 1 888 (1 590) is related to contract liabilities. 1 548 (730) of the advances from customers and deferred revenue 2024 have been recognized as revenue during 2025.

Accrued expenses include items such as social costs, vacation pay liability, accrued interest and accrued operational expenses.

The Group classifies financial liabilities that arise from organized factoring for Epiroc suppliers within trade payables since they have similar nature and function to trade payables. Organized factoring amount to 1 746 (1 591). Cash flows from organized factoring are included in operating activities.

Note 27 Provisions

Provisions are recognized:

- when the Group has a legal or constructive obligation (as a result of a past event),
- it is probable that the Group will have to settle the obligation, and
- the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows of estimated expenditures.

2025	Product warranty	Restructuring	Other	Total
Opening balance, Jan. 1	**281**	**172**	**493**	**946**
Additions to provisions	217	44	132	393
Utilization	-147	-128	-154	-429
Reversal of excess amounts	-79	-14	0	-93
Reclassification	7	0	5	12
Translation differences	-34	-7	-41	-82
Closing balance, Dec. 31	**245**	**67**	**435**	**747**
Non-current	8	32	271	311
Current	237	35	164	436
Total	**245**	**67**	**435**	**747**
2025, Maturity	**Product warranty**	**Restructuring**	**Other**	**Total**
Less than one year	237	35	164	436
Between one and five years	8	31	238	277
More than five years	0	1	33	34
Total	**245**	**67**	**435**	**747**

Provisions for product warranties are recognized as cost of sales at the time the products are sold based on the estimated cost using historical data for level of repairs and replacements. Provisions for product warranties should cover future commitments for the sales volumes already realized. Warranty provision is a complex accounting estimate due to the variety of variables which are included in the calculations. The calculation methods are based on the type of products sold and historical data for level of repairs and replacements. The underlying estimates for calculating the provision are reviewed at least quarterly as well as when new products are being introduced or when other changes occur which may affect the calculation.

A restructuring provision is recognized when the Group has approved a detailed and formal restructuring plan and the restructuring has either commenced or been announced publicly.

Other provisions consist primarily of amounts related to share- based payments including social fees and other long-term employee benefits, see note 25.

2024	Product warranty	Restructuring	Other	Total
Opening balance, Jan. 1	**273**	**182**	**552**	**1 007**
Additions to provisions	273	53	119	445
Utilization	-162	-50	-151	-363
Reversal of excess amounts	-114	-20	-40	-174
Acquisition of business	-	-	2	2
Reclassification	2	-	-	2
Translation differences	9	7	11	27
Closing balance, Dec. 31	**281**	**172**	**493**	**946**
Non-current	9	150	283	442
Current	272	22	210	504
Total	**281**	**172**	**493**	**946**
2024, Maturity	**Product warranty**	**Restructuring**	**Other**	**Total**
Less than one year	272	22	210	504
Between one and five years	9	149	236	394
More than five years	-	1	47	48
Total	**281**	**172**	**493**	**946**

Note 28 Pledged assets and contingent liabilities

A contingent liability is a possible obligation or a present obligation that arises from past events that is not reported as a liability or provision, due either to the fact that it is not probable that an outflow of resources will be required to settle the obligation, or a sufficiently reliable calculation of the amount cannot be made. Epiroc had 118 (174) in sureties and other contingent liabilities. These primarily relate to pension commitments and commitments related to customer claims and various legal matters. In addition, Epiroc has commercial guarantees for fulfillment of contractual undertakings, which is part of the Group's normal course of business of 422 (401).

During 2025, Epiroc entered into a contract for a supply chain resilience solution with a distributor of equipment and spare parts, with commitments to purchase the products within twelve months. All purchases through this solution were according to forecast and no shortfall of orders occurred. The objective of this solution is to create a more resilient supply chain, resulting in shorter lead times and improved delivery performance to Epiroc's end customers. In 2025, Epiroc purchased equipment and spare parts amounting to 282 MSEK through this solution. As of December 31, 2025 the unrecognized commitment for future purchases according to forecast amounts to 750 MSEK.

Note 29 Financial instruments

ACCOUNTING POLICY

Recognition and derecognition
Financial assets and liabilities include trade receivables, financial investments, derivatives and cash and cash equivalents and loan liabilities, trade payables and derivatives, respectively. Financial assets and liabilities are recognized when the Group becomes a party to the contractual provision of the instrument and the classification of measurement occur at the initial recognition. A financial asset is derecognized at maturity or when the Group has transferred risks and rewards to an external party and no longer has control over it.

Financial assets and liabilities at amortized cost
Financial assets such as trade receivables, financial investments and cash and cash equivalents are included in this category. Financial liabilities in this category include loan liabilities, trade payables and other liabilities. Financial assets and liabilities classified to amortized cost are initially recognized to fair value including transaction costs. Transaction costs stemming from new loans are amortized over the maturity period of the loan as financial costs. Assets in this category are subject to a loss allowance for expected credit losses.

Financial assets and liabilities classified to fair value through other comprehensive income (FVOCI)
Accounting policy for Hedge accounting, see note 30.

Financial assets and liabilities through profit or loss (FVTPL)
Fair value through profit or loss is all other debt instruments that are not valued to amortized cost or FVOCI. Derivatives are measured to FVTPL unless they are used as hedging instruments in cash flow or net investment hedges. As in the other categories, assets in this category are subject to a loss allowance for expected credit losses.

Impairment of financial assets
Financial assets not classified to FVTPL are subject to impairment for expected credit losses. Examples of such asset include trade receivables, debt instruments, contract assets, loan commitments and financial guarantees. Epiroc uses two impairment methods depending on the asset class. One of the methods uses historical data to reflect an unbiased and probability-weighted level of credit losses, while the other method is a three-step model with its base in both external and internally calculated credit ratings for the specific customer as well as its country. In simplified terms, the three-step model means that provisions are increased depending on the credit risk. Forward-looking analysis, including macroeconomic aspects that affect different customer segments and geographical areas, are treated separately for both models (in the case that it has not been treated in the rating model) and the level of impairment is adjusted to reflect the identified changes in the specific market, if necessary

Fair value of financial instruments
In the Group's balance sheet, financial instruments are recorded to fair value or amortized cost. The fair value is decided according to the hierarchy of fair value. The fair value for financial assets is determined by prices from active markets if such exist. If prices from an active market does not exist, the fair value is determined by different valuation techniques. The majority of the Group's financial instruments, such as currency future contracts, electricity derivatives, interest bearing debt, financial leasing agreements and other financial receivables are based on market interest rates and the present value of future cash flows,level 2 in the fair value hierarchy. The Group's bonds are classified at level 1, meaning prices from active markets. In level 3, items such as earn-outs from acquisitions, where the valuation is built upon a valuation model with non-observable market data, exist.

Comments for the year
No changes have been made between the different levels in the fair value hierarchy and no material changes have been made to the valuation techniques, neither for used data nor the assumptions, compared to 2024.

The carrying amount of the Group's financial instruments corresponds to the fair value in all categories except financing. See note 22.

FINANCIAL ASSETS AND LIABILITIES

MSEK	Fair value level	2025 Carrying value	2025 Fair value	2024 Carrying value	2024 Fair value
Financial assets					
Financial assets at fair value through profit and loss					
whereof derivatives	2	94	94	228	228
Financial assets at fair value through OCI					
where of derivatives	2	594	594	200	200
Financial assets at amortized cost					
whereof trade receivables	2	11 155	11 155	12 424	12 424
whereof cash and cash equivalents	2	9 574	9 574	7 179	7 179
whereof other financial assets	2	2 881	2 881	2 935	2 935
Total financial assets		**24 298**	**24 298**	**22 966**	**22 966**
Financial liabilities					
Financial liabilities at fair value through profit and loss					
whereof derivatives	2	149	149	348	348
whereof earn-out [1]	3	331	331	423	423
Financial liabilities at fair value through OCI					
whereof derivatives	2	4	4	11	11
Financial liabilities at amortized cost					
whereof bonds	1	11 350	11 821	11 676	12 197
whereof other loans	2	9 673	9 957	10 341	10 671
whereof trade payables	2	5 683	5 683	5 756	5 756
whereof other financial liabilities	2	5 346	5 346	5 709	5 709
Total financial Liabilities		**32 536**	**33 291**	**34 264**	**35 115**

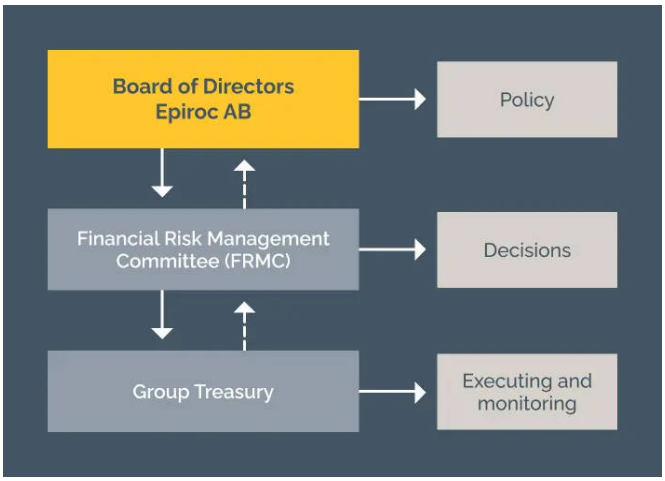
[1] The fair value is based on probability-weighted scenarios and is discounted to net present value. More information is found in note 3.

Note 30 Financial risk management

In its operations, Epiroc is exposed to a variety of financial risks: funding and liquidity risk, currency risk, interest rate risk and credit risk. The Board of Directors establishes the Group's financial risk policy, which includes frameworks, rules and guidelines for how to manage the risks. The financial risk policy is reviewed at least annually. The Group has a financial risk management committee (FRMC), that manage the Group's financial risks within the mandate from the Board of Directors. The members in the FRMC are the CEO, CFO, Group Treasurer and representative from Group Treasury.

Group Treasury has the operational responsibility for financial risk management in the Group. Group Treasury manages and controls financial risk exposures, ensures that appropriate financing is in place through loans and committed credit facilities and manages the Group's liquidity.

Group Treasury reports to the FRMC quarterly and the FRMC reports to the Audit Committee.



Capital structure and credit rating

The Group defines capital as borrowings and equity. The capital requirement is assessed based on ratios such as net debt/equity and net debt/EBITDA. Another variable in the assessment of the Group's capital structure is the credit rating. In May 2025, S&P Global Ratings affirmed the credit rating BBB+ with a stable outlook.

Funding and liquidity risk

Funding and liquidity risk is defined as the risk of the cost being higher and financing opportunities limited as borrowing is renegotiated and payment obligations cannot be met as a result of insufficient liquidity or difficulties in securing funding. The funding and liquidity risk is measured with the following metrics:

Policy	Limit	2025
Average tenor (long-term)	>3 years	3.7
Maturities coming 12 months	<5 000 MSEK	3 564
Committed credit facilities	>4 000 MSEK	4 000

In addition, the policy states that Group should ensure a short-term liquidity reserve, which consists of cash and cash equivalents and uncommitted credit facilities.

Net debt

Net debt is defined by the Group as interest-bearing debt and post-employment benefits, less cash and cash equivalents and certain other financial receivables.

See note 20 and note 22 for more information.

NET DEBT

	2025	2024
Interest-bearing liabilities	21 023	22 017
Post-employment benefits	178	201
Cash and cash equivalents	-9 574	-7 179
Other financial assets	-622	-262
Net debt	**11 004**	**14 777**
Total equity	**42 272**	**43 180**
Net debt/equity ratio, %	26.0	34.3
EBITDA	15 011	15 827
Net debt/EBITDA	**0.73**	**0.93**

The maturity profile of the Group's financial liabilities is illustrated in the following table. The Group's short-term liquidity reserve exceeds financial liabilities due within 2026.

FINANCIAL LIABILITIES - FUTURE UNDISCOUNTED CASH FLOWS

2025	2026	2027	2028	2029	2030	>2030
Liabilities to credit institutions	3 368	3 516	1 905	856	3 293	7 093
Lease liabilities	778	667	504	343	243	560
Derivatives	149	5	-	-	-	-
Other liabilities	11 359	69	-	-	-	-
whereof trade payables	5 683	-	-	-	-	-
Total	**15 654**	**4 257**	**2 409**	**1 199**	**3 536**	**7 653**

Interest rate risk

Interest rate risk is the risk that changes in market interest rates affect the Group's net interest. How quickly interest rate changes impact net interest depends on the fixed interest term of the borrowings, including interest rate derivatives. Interest rate risk is measured by duration.

Policy	Limit	2025
Duration	6-48 months	15

Comments for the year

The Group's borrowings have a mix of fixed and floating rates. The floating rates are based on STIBOR, SOFR and BBSW with a credit margin and the borrowings at a floating rate amounted to 9 742 (10 382) at year-end. Borrowings with floating rate amounted to 58 percent of total borrowings. The average interest rate of the Parent Company's borrowings was 3.75% (4.21). A change by 1 percentage point on the floating interest rates would affect the Group's interest net by approximately +/- 5 (104).

Currency risk

The Group operates in various geographical markets and undertakes transactions denominated in foreign currencies and is consequently exposed to exchange rate fluctuations. Currency exposure occurs in connection with payments in foreign currency (transaction exposure) and when translating foreign subsidiaries' balance sheets and income statements into SEK (translation exposure).

Transaction exposure

Transaction exposure primarily arises when the Group's products are sold in other countries and in other currencies. Sales in each respective market primarily take place in local currency, meaning that Epiroc has a large net inflow of foreign currencies. These payment flows create currency exposures that affect the Group's earnings in the event of exchange fluctuations.

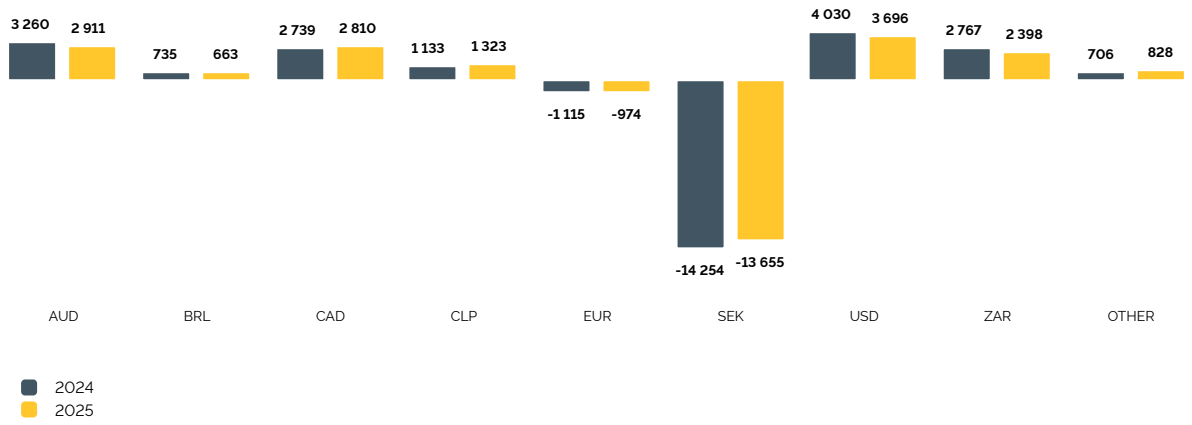
Policy

The policy states that exposures shall be reduced by matching inflows and outflows of the same currencies. Based on the assumption that currency hedging does not have any significant effect on the Group's long-term result, the policy recommends leaving transaction exposures unhedged. Divisional management is responsible to adjust operations to compensate for adverse currency movements. However, the FRMC can decide to hedge part of the transaction exposure as well as the purchase price of highly probable acquisitions. Such transactions shall qualify for hedge accounting in accordance with IFRS and hedging beyond 18 months is not allowed. The operational transactional exposure is measured as an estimate of the net foreign exchange flows per currency and is based on both intercompany and external payment flows in the most significant currencies.

Comments for the year

The net amounts for the transaction exposure are shown in the graph below and amounts to 15 570 (16 595). Epiroc is exposed to a large net inflow in many currencies against the SEK and EUR where the Group has its main costs. During the year, a part of the USD transaction exposure was hedged through FX forward contracts. At year-end, no outstanding hedges remained.

Estimated operational transaction exposure in the Group's most important currencies, MSEK, 2024 and 2025



The table below shows the effect on pretax earnings that one-sided fluctuations in each currency may have.

TRANSACTION EXPOSURE SENSITIVITY [1)]

	2025	2024
AUD Currency rate +/–1%	29	33
CAD Currency rate +/–1%	28	27
USD Currency rate +/–1%	37	40
SEK Currency rate +/–1%	137	143
ZAR Currency rate +/–1%	24	28

[1)] The indication is based on the assumptions that no hedging transactions have been undertaken, and before any impact of offsetting price adjustments or similar measures.

The financial transaction exposure in the Group, i.e., internal and external borrowing or lending in foreign currencies, is centrally managed by Group Treasury. Group Treasury hedges the financial transaction exposure either by FX forwards or by matching inflows and outflows in the same currencies.

Translation exposure

Currency exposure occurs when translating the results and net assets of foreign subsidiaries into SEK, which affects the Group's income statement and other comprehensive income, respectively, when exchange rates fluctuate.

Policy

The translation exposure is measured as the net of assets and liabilities in a certain currency. The Group's general policy for managing translation exposure is that translation exposure should be reduced by matching assets and liabilities in the same currencies. The FRMC can decide to hedge part or all of the remaining translation exposure and any hedging shall qualify for hedge accounting in accordance with IFRS.

Comments for the year

During the year, a part of the USD translation exposure was hedged through FX forwards contracts. At year-end, no outstanding hedges remained. See the hedge accounting section for more information. A change up or down by 1% in the value of each currency against the Swedish krona would affect the Group's pretax earnings by approximately +/– 55 (39).

Credit risk

Credit risk can be divided into operational and financial credit risk. These risks are described further in the following sections. The table shows the total credit risk exposure related to assets classified as financial instruments as of December 31, 2025.

CREDIT RISK

	2025	2024
Receivables		
– trade receivables	11 155	12 424
– finance lease receivables	723	791
– other financial receivables	2 159	2 144
– other receivables	2 573	2 365
– accrued income	420	514
– cash and cash equivalents	9 574	7 179
Derivatives	688	428
Total	**27 292**	**25 845**

Operational credit risk

Operational credit risk is the risk that the Group's customers do not meet their payment obligations.

Policy

Since the Group's sales are distributed among many customers and that no single customer represents a significant share of the Group's commercial risk, the monitoring of commercial credit risks is primarily performed at the divisional or entity level. Each entity is required to have an approved commercial risk policy. These shall aim to preserve the high credit quality of the Group's portfolios and thereby protect the Group's short and long-term viability. The commercial credit risk is measured as the net value of customer receivables. For information about the impairment process, see the section for impairment of financial assets.

Customer finance operation

Epiroc has an in-house customer finance operation, a part of Financial Solutions, as a means of supporting equipment sales. The credit risk in customer financing is typically mitigated by Epiroc Financial Solutions' maintaining collateral for its credit portfolio primarily through repossession rights in equipment. Entities may also transfer the commercial risk through insurance to external entities, usually to an export credit agency. In addition, Epiroc Financial Solutions also has non-cancelable operating lease contracts, where the residual value is managed through monitoring of equipment with support from customer centers and the customer centers also perform a continuous assessment of the value of the underlying asset. For more information, see note 16 and 23.

Comments for the year

The credit risk is deemed to be limited as the customer receivables relate to a large number of customers, spread across different geographical areas and that a commercial risk policy is applied. At yearend, trade receivables of 11 155 (12 424) were reported, net of impairment amounting to 670 (530). The expected credit losses amounted to 5.7% (4.1) of gross total customer receivables. For more information, see note 18.

The credit risk for the customer finance operation is also diversified as no customer represents more than 6% (6) of the total outstanding receivables. See the table for a distribution of the credit portfolio. Financial Solutions non-cancelable operating lease contracts amounted to 95 (194).

CREDIT PORTFOLIO FOR CUSTOMER FINANCE

	2025	2024
Trade receivables	11	15
Finance lease receivables	723	792
Other financial receivables	1 818	1 787
Total	**2 552**	**2 594**

Financial credit risk

Credit risk on financial transactions is the risk that the Group incurs losses as a result of non-payment by counterparties related to the Group's investments, bank deposits or derivative transactions. The financial credit risk is measured differently depending on transaction type.

Policy

The Group's policy states that diversification of credit risk should be the norm and that maximum exposure limits shall be assigned for each financial counterparty with a maximum of 3 000 per counterparty. Derivative transactions can only be undertaken with counterparties for which CSA (Credit Support Annex) agreements are established. Furthermore, financial transactions are only to be entered into with counterparties that have a certain rating (not below A3/A-/A-). An investment policy stipulating the framework for investments of the Group's excess cash shall consider the above points. The policy's demand for security shall always be prioritized over the aim of maximum return. When measuring credit risk on cash and cash equivalents, the Group applies the general approach on impairment.

Comments for the year

The maturities of the currency derivatives are well below 12 months and the counterparties are stable banks with a high rating. Calculations based on the banks' probabilities of default, yields an expected loss which is in all respects immaterial. At year-end 2025, the measured credit risk on currency derivatives, taking into account the mark-to-market value and collateral, amounted to 74 (156). The table below presents the reported value of the Group's derivatives.

OUTSTANDING DERIVATIVE INSTRUMENTS

	2025	2024
Currency and interest rate derivatives		
Assets	681	421
– whereof net position	65	-
Liabilities	144	342
– whereof net position	-	137
Electricity derivatives		
Assets	7	7
Liabilities	9	11

No financial assets or liabilities are offset in the balance sheet. Currency and interest rate derivatives are covered by ISDA agreements with a CSA, requiring weekly collateral exchanges based on market values. Net positions may still occur due to timing differences. Electricity derivatives are not subject to ISDA agreements.

Commodity and electricity price risk

Commodity price risk is the risk that the cost of direct and indirect materials could increase as underlying commodity prices rise in global markets.

Policy

The Group is directly and indirectly exposed to price fluctuations of raw materials and electricity. Cost increase for raw materials and components frequently coincide with strong end-customer demand and are offset by increased sales to mining customers and compensated for by increased market prices. Therefore, the Group does not hedge commodity price risks on a regular basis. However, the Operations may decide to hedge part of the commodity risk and if so, the hedging shall be approved by Group Treasury and qualify for hedge accounting. Hedging beyond 60 months is not allowed.

Comments for the year

Part of the electricity price risk in the Swedish production facilities is hedged up to five years, managed through a discretionary management mandate. The remaining part of the electricity price risk is measured by the divisions as part of cost of sales. For more information, see the hedge accounting section.

Hedge accounting

ACCOUNTING POLICY

The Group applies hedge accounting to hedge FX risk, interest rate risk and electricity price risk. Epiroc applies a mix of cash flow hedging, fair value hedging and net investment hedging. To apply hedge accounting, hedge relationships must be formally identified and documented. In addition, there needs to be an economic relationship between the hedged item and the hedging instrument, the effect of credit risk may not dominate the value changes resulting from that relationship, and the hedge ratio is the same as that resulting from the quantity of both the hedged item and the hedging instrument used.

The economic relationships are assessed based on a qualitative analysis of critical terms, which are matched. As such, the carrying amounts are expected to move in opposite directions as a result of a change in the hedged risk. The effects of credit risk are not considered to dominate the changes in fair value. The hedge ratios applied by Epiroc is 1:1. The potential sources of ineffectiveness are related to changes in Epiroc's or the counterparty's credit risk and valuation changes in floating legs from swaps designated as hedging instruments. Any ineffectiveness is recognized in profit or loss.

Epiroc uses derivatives as hedging instruments for hedge accounting, either by themselves or in combination with other offsetting derivatives. The derivatives can be designated in one or more hedging relationships. If a derivative is used in multiple hedging relationships, it is bifurcated to achieve hedge accounting. Subsequently, the bifurcated derivatives are identified as hedging instruments. Any reference below to derivatives are the hedging instruments used for hedge accounting.

The following table shows the maturity of the hedging instruments:

2025	<1 year	1-5 years	>5 years	Total
Electricity derivatives	**54**	**46**		**100**
– Average forward rate (GWH)	0.48	0.44		
Cross-currency interest rate swaps			**5 398**	**5 398**
– Average fixed interest			3.63	3.63
Interest rate swaps			**2 511**	**2 511**
– Average fixed interest			5.15	5.15

Cash flow hedge

Epiroc applies cash flow hedging on foreign currency exposures and electricity price exposures. The strategies are to hedge part, or all, of the identified exposures:

- A portion, approximately 15%, of the foreign currency transaction exposure from future sales in USD has been hedged with FX forward contracts up to one year. Sales in foreign currency is designated as the hedged risk.
- Foreign currency issued debt is hedged with a cross-currency interest rate swap that converts EUR borrowing to SEK.
- Most of the electricity price risk in the Swedish production facilities is hedged up to five years through a discretionary management mandate. 90% of the estimated electricity consumption is hedged with a declining linear basis to 0 percent in year 4.

The effective portion of any gains or losses on the hedging instrument is recognized in other comprehensive income and is reclassified to profit or loss when the hedged item impact profit and loss. Changes in foreign currency basis spread is recognized in cost of hedging in other comprehensive income.

Net investment hedge

Epiroc also applies hedges of net investments in foreign operations. The strategy is to hedge part of the USD currency risk of Epiroc's net investment in foreign operations using cross-currency interest rate swaps. The hedged risk is the FX spot rate. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognized in other comprehensive income, while any gains or losses relating to the ineffective portion are recognized in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is transferred to profit or loss. Changes in forward element and foreign currency basis spread is recognized in cost of hedging in other comprehensive income.

The table shows impact of cash flow hedging and net investment hedging on the statement of financial position as of 31 December 2025.

2025			Change in value used for measuring ineffectiveness for the period						
Hedging instruments	Nominal amount	Carrying amount	Hedging instrument	Hedged item	Hedge ineffectiveness recognised in the income statement	Balance in Cash flow Hedge reserve	Balance in Foreign currency translation reserve	Balance in cost of hedging reserve	Re-classified into profit or loss
Cash flow Hedge									
– FX Forward contracts	–	–	–	–	–	–	–	–	–
– Cross-currency interest rate swaps	2 798	-57	-99	99	–	-99	–	-6	-99
– Electricity derivatives	100 GWh	-2	-2	2	–	-2	–	–	4
Net investment Hedge									
– Cross-currency	5 664	-14	786	-786	–	–	786	-76	–

2024			Change in value used for measuring ineffectiveness for the period						
Hedging instruments	Nominal amount	Carrying amount	Hedging instrument	Hedged item	Hedge ineffectiveness recognised in the income statement	Balance in Cash flow Hedge reserve	Balance in Foreign currency translation reserve	Balance in cost of hedging reserve	Re-classified into profit or loss
Cash flow Hedge									
– FX Forward contracts	99	0	0	-0	–	-0	–	–	39
– Cross-currency interest rate swaps	2 798	-112	68	-68	–	68	–	-246	68
– Electricity derivatives	103 GWh	45	-49	45	–	-4	–	–	–
Net investment Hedge									
– Cross-currency	5 664	-190	-214	214	–	–	-214	252	–

Any ineffectiveness is recognized in net financial items in the income statement. The hedging instruments are recognized on the line other assets or other liabilities in the statement of financial position. The table shows a reconciliation of each component of equity and the analysis of other comprehensive income resulting from hedge accounting:

2025	Cash flow Hedge reserve	Cost of Hedging reserve	Foreign currency translation reserve
Opening balance, Jan. 1	-3	5	–
Effective changes in fair value from hedging instruments			
– FX forward contracts	–	–	–
– Cross-currency interest rate swaps	-99	-82	-786
– Electricity derivatives	-2	–	–
Foreign currency revaluation of the net foreign operations	–	–	786
Amount reclassified to the income statement	**95**	**–**	**–**
Tax	2	16	–
Closing balance, Dec. 31	**-7**	**-61**	**0**

2024	Cash flow Hedge reserve	Cost of Hedging reserve	Foreign currency translation reserve
Opening balance, Jan. 1	39	0	–
Effective changes in fair value from hedging instruments			
– FX forward contracts	0	–	–
– Cross-currency interest rate swaps	68	6	-214
– Electricity derivatives	-4	–	–
Foreign currency revaluation of the net foreign operations	–	–	214
Amount reclassified to the income statement	**-107**	**–**	**–**
Tax	1	-1	–
Closing balance, Dec. 31	**-3**	**5**	**0**

Fair Value Hedge

Epiroc applies fair value hedging on foreign currency exposures and interest rate exposures. The strategy is to hedge part of EUR spot risk and the benchmark interest rate risk exposure of Epiroc's fixed foreign currency debt using cross-currency interest rate swaps. The hedged item's and hedging instrument's changes in fair value, related to changes in currency and interest rates, are recognized in the income statement within net financial items in the statement of financial position. Changes in foreign currency basis spread is recognized in cost of hedging in other comprehensive income.

The table shows impact of hedge accounting on the statement of financial position and hedge ineffectiveness as of 31 December 2025.

Hedging instruments	Classification	Nominal amount	Carrying amount	Change in fair value used for measuring ineffectiveness
EUR denominated debt	Hedged item	2 679	2 678	44
Cross-currency interest rate swaps	Hedged instrument	2 798	-125	-76
Ineffectiveness recognized in Profit or loss				-33
Accumulated change				**-55**

Any ineffectiveness is recognized in net financial items in the income statement. The hedging instruments are recognized on the line other assets or other liabilities in the statement of financial position.

Note 31 Related parties

Related-party transactions

Related parties are defined as the subsidiaries in the Epiroc Group and companies over which related physical persons have a controlling or significant influence. The Company's largest shareholder, Investor AB, controls approximately 23% of the voting rights in Epiroc AB. Related parties also include transactions with associated companies. Related persons include Board members, senior executives and close family members of the above.

No Board member, senior officer or shareholder has:

(i) been a party to a transaction with the Company on unusual terms or of an unusual nature, or

(ii) that is of importance, or has been of importance, for operations as a whole in the present or immediately preceding fiscal year, or in any previous fiscal year, and in any way may be considered outstanding or incomplete.

Information about participation in Group companies can be found in note A19. The Group has transactions with related parties reported in note 4 where intercompany revenues account for a minor part of total revenues as presented in the note. The parent company's revenue of 175 (194) mainly entails allocation of centrally incurred administration costs. Information about remunerations and other benefits to key management personnel can be found in note 5 and in the Corporate governance report. All intra-group transactions take place on general and commercial terms and at market price.

Transactions with associated companies

The Group sold various products and purchased goods through certain associated companies on terms generally similar to those prevailing with unrelated parties.

The following table summarizes the Group's related-party transactions with its associates.

	2025	2024
Revenues	79	87
Goods purchased	-8	-17
Services purchased	0	–
At Dec. 31:		
Trade receivables	4	7
Trade payables	1	8

Note 32 Events after the reporting period

On March 9, 2026, Epiroc agreed to acquire Eventspec Proprietary Limited, a South African mining aftermarket solutions provider. The company manufactures parts for drill rigs, mine trucks and loaders, and provides related rebuilds, repairs and services, has around 120 employees and had revenues in 2025 of around MSEK 160. The acquisition is subject to customary regulatory filings and is expected to be completed in the early part of the third quarter 2026.

Parent company financial information

Income statement

January - December, MSEK	Note	2025	2024
Administrative expenses	A2	-280	-264
Marketing expenses		-25	-32
Other operating income	A3	178	195
Other operating expenses	A3	-19	-10
Operating profit		**-146**	**-111**
Financial income	A4	644	700
Financial expenses	A4	-692	-764
Profit after financial items		**-194**	**-175**
Appropriations	A5	4 179	5 318
Profit before tax		**3 985**	**5 143**
Income tax	A6	-817	-1 046
Profit for the year		**3 168**	**4 097**

Statement of comprehensive income

January - December, MSEK	Note	2025	2024
Profit for the year		3 168	4 097
Total comprehensive income for the year		**3 168**	**4 097**

Balance sheet

MSEK	Note	2025	2024
Assets			
Non-current assets			
Intangible assets		34	6
Tangible assets		5	6
Shares in Group companies	A8, A18	46 274	46 260
Other financial assets	A9	15 062	15 055
Deferred tax assets	A7	29	31
Total non-current assets		**61 404**	**61 358**
Current assets			
Income tax receivable		407	279
Other receivables	A10	4 186	6 662
Cash and cash equivalents	A16	0	0
Total current assets		**4 593**	**6 941**
Total assets		**65 997**	**68 299**
Equity and liabilities			
Equity	A11		
Share capital		500	500
Legal reserve		3	3
Total restricted equity		**503**	**503**
Retained earnings		44 657	45 044
Profit for the year		3 168	4 097
Total non-restricted equity		**47 825**	**49 141**
Total equity		**48 328**	**49 644**
Provisions			
Post-employment benefits	A12	57	47
Other provisions	A13	66	82
Total provisions		**123**	**129**
Liabilities			
Non-current liabilities			
Borrowings	A14	14 574	17 036
Total non-current liabilities		**14 574**	**17 036**
Current liabilities			
Borrowings	A14	2 482	1 111
Other liabilities	A15	490	379
Total current liabilities		**2 972**	**1 490**
Total equity and liabilities		**65 997**	**68 299**

Statement of changes in equity

2025, MSEK	Number of shares outstanding	Share capital	Legal reserve	Retained earnings	Total Equity
Opening balance, Jan. 1	1 208 376 598	500	3	49 141	49 644
Total comprehensive income for the year	–	–	–	3 168	3 168
Dividend	–	–	–	-4 594	-4 594
Divestment of series A shares	666 914	–	–	142	142
Share-based payment, equity-settled					
– expense during the year	–	–	–	9	9
– exercise option	–	–	–	-41	-41
Closing balance, Dec. 31	**1 209 043 512**	**500**	**3**	**47 825**	**48 328**

2024, MSEK	Number of shares outstanding	Share capital	Legal reserve	Retained earnings	Total Equity
Opening balance, Jan. 1	1 206 970 688	500	3	49 425	49 928
Total comprehensive income for the year	–	–	–	4 097	4 097
Dividend	–	–	–	-4 591	-4 591
Divestment of series A shares	1 405 910	–	–	290	290
Share-based payment, equity-settled					
– expense during the year	–	–	–	13	13
– exercise option	–	–	–	-93	-93
Closing balance, Dec. 31	**1 208 376 598**	**500**	**3**	**49 141**	**49 644**

See note A11 for additional information.

Statement of cash flows

January - December, MSEK	Note	2025	2024
Cash flow from operating activities			
Operating profit		-146	-111
Adjustments for:			
Depreciation, amortization and impairment		1	1
Capital gain/loss and other non-cash items		-60	-162
Operating cash flow surplus/deficit		**-205**	**-272**
Net financial items received/paid		-36	-54
Group contributions received		5 318	5 847
Taxes paid		-945	-1 096
Cash flow before change in working capital		**4 132**	**4 425**
Change in:			
Operating receivables		1 443	-2 236
Operating liabilities		7	4
Change in working capital		**1 450**	**-2 232**
Net cash flow from operating activities		**5 582**	**2 193**
Cash flow from investing activities			
Investments in intangible assets		-29	-7
Proceeds to/from other financial assets, net		-473	-4 912
Net cash flow from investing activities		**-502**	**-4 919**
Cash flow from financing activities			
Dividend		-4 594	-4 591
Divestment of own shares		142	290
Borrowings		2 517	11 958
Repayment of borrowings		-3 145	-4 931
Net cash flow from financing activities		**-5 080**	**2 726**
Net cash flow for the year		**0**	**0**
Cash and cash equivalents, Jan. 1		0	0
Net cash flow for the year		0	0
Cash and cash equivalents, Dec. 31		**0**	**0**

Parent company notes

Note A1 Accounting policies

Epiroc AB is the ultimate Parent Company of the Epiroc Group and is headquartered in Nacka, Sweden. The financial statements of Epiroc AB have been prepared in accordance with the Swedish Annual Accounts Act and the recommendation RFR 2, "Accounting for Legal Entities", hereafter referred to as "RFR 2", issued by the Swedish Financial Reporting Board. In accordance with RFR 2, parent companies that issue consolidated financial statements according to IFRS Accounting Standards, as endorsed by the European Union, shall present their financial statements in accordance with IFRS, to the extent these accounting policies comply with the Swedish Annual Accounts Act and may use exemptions from IFRS provided by RFR 2 due to Swedish accounting or tax legislation. The financial statements are presented in Swedish krona (SEK), which is the accounting currency for Epiroc AB and also the presentation currency. Unless otherwise stated, the amounts presented are in millions Swedish krona (MSEK).

The Parent Company's accounting policies have been consistently applied to all periods presented unless otherwise stated. The financial statements are prepared using the same accounting policies as described in note 1 in the Group's consolidated financial statements, except for those disclosed in the following sections. For information regarding accounting estimates and judgments, see note 2 in the Group's consolidated financial statements.

Subsidiaries

Participations in subsidiaries are accounted for by the Parent Company at historical cost. The carrying amounts of participations in subsidiaries are reviewed for impairment in accordance with IAS 36, Impairment of Assets. See the Group's accounting policies, Impairment of financial assets, for further details. Transaction costs incurred in connection with a business combination are accounted for by the Parent Company as part of the acquisition costs and are not expensed.

Lease contracts

The Parent Company recognizes leases in accordance with the exemption rule for IFRS 16 provided in RFR 2. All lease contracts entered into by the Parent Company are accounted for as operating leases.

Employee benefits

Defined benefit plans

Defined benefit plans are not accounted for in accordance with IAS 19. In the Parent Company defined benefit plans are accounted for according to the Swedish law regarding pensions,"Tryggandelagen", and regulations issued by the Swedish Financial Supervisory Board. The primary differences as compared to IAS 19 are the way discount rates are fixed, the calculation of defined benefit obligations is based on current salary levels, without consideration of future salary increases and all actuarial gains and losses are included in profit or loss as they occur.

Share-based payments

The share-based payments that the Parent Company has granted to employees in the Parent Company are accounted for using the same principle as described in note 25 in the Group's consolidated financial statements. The share- based payments that the Parent Company has granted to employees in subsidiaries are not accounted for as an employee expense in the Parent Company, but are recognized against Shares in Group companies. This vesting cost is accrued over the same period as in the Group and with a corresponding increase in equity for equity-settled programs and as a change in liabilities for cash-settled programs.

Financial guarantees

Financial guarantees issued by the Parent Company for the benefit of subsidiaries are not valued at fair value. They are reported as contingent liabilities, unless it is probable that the guarantees will lead to payments. In such case, provisions will be recorded.

Financial instruments

The Parent Company applies the exemption rule for IFRS 9 "Financial instruments", in accordance with RFR 2, which means that all financial instruments are reported in accordance with a method based on cost, in accordance with the Swedish Annual Accounts Act, except for impairment of financial assets where the policies for expected credit losses are applied. The Parent Company does not apply hedge accounting.

Group and shareholders' contributions

In Sweden, group contributions are deductible for tax purposes but shareholders' contributions are not. Group contributions are recognized as appropriations in the income statement. Shareholders' contributions are recognized as an increase of shares in group companies and tested for impairment.

Note A2 Employees, personnel expenses and remunerations to auditors

AVERAGE NUMBER OF EMPLOYEES

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sweden	31	23	54	31	22	53

WOMEN ON EPIROC BOARD OF DIRECTORS AND GROUP MANAGEMENT, %

	Dec. 31, 2025	Dec. 31, 2024
Board of Directors excl. union representatives	56	56
Group Management	33	23

REMUNERATION AND OTHER BENEFITS

	2025		2024	
	Board members and Group Management [1]	Other employees	Board members and Group Management [1]	Other employees
Sweden	43	52	41	57
of which variable compensation [1]	6	-	4	-

[1] Includes 8 (8) board members who receive fees from Epiroc AB as well as the President and CEO and 4 (4) members of the Group Management who are employed by and receive remuneration and other benefits from the Parent Company.

For information regarding remuneration and other fees for members of the Board, the President and CEO, and other members of Group Management, see note 5, in the consolidated financial statements.

PENSION BENEFITS AND OTHER SOCIAL COSTS

	2025	2024
Contractual pension benefits for Board Members and Group Management	9	9
Contractual pension benefits for other employees	12	12
Other social costs	29	20
Total	**50**	**41**

REMUNERATIONS TO AUDITORS

	2025	2024
Ernst & Young		
Audit fees	10	9
Audit activities other than audit assignment	3	-
Tax services	0	0
Other services	3	2
Total	**16**	**11**

Audit fees refer to audit of the financial statements and accounting records. For the Parent Company the audit also includes the administration of the business by the Board of Directors, the President and CEO. Audit activities other than the audit assignment refer, for example, to comfort letters and the limited assurance report on Epiroc's Sustainability report. At the Annual General Meeting 2025, Ernst & Young was elected as auditor for the Group until the Annual General Meeting 2026.

Note A3 Other operating income and expenses

OTHER OPERATING INCOME

	2025	2024
Management fees [1]	175	194
Foreign exchange gains	-	1
Other operating income	3	0
Total	**178**	**195**

OTHER OPERATING EXPENSES

	2025	2024
Management fees [2]	-17	-10
Foreign exchange losses	-2	-
Other operating expenses	0	0
Total	**-19**	**-10**

[1] Income related to services for common group functions in Parent Company.
[2] Expenses related to services for common group functions in Epiroc Rock Drills AB.

Note A4 Financial income and expenses

	2025	2024
Assets measured at amortized cost		
Interest income		
– cash and cash equivalents	0	0
– receivables from Group companies	616	695
– other	28	1
Interest income at effective interest method	**644**	**696**
Net foreign exchange gain	-	4
Financial income	**644**	**700**
Liabilities measured at amortized cost		
Interest expenses		
– borrowings	-650	-747
– liabilities to Group companies	-38	-17
Interest expenses at effective interest method	**-688**	**-764**
Net foreign exchange loss	-4	-
Financial expenses	**-692**	**-764**
Financial expenses, net	**-48**	**-64**

Note A5 Appropriations

	2025	2024
Group contributions paid	-292	-188
Group contributions received	4 471	5 506
Total	**4 179**	**5 318**

Note A6 Income tax

	2025	2024
Current tax	-816	-1 048
Deferred tax	-1	2
Total	**-817**	**-1 046**

	2025	2024
Profit before tax	3 985	5 143
The Swedish corporate tax rate, %	20.6	20.6
National tax based on profit before taxes	-821	-1 060
Tax effect of:		
Non- deductible expenses	-1	0
Tax- exempt income	5	16
Adjustments from prior years	0	-2
Total	**-817**	**-1 046**
Effective tax in %	20.5	20.3

Note A7 Deferred tax assets and liabilities

DEFERRED TAX ASSETS AND LIABILITIES

	2025			2024		
	Assets	Liabilities	Net balance	Assets	Liabilities	Net balance
Post-employment benefits	13	–	13	12	–	12
Other provisions	16	–	16	19	–	19
Net deferred tax assets/liabilities	**29**	**–**	**29**	**31**	**–**	**31**

	2025	2024
Net balance, Jan. 1	31	28
Charges to profit for the year	-2	3
Net balance, Dec. 31	**29**	**31**

Note A8 Shares in Group companies

	2025	2024
Accumulated cost		
Opening balance, Jan. 1	46 260	46 261
Shareholder contributions	14	-1
Closing balance, Dec. 31	**46 274**	**46 260**

For further information about Group companies, see note A18 and A19.

Note A9 Other financial assets

	2025	2024
Receivables from Group companies	15 006	15 006
Endowment insurance	53	47
Financial assets classified as loans and receivables		
- other financial receivables	3	2
Closing balance, Dec. 31	**15 062**	**15 055**

Endowment insurance relates to defined contribution pension plans and is pledged to the pension beneficiary (see notes A12 and A17).

Note A10 Other receivables

	2025	2024
Receivables from Group companies	4 139	6 611
Other receivables	3	1
Prepaid expenses and accrued income	44	50
Closing balance, Dec. 31	**4 186**	**6 662**

Note A11 Equity

For information on share transactions, mandates approved by the Annual General Meeting and proposed dividend for 2025, see note 21 in the consolidated financial statements.

The Parent Company's equity includes a legal reserve which is part of restricted equity and is not available for distribution.

Note A12 Post-employment benefits

	2025			2024		
	Defined contribution pension plan	Defined benefit pension plan	Total	Defined contribution pension plan	Defined benefit pension plan	Total
Opening balance, Jan. 1	47	0	47	40	18	58
Provision made	7	3	10	7	2	9
Provision used	-1	0	0	0	0	0
Provision reversed	-	-	-	–	-20	-20
Closing balance, Dec. 31	**53**	**3**	**57**	**47**	**0**	**47**

The Parent Company has endowment insurance of 53 (47) relating to defined contribution pension plans. The insurance is recognized in other financial assets, and pledged to the pension beneficiary.

Description of defined benefit pension plans

The Parent Company has one defined benefit pension plan. The ITP plan is a final salary pension plan covering employees in Epiroc AB and the benefits are secured through the Epiroc pension trust.

	2025			2024		
	Funded pension	Unfunded pension	Total	Funded pension	Unfunded pension	Total
Defined benefit obligations	23	3	26	22	0	22
Fair value of plan assets [1)]	-23	-	-23	-22	–	-22
Present value of net obligations	**0**	**3**	**3**	**0**	**0**	**0**
Not recognized surplus	-	-	-	–	–	–
Net amount recognized in balance sheet	**0**	**3**	**3**	**0**	**0**	**0**

RECONCILIATIONS OF DEFINED BENEFIT OBLIGATIONS

	2025			2024		
	Funded pension	Unfunded pension	Total	Funded pension	Unfunded pension	Total
Defined benefit obligations at Jan. 1	22	0	22	–	18	18
Service cost	1	3	4	2	2	4
Other changes in obligations [1)]	-	-	-	20	-20	0
Benefits paid from plan	0	-	0	0	–	0
Defined benefit obligations at Dec. 31	**23**	**3**	**26**	**22**	**0**	**22**

PENSION COMMITMENTS PROVIDED FOR IN THE BALANCE SHEET

	2025	2024
Costs excluding interest	3	3
Total	**3**	**3**
Pension commitments provided for through insurance contracts		
Service cost	7	7
Total	**7**	**7**
Net cost for pensions, excluding taxes	**10**	**10**
Special employer's contribution	5	5
Total	**15**	**15**

Note A13 Other provisions

	2025	2024
Opening balance, Jan. 1	82	146
During the year		
– provisions used	-33	-55
– provisions reversed	17	-9
Closing balance, Dec. 31	**66**	**82**

Other provisions primarily include provisions for costs related to employee option programs accounted for in accordance with IFRS 2 and UFR 7.

Note A14 Borrowings

		2025		2024	
	Maturity	Carrying amount	Fair Value	Carrying amount	Fair Value
Non-current					
Medium Term Note Program MSEK 1 000, Fixed	2026	-	-	999	981
Medium Term Note Program MSEK 1 000, Floating	2026	-	-	999	1 009
Medium Term Note Program MSEK 1 500, Fixed	2027	499	506	1 499	1 561
Medium Term Note Program MSEK 500, Floating	2027	1 499	1 554	500	508
Medium Term Note Program MSEK 1 000, Fixed	2028	999	1 054	999	1 056
Medium Term Note Program MSEK 500, Floating	2028	499	509	499	509
Medium Term Note Program MSEK 500, Fixed	2029	500	540	500	541
Medium Term Note Program MEUR 500, Fixed	2031	5 357	5 654	5 681	6 032
Bilateral borrowings MSEK 1 000, Floating	2027	1 000	1 027	999	1 043
Bilateral borrowings MSEK 2 000, Floating	2030	1 996	2 058	1 996	2 042
Bilateral borrowings MSEK 1 000, Floating	2030	998	1 036	997	1 042
Bilateral borrowings MAUD 200, Floating	2034	1 228	1 385	1 368	1 563
Total non-current borrowings		**14 574**	**15 322**	**17 036**	**17 887**
Current					
Medium Term Note Program MSEK 1 000, Fixed	2026	1 000	1 001	-	-
Medium Term Note Program MSEK 1 000, Floating	2026	998	1 004	-	-
Commercial papers		484	484	1 111	1 111
Total current borrowings		**2 482**	**2 489**	**1 111**	**1 111**
Closing balance, Dec. 31		**17 056**	**17 811**	**18 147**	**18 998**
Of which external borrowings		**17 056**	**17 811**	**18 147**	**18 998**

The difference between carrying value and fair value relates to the measurement method as certain liabilities are reported at amortized cost and not at fair value. Changes in interest rates and credit margins create the difference between fair value and amortized cost.

Note A15 Other liabilities

	2025	2024
Accounts payable	19	25
Liabilities to Group companies	148	17
Other financial liabilities	12	11
Accrued expenses and prepaid income	311	326
Closing balance, Dec. 31	**490**	**379**

Accrued expenses include items such as social costs, vacation pay liability and accrued interest.

Note A16 Financial risk management

FINANCIAL CREDIT RISK

	2025	2024
Cash and cash equivalents	0	0
Receivables from Group companies, current	4 139	6 611
Receivables from Group companies, non-current	15 006	15 006
Total	**19 145**	**21 617**

Financial credit risk

Credit risk on financial transactions is the risk that the Parent Company incurs losses as a result of non- payment by counterparties related to the Parent Company's investments and bank deposits. Cash, cash equivalents and receivables from Group companies are subject to impairment testing according to the expected credit loss model. During 2025 the impairment was insignificant and therefore not recognized. The table above shows the actual exposure of financial instruments as of December 31.

Note A17 Pledged assets and contingent liabilities

	2025	2024
Pledged assets for pension commitments		
Endowment insurance	53	47
Total pledged assets for pension commitments	**53**	**47**
Contingent liabilities		
Sureties and other contingent liabilities		
– for external parties	-1	0
– for Group companies	1 317	1 809
Total contingent liabilities	**1 316**	**1 809**
Total	**1 369**	**1 856**

Sureties and other contingent liabilities include commercial and financial bank guarantees and parent company guarantees.

Note A18 Directly owned subsidiaries

	2025			2024		
	Number of shares	Percent held (%)	Carrying value	Number of shares	Percent held (%)	Carrying value
Epiroc Rock Drills AB, 556077-9018, Örebro	1 026 897	100	46 269	1 026 897	100	46 255
Certus Insurance Inc, 371238, Burlington, VT	100 000	100	5	100 000	100	5
Epiroc Mining India Ltd, U29309PN2017PLC171542, Pune	-	-	-	1	0	0
Carrying amount, Dec. 31			**46 274**			**46 260**

Note A19 Related parties

Relationships

The Parent Company has related party relationships with its largest shareholders, its subsidiaries, its associates and with its Board members and Group Management. The Parent Company's largest shareholder, Investor AB, controls approximately 23% of the voting rights in Epiroc AB. The subsidiaries that are directly owned by the Parent Company are presented in note A18 and all directly and indirectly owned operating subsidiaries are listed on the following pages. Information about Board members and Group Management is presented in the Corporate governance report.

Transactions and outstanding balances

The Group has not had any transactions with Investor AB during the year and has no outstanding balances with Investor AB. Investor AB has controlling or significant influence in companies which Epiroc AB may have transactions with in the normal course of business. Any such transactions are made on commercial terms. The following table summarizes the Parent Company's transactions with Group companies:

	2025	2024
Revenues		
Group contribution	4 471	5 506
Interest income	616	695
Expenses		
Group contribution	-292	-188
Interest expenses	-38	-17
Receivables		
Receivables, current	4 139	6 611
Receivables, non-current	15 006	15 006
Liabilities	**148**	**17**
Guarantees	**1 317**	**1 809**

Directly and indirectly owned subsidiaries (excluding branches), presented by country of incorporation:

Country	Company	Location (City)
Argentina	Epiroc Argentina S.A.C.I	Buenos Aires
Australia	3D-P Australia Pty Ltd	Southbank, VIC
	Active Core Technology Pty Ltd	Murarrie, QLD
	ASI Mining Pty Ltd	Perth, WA
	Beyond Voice Radio Pty Ltd	East Victoria Park, WA
	Corescan Pty Ltd	Ascot, WA
	Coreshed Pty Ltd	Ascot, WA
	CQMS Casting Pty Ltd	Murarrie, QLD
	CQMS Finance Pty Ltd	Murarrie, QLD
	CQMS Group Holdings 1 Pty Ltd	Murarrie, QLD
	CQMS Group Holdings Pty Ltd	Murarrie, QLD
	CQMS Holdings Pty Ltd	Murarrie, QLD
	CQMS Pty Ltd	Murarrie, QLD
	CQMS Razer Pty Ltd	Murarrie, QLD
	CR Australia Holding Pty Ltd	Murarrie, QLD
	Epiroc Australia Pty Ltd	Perth Airport, WA
	Epiroc Financial Solutions Australia Pty Ltd	Perth Airport, WA
	Epiroc South Pacific Holdings Pty Ltd	Perth Airport, WA
	Gen Z Energy Pty Ltd	East Victoria Park, WA
	GeoLease Pty Ltd	Ascot, WA
	Geoscan Pty Ltd	Ascot, WA
	GET Trakka Pty Ltd	Balcatta, WA
	Hylogging Systems Pty Ltd	Ascot, WA
	JTMEC Holdings Pty Ltd	Perth Airport, WA
	JTMEC Projects Pty Ltd	Perth Airport, WA
	JTMEC Pty Ltd	Perth Airport, WA
	Kinetic Logging Services Pty Ltd	Perth Airport, WA
	ProReman Pty Ltd	Wacol, QLD
	Radlink Holdings Pty Ltd	Perth, WA
	Radlink Management Pty Ltd	East Victoria Park, WA
	Radlink Networks Pty Ltd	East Victoria Park, WA
	Radlink Pty Ltd	East Victoria Park, WA
	Radlink Solutions Pty Ltd	East Victoria Park, WA
	Remote Control Technologies Pty Ltd	Kewdale, WA
Austria	Epiroc Österreich GmbH	Vienna
Belgium	Epiroc Belgium Distribution NV	Etterbeek
Bolivia	Epiroc Bolivia Equipos y Servicios S.A.	La Paz
Bosnia and Herzegovina	Epiroc B-H d.o.o.	Sarajevo
Botswana	Epiroc Botswana (Pty) Ltd	Gaborone
Brazil	Epiroc Brasil Comercializacao De Produtos E Servicos Para Mineracao E Construcao Ltda	Sao Paulo
Bulgaria	Epiroc Bulgaria EOOD	Sofia
Burkina Faso	Epiroc Burkina Faso SARL	Ouagadougou
Canada	Corescan Ltd	Vancouver, BC
	CQMS Razer Canada Pty Ltd	Vancouver, BC
	CWS Industries (MFG) Corp.	Vancouver, BC
	Epiroc Canada Holding Inc.	Toronto, ON
	Epiroc Canada Inc.	Toronto, ON
	Evtech Solutions Ltd	Calgary, AB
	Fordia Group Inc.	Montreal, QC
	Meglab Electronique Inc.	Val D`Or, QC
Chile	CQMS Razer (Chile) S.A.	Santiago
	Epiroc Chile S.A.C.	Santiago
	Epiroc Distribution Chile SpA	Santiago
	Epiroc Financial Solutions Chile Ltda	Santiago
	Fordia Sudamerica Ltd	Santiago
	Mining Tag S.A.	Santiago
	Perfomex Chile SpA	Santiago
China	CQMS Razer (Hong Kong) Mining Equipment Co., Ltd	Hong Kong
	CR (Ningbo) Mining Equipment Co., Ltd	NingBo
	Dongying CQMS Razer Mining Equipment Co., Ltd	Dongying
	Epiroc (Nanjing) Construction and Mining Equipment Co., Ltd	Nanjing
	Epiroc (Shenyang) Trading Co., Ltd	Shenyang
	Epiroc (Zhangjiakou) Construction & Mining Equipment Co., Ltd	Zhangjiakou
	Epiroc Hong Kong, Ltd	Hong Kong

Country	Company	Location (City)
	Epiroc Tools and Attachments (Shanghai) Co., Ltd	Shanghai
	Epiroc Trading Co., Ltd	Nanjing
	Fordia (Changzhou) Mining Equipment Co., Ltd	Changzhou
	GIA (Nanjing) Mining Equipment Co., Ltd	Nanjing
	Hefei Intaca Science & Technology Development Co., Ltd	Hefei
Colombia	Epiroc Colombia S.A.S	Bogota
Croatia	Epiroc Croatia d.o.o.	Zagreb
Czech Republic	Epiroc Czech Republic s.r.o.	Prague
Democratic Republic of the Congo	Epiroc DRC SARLU	Lubumbashi
	Epiroc Services DRC SAS	Kolwezi
Dominican Republic	Epiroc Republica Dominicana, S. A. S.	Santo Domingo
Ecuador	Epiroc Ecuador S.A.	Guayaquil
Estonia	Sautec AS	Tallinn
Finland	Epiroc Finland Oy Ab	Vantaa
France	Ateliers De Construction Du Beaujolais SAS	Saint-Lager
	Dubuis et Cie SAS	Villebarou
	Epiroc France SAS	Cergy Pontoise
	SCI ACB	Saint-Lager
Germany	Construction Tools GmbH[1)]	Essen
	Construction Tools Solution Center GmbH[1)]	Essen
	Epiroc Deutschland GmbH[1)]	Essen
Ghana	Epiroc Equipment Ghana Ltd	Accra
Greece	Epiroc Hellas Single Member S.A.	Athens
India	Epiroc Mining India Private Ltd	Pune
Indonesia	PT Epiroc Southern Asia	Jakarta
Italy	Epiroc Italia S.r.l.	Milan
Ivory Coast	Epiroc Cote d'ivoire Sarl	Abidjan
Japan	Epiroc Japan KK	Kanagawa
Kazakhstan	Epiroc Central Asia LLP	Astana
Kenya	Epiroc Eastern Africa Ltd	Nairobi
Kyrgyzstan	Epiroc Kyrgyzstan LLC	Bishkek
Laos	Epiroc (Lao) Sole Co. Ltd	Ban Phiavat
Liberia	Epiroc Liberia, Inc.	Monrovia
Mali	Epiroc Mali SARL	Bamako
Mexico	Corescan, S.A. de C.V.	Hermosillo
	Epiroc México, S.A. de C.V.	Tlalnepantla
	Refacciones Neumáticas La Paz, S.A. de C.V.	Matehuala
Mongolia	Epiroc Mongolia LLC	Ulaanbaatar
	Modern Machine Engineers Gobi LLC	Khanbogd soum
Morocco	Epiroc Maroc SARL	Casablanca
Mozambique	Epiroc Moçambique Limitada	Maputo
Namibia	Epiroc Mining (Namibia) (Pty) Ltd	Windhoek
North Macedonia	Epiroc North Macedonia DOOEL	Skopje
Norway	Epiroc Norge AS	Langhus
Panama	Epiroc Central América S.A.	Panama
Peru	Corescan S.A.C.	San Bora
	Epiroc Perú S.A.	Lima
	Fordia Andina S.A.C.	Lima
	Mining Tag Peru S.A.C.	Lima
	Perfomex Perú S.A.C.	Lima
Philippines	Epiroc Global Business Services Inc.	Santa Rosa
	Epiroc Philippines Inc.	Laguna
Poland	Epiroc Polska Sp. z o.o.	Warsaw
Portugal	Epiroc Portugal Unipessoal Lda	Porto Salvo
Russia	Epiroc RUS LLC	Moscow
Serbia	Epiroc Srbija a.d.	Belgrade
Singapore	Epiroc Singapore Distribution Pte. Ltd	Singapore
South Africa	Aard Mining Equipment (Pty) Ltd	Krugersdorp
	Central Queensland Mining Supplies (Africa) Proprietary Ltd	Germinston
	CHT Beleggings (Pty) Ltd	Aeroton
	Elytica (Pty) Ltd	Potchefstroom
	Epiroc Digital Hub South Africa (Pty) Ltd	Centurion
	Epiroc Digital Safety Solutions South Africa (Pty) Ltd	Centurion

Country	Company	Location (City)
	Epiroc Holdings South Africa (Pty) Ltd	Boksburg
	Epiroc South Africa (Pty) Ltd	Boksburg
	Fordia South Africa (Pty) Ltd	Alberton
	Innovative Mining Products (Pty) Ltd	Aeroton
	K2024020098 (SOUTH AFRICA) (Pty) Ltd	Krugersdorp
	K2024020117 (SOUTH AFRICA) (Pty) Ltd	Krugersdorp
	Keep Investments (Pty) Ltd	Aeroton
	New Concept Mining (Pty) Ltd	Aeroton
	Nicaud Companies 22 (Pty) Ltd	Aeroton
	Polkadots Properties 117 (Pty) Ltd	Krugersdorp
	Retfin 211 (Pty) Ltd	Aeroton
	WECO (Pty) Ltd	Krugersdorp
South Korea	D and A Heavy Industries Co.,Ltd	Seoul
	Epiroc Korea Co., Ltd	Seongnam
Spain	Epiroc Minería e Ingeniería Civil España, S.L	Coslada
Sweden	Construction Tools PC AB	Kalmar
	Epiroc Drilling Tools AB	Fagersta
	Epiroc Financial Solutions AB	Nacka
	Epiroc Gällersta Gryt 4:9 HB	Örebro
	Epiroc Hjullastaren 1 Fastighets AB	Örebro
	Epiroc Rock Drills AB	Örebro
	Epiroc Sweden AB	Norsborg
	Epiroc Treasury AB	Nacka
Switzerland	Epiroc Schweiz AG	Studen
Tanzania	Epiroc Tanzania Ltd	Dar es Salaam
Thailand	Epiroc (Thailand) Ltd	Bangna
Turkey	Epiroc Makina AS	Istanbul
Ukraine	Epiroc Ukraine LLC	Kiev
United Arab Emirates	Epiroc Middle East FZE	Dubai
United Kingdom	Corescan Ltd	Kensington
	Epiroc UK and Ireland Ltd	Hemel Hempstead
USA	Certus Insurance Inc.	Burlington, VT
	Corescan Inc.	Chapel Hill, NC
	CPE Acquisition Co.	Ooltewah, TN
	CR Americas Inc.	Portland, OR
	CR Mining Equipment (USA) LLC	Portland, OR
	Epiroc Drilling Solutions LLC	Garland, TX
	Epiroc Drilling Tools LLC	Fort Loudon, PA
	Epiroc Financial Solutions USA LLC	Garland, TX
	Epiroc Industrial Tools and Attachments LLC	Milwaukie, OR
	Epiroc North America Corp.	Garland, TX
	Epiroc Surface Mining Automation Center LLC	Logan, UT
	Epiroc USA LLC	Commerce City, CO
	EPRC Export Corp.	Garland, TX
	Italparts USA LLC	Garland, TX
	JCAC Technologies Inc.	Payson, AZ
	JRB Attachments LLC	Akron, OH
	Paladin Brands Group Inc.	Milwaukie, OR
	Pengo Corp.	Milwaukie, OR
	Sweepster Attachments LLC	Dexter, MI
Uzbekistan	Epiroc Mining and Construction Technique FE LLP	Tashkent
Zambia	Epiroc Zambia Ltd	Chingola
Zimbabwe	Epiroc Zimbabwe (Private) Ltd	Harare

[1] These companies have made use of the exemption rights under Sec. 264 para. 3 of the German Commercial Code (HGB) since 2018.

Note A20 Events after the reporting period

No significant events have occurred after the balance sheet date.

Signatures of the Board of Directors

The financial statements have been prepared in accordance with generally accepted accounting policies in Sweden and the consolidated financial statements have been prepared in accordance with International Accounting Standards as prescribed by the European Parliament and the Regulation (EC) No 1606/2002 dated July 19, 2002 on the application of International Accounting Standards.
The audited Annual Report for the Group and Parent Company provides a true and fair view of the business development, financial position and result of operation of the Parent Company and the consolidated Group and describes significant risks and uncertainties that the Parent Company and its subsidiaries face.
Furthermore, the annual accounts have been prepared in accordance with the sustainability reporting standards adopted pursuant to Article 29b of Directive 2013/34/EU and as well as the specifications adopted pursuant to Article 8.4 of the European Parliament Regulation (EU) 2020/852.

The content of this annual report was approved on March 18, 2026.

The annual report was signed by all on March 18, 2026.

Ronnie Leten
Chair of Board

Ulla Litzén
Board member

Anthea Bath
Board member

Helena Hedblom
Board member
President and CEO

Jeane Hull
Board member

Jenny Lindqvist
Board member

Johan Forsell
Board member

Sigurd Mareels
Board member

Fredric Stahl
Board member

Kristina Kanestad
Employee representative

Niclas Bergström
Employee representative

Our auditor's report regarding the annual accounts and the consolidated accounts was issued on March 18, 2026. Our limited assurance report regarding the statutory sustainability statement was issued on March 18, 2026.

Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Epiroc AB (publ), corporate identity number 556041-2149

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Epiroc AB (publ) except for the corporate governance statement on pages 57-78 and the statutory sustainability report on pages 79-158. The annual accounts and consolidated accounts of the company are included on pages 44-227 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 57-78 and the statutory sustainability report on pages 79-158. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition

Description

The group recognize revenue from a wide range of geographical markets and the revenues are generated from product- and product related offerings such as equipment and service. The timing of revenue recognition can vary from a point in time to recognition over time. Judgement may be required in assessing if control has been transferred to the customer and to determine the satisfaction of performance obligations.

Disclosures related to the group's accounting principles, critical accounting estimates and judgement are provided in note 4 and also provides disclosures regarding revenue disaggregated by operating segment and geography.

Based on the above, we have assessed the revenue recognition as a key audit matter in our audit.

.

How our audit addressed this key audit matter

In our audit we have assessed the group's processes for revenue recognition. Further, we have reviewed the group's accounting manual and assessed whether the policies for revenue recognition are in accordance with the applicable accounting standards.

We have on a sample basis examined significant revenue contracts and evaluated the identified performance obligations and determinations made regarding when performance obligations are considered satisfied. In addition, we have on a sample basis performed detailed revenue transaction testing and revenue data analytical procedures to assess the revenue recognition.

We have also assessed the appropriateness of the disclosures provided in the annual report.

Valuation of goodwill

Description

As at December 31, 2025, the carrying value of goodwill amounts to 14,531 MSEK (16,699 MSEK), which corresponds to 18 percent (20 percent) of the group's total assets. Goodwill is allocated to the group's different cash generating units. Goodwill is tested for impairment at least annually or whenever there are indicators of impairment. The test is carried out by comparing the recoverable amount to the carrying value. To calculate the recoverable amount management applies significant judgment and estimates regarding future cash flows, growth rate and discount rates. The impairment tests for 2025 did not result in any impairment.

Disclosures related to the group's accounting principles, significant accounting estimates and judgements as well as disclosures related to the impairment tests performed are provided in note 13.

Based on carrying value of the goodwill and the high degree of estimates required to perform the impairment tests, we have assessed the valuation of goodwill as a key audit matter in our audit.

How our audit addressed this key audit matter

In our audit, we have evaluated the group's process for conducting impairment tests. Based on established criteria, we have examined how the group identifies cash-generating units.

With support from our internal valuation specialists, we have evaluated the valuation methods used. We have assessed the reasonableness of assumptions, conducted sensitivity analysis, and compared them to historical outcomes.

Finally, we have assessed the appropriateness of the disclosures provided in the annual report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-43, 79-58 and 235-239. The other information also includes the remuneration report for 2025 which we obtained before the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Epiroc AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's

organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Epiroc AB (publ) for the financial year 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Epiroc AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's

judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 70-96 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB with Erik Sandström as auditor in charge, Box 7850, 103 99 Stockholm, was appointed auditor of Epiroc AB (pub) by the general meeting of the shareholders on 8 May 2025 and has been the company's auditor since 25 April 2022.

Stockholm, March 18, 2026

Ernst & Young AB

Erik Sandström

Authorized Public Accountant

This is the translation of the auditor's report in Swedish.

Auditor's limited assurance report on Epiroc AB's sustainability statement

To the General Meeting of the shareholders Epiroc AB, corporate identity number 556041-2149

Conclusion

We have conducted a limited assurance engagement of the sustainability statement prepared by Epiroc AB (the Company) for the financial year 2025. The sustainability statement is included on pages 79–158 of this document.
Based on our limited assurance engagement as described in the section Auditor's Responsibility, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects, prepared in accordance with the Swedish Annual Accounts Act, which includes:

- Whether the sustainability statement meets the requirements of ESRS
- Whether the process carried out by the Company to identify reported sustainability information has been conducted as described in the sustainability statement; and
- Compliance with the reporting requirements in Article 8 of the EU's Green Taxonomy Regulation.

Basis for Conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 – Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility under this recommendation is described in more detail in the section Auditor's Responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information than the sustainability statement

This document also contains other information than the sustainability statement, found on pages 1-78 and 159–239, excluding pages 228–234 and the topics included within the Incorporation by Reference table on page 83. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information, and we do not express any conclusion with assurance regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The information in the sustainability statement regarding the previous financial year has in some cases been subject to a review in the previous year and the limited assurance report in accordance with RevR6 was submitted on March 20, 2025. Other comparative figures in the sustainability report for the year 2025 have not been subject to review.

Responsibilities of the Board of directors and Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion whether the sustainability statement is prepared in accordance with Chapter 6, Sections 12–12 f of the Swedish Annual Accounts Act based on our limited assurance engagement.

The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement, and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards of professional practice, and applicable laws and regulations

We are independent of Epiroc AB in accordance with professional ethics for accountants in in Sweden and have otherwise fulfilled our ethical responsibilities according to these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepare the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:

Our review procedures regarding the sustainability statement included, but were not limited to the following:

- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement;
- Evaluating whether information identified as material through the process the Company has undertaken to identify the content of the sustainability statement is also included;
- Evaluating whether the structure and presentation of the sustainability statements are consistent with the requirements of ESRS;
- Conducting inquiries with relevant personnel and analytical review procedures regarding selected disclosures in the sustainability statements;
- Performing substantive review procedures based on a sample of selected disclosures in the sustainability statements;
- Obtain, through inquiries and analytical review procedures, support for the methods used for preparing material estimates and forward-looking information and on how these methods were applied;

Our review procedures regarding the process the company have undertaken to identify sustainability information to report included, but were not limited to the following:

- Obtaining an understanding of the process by:
  - Conducting inquiries to understand the sources of the information used by management (e.g., stakeholder dialogues, business plans, and strategy documents), and
  - Reviewing the company's internal documentation of its process; and
  - Evaluating whether the information obtained from our procedures regarding the process implemented by the company aligns with the description of the process in 90-91 in the sustainability statement.

Our review procedures regarding the taxonomy disclosures included but was not limited to the following review procedures:

- Obtaining an understanding of the process for identifying economic activities that are covered by and are consistent with the EU Green Taxonomy and the corresponding disclosures in the sustainability statement by:
  - Conducting inquiries to relevant personnel and analytical review procedures on the taxonomy disclosures;
  - Conducting inquiries to understand the sources of the information used in the taxonomy disclosures;
- Evaluating whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation;
- Performing substantive review procedures based on a sample of selected disclosures in the sustainability statement regarding the EU Green Taxonomy.

Inherent limitations

In reporting forward-looking information in accordance with ESRS, the board and management of Epiroc AB must prepare forward-looking information based on specified assumptions about events that may occur in the future and possible future activities of Epiroc AB. Actual outcomes are likely to differ as expected often do not occur as anticipated.

Stockholm, March 18, 2026
Ernst & Young AB

Erik Sandström
Authorized Public Accountant

Multi-year summary

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Growth										
*Orders received, MSEK	27 634	33 831	39 400	39 492	36 579	45 648	53 222	59 332	62 213	62 974
*Total order growth, %	+0	+22	+16	+0	-7	+25	+17	+11	+6	+1
*Organic order growth, %	+3	+20	+13	-5	+0	+26	+2	+1	+3	+7
Revenues, MSEK	27 102	31 364	38 285	40 849	36 122	39 645	49 694	60 343	63 604	61 998
Total revenue growth, %	-5	+16	+22	+7	-12	+10	+25	+21	+5	-3
*Organic revenue growth, %	-3	+14	+18	+1	-5	+12	+11	+9	+2	+2
*Book-to-bill, %	102	108	103	97	99	115	107	98	98	102
Costs										
Cost of sales, MSEK	-18 003	-20 101	-24 317	-25 547	-22 418	-24 192	-30 675	-37 197	-40 658	-39 024
Administrative expenses, MSEK	-1 879	-2 121	-2 589	-3 261	-2 817	-3 166	-3 628	-4 105	-4 531	-4 498
Marketing expenses, MSEK	-2 164	-2 280	-2 574	-2 797	-2 225	-2 313	-3 042	-3 959	-4 250	-4 021
Research and development expenses, MSEK	-662	-795	-977	-1 035	-1 032	-1 172	-1 438	-1 930	-2 282	-1 966
Research and development expenses, % of revenue	2.4	2.5	2.6	2.5	2.9	3.0	2.9	3.2	3.6	3.2
Profitability										
Gross profit, MSEK	9 099	11 263	13 968	15 302	13 704	15 453	19 019	23 146	22 946	22 974
*Gross margin, %	33.6	35.9	36.5	37.5	37.9	39.0	38.3	38.4	36.1	37.1
*EBITDA, MSEK	5 765	7 183	8 753	10 114	9 128	10 740	13 276	15 843	15 827	15 011
*EBITDA margin, %	21.3	22.9	22.9	24.8	25.3	27.1	26.7	26.3	24.9	24.2
*Adjusted operating profit, MSEK			7 779	8 582	7 669	9 098	11 755	13 117	12 624	12 962
*Adjusted operating margin, %			20.3	21.0	21.2	22.9	23.7	21.7	19.8	19.6
Operating profit, MSEK	4 548	5 930	7 385	8 136	7 382	8 995	11 147	13 183	12 385	11 925
*Operating margin, %	16.8	18.9	19.3	19.9	20.4	22.7	22.4	21.8	19.5	19.2
Profit before tax, MSEK	4 411	5 793	7 201	7 843	7 087	8 964	10 778	12 235	11 439	11 236
*Profit margin, %	16.3	18.5	18.8	19.2	19.6	22.6	21.7	20.3	18.0	18.1
Profit for the period, MSEK	3 231	4 298	5 437	5 884	5 410	7 069	8 411	9 458	8 756	8 599
Capital efficiency										
Capital employed, MSEK, period end	23 933	19 286	25 927	31 838	34 700	35 329	44 534	51 437	65 398	63 473
Average capital employed, MSEK	23 167	21 674	23 086	29 518	34 033	34 485	39 794	48 815	60 153	63 023
Average capital employed, excl. cash, MSEK	22 696	20 812	19 469	23 221	21 818	21 543	29 477	42 896	51 916	54 309
*Return on capital employed, %	19.6	27.4	32.0	27.6	21.7	26.1	28.0	27.0	20.6	18.9
*Capital employed turnover ratio		1.4	1.7	1.4	1.1	1.1	1.2	1.2	1.1	1.0
Net debt (+)/Net cash (-), MSEK		5 424	1 208	483	-4 137	-1 304	3 691	7 824	14 778	11 004
*Net debt/EBITDA ratio		0.75	0.14	0.05	-0.45	-0.12	0.28	0.49	0.93	0.73
*Net Debt/equity, %, period end		45.0	6.4	2.1	-17.4	-5.1	11.0	21.0	34.2	26.0
*Equity ratio, period end		43.7	52.1	55.6	54.1	53.1	54.2	54.9	51.7	52.6
Net working capital, MSEK, average		9 991	12 158	14 062	12 217	11 495	15 570	21 228	23 803	22 883
*Net working capital, MSEK, period end		10 173	12 897	13 153	10 571	12 186	18 564	21 736	24 322	22 026
*Average net working capital, % of revenue		31.9	31.8	34.4	33.8	29.0	31.3	35.2	37.4	36.9
Credit rating S&P, period end			BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+	BBB+
Cash generation										
*Operating cash flow, MSEK	4 880	4 610	3 884	6 688	7 006	6 867	5 662	6 211	9 132	7 726
Cash conversion rate, %, 12 months	151	107	71	114	130	97	67	66	104	90
Equity information										
Basic number of shares outstanding, millions	1 212	1 212	1 206	1 201	1 204	1 206	1 206	1 206	1 208	1 209

Diluted number of shares outstanding, millions	-	-	1 206	1 202	1 205	1 208	1 208	1 207	1 208	1 209
Equity per share, SEK, period end	12.70	9.94	15.63	19.02	19.71	21.38	27.80	30.80	35.70	35.00
Basic earnings per share, SEK	2.66	3.55	4.50	4.89	4.48	5.85	6.96	7.82	7.23	7.12
Diluted earnings per share, SEK	-	-	4.49	4.89	4.48	5.84	6.95	7.81	7.23	7.11
*Return on equity, %		29.1	33.2	28.3	22.7	29.5	28.4	26.8	22.2	20.9
*Operating cash flow per share, SEK	4.00	3.80	3.20	5.57	5.82	5.69	4.69	5.15	7.56	6.39
Dividend per share, SEK			2.10	2.40	2.50	3.00	3.40	3.80	3.80	3,80**
Payout ratio, %			47	49	56	51	49	49	53	53**
Redemption per share, SEK					3.00	-	-	-	-	-

* Several key figures are not defined according to IFRS. The alternative performance measures are marked with a * and are unchanged compared to previous periods. They provide complementary information aiming to help readers to analyze the company's operations and facilitate an evaluation of performance. Since not all companies calculate financial performance measures in the same manner, these are not always comparable with measures used by other companies. These financial performance measures should therefore not be regarded as a replacement for measures as defined according to IFRS. For a full list of financial definitions, non-IFRS measures and calculations, see next page.
** Proposed by the Board of Directors.

Financial definitions

Alternative performance measures

Key figure	Description	Reason for use
Adjusted operating margin	Adjusted operating profit in % of revenues.	A measurement of the operational profit which enables comparisons over time by excluding items that are irregular in frequency or size.
Adjusted operating profit	Operating profit adjusted for items affecting comparability.	Enables comparisons over time - and between companies - by excluding items that are irregular in frequency or size.
Book-to-bill	Orders received divided by revenues	An indicator of demand trends.
Cash conversion, %	Operating cash flow divided by net profit, rolling 12 months	The cash conversion rate measures how efficiently a company converts its net income into operating cash flow.
Capital employed (average)	Average total assets [1)] less average non-interest-bearing liabilities/provisions. Capital employed for the segments excludes cash, tax liabilities and tax receivables.	Shows how much of total capital is tied to operations.
Capital employed turnover ratio	Revenues [2)] divided by the average capital employed [1)].	Shows how efficiently Epiroc generates revenues from the capital utilized to run operations.
Capital turnover ratio	Revenues [2)] divided by average total assets [1)]	Shows how effectively total assets are used.
EBITA	Earnings before interest, taxes, and amortization and impairment of intangible assets. Alternatively; the operating profit plus amortization and impairment.	An indicator of cash generating ability.
EBITDA	Earnings before interest, taxes, depreciation and amortization. Alternatively; the operating profit plus depreciation, impairment and amortization.	An indicator of cash generating ability.
EBITDA margin	EBITDA as % of revenues.	An indicator of cash generating ability.
Equity ratio	Equity including non-controlling interests, as % of total assets.	A measure of financial risk showing how much of Epiroc's total assets that have been financed with equity.
Gross margin	Gross profit as % of revenues.	Measures how much of Epiroc's revenues are left after paying the costs of goods sold.
Items affecting comparability	Items such as operating profit/loss from acquisitions and divestments, one-time items (restructuring) and change in provision for share-based long-term incentive programs.	Shows how non-recurring items have affected the result.
Large orders	Orders above MSEK 100.	Shows orders impacting comparability.

Net debt	Interest-bearing liabilities and post-employment benefits, adjusted for the fair value of interest rate swaps, less cash and cash equivalents and certain other financial receivables.	A measurement of the financial position.
Net debt/EBITDA ratio	Net debt in relation to EBITDA.[2)]	A measurement of financial risk.
Net debt/equity ratio	Net debt in relation to equity, including non-controlling interests.	A measurement of financial risk.
Net working capital	Working capital net of inventories, trade receivables, trade payables, other operating assets and liabilities.	Measures Epiroc's liquidity and capital efficiency.
Operating cash flow	Cash flow from operations and cash flow from investing activities, excluding company acquisitions/divestments, as well as other adjustments.	Indicates Epiroc's ability to generate sufficient positive cash flow to maintain and grow operations.
Operating cash flow per share	Operating cash flow divided by basic number of shares outstanding.	Improves the ability to make comparisons over time.
Operating margin	Operating profit as % of revenues.	Helps monitor Epiroc's fulfillment of the financial goal of having market leading profitability.
Orders on hand	Orders on hand are orders that have been placed but not yet completed and recognized as revenues.	As from 2024, Epiroc does not include orders on hand (order book) in orders received when acquiring companies. The reported orders received in 2023 of MSEK 59 332 included orders on hand from acquired companies of MSEK 433 for the group, of which MSEK 30 for Equipment & Service and MSEK 402 for Tools & Attachments. Figures in the Admin report have been restated.
Order contracts	Order contracts refer to the value of ordered equipment, tools, solutions and services for which production and/or delivery is planned in the mid/long term, normally between 2-7 years.	A good indicator of demand for Epiroc's equipment and aftermarket in the mid term.
Orders received	Orders received refers to the value of ordered equipment, tools, solutions, and services for which there is a specific delivery date and quantity specified, and production and/or delivery is planned in the near or midterm, normally within a year.	A good indicator of demand for Epiroc's equipment and aftermarket in the long term.
Orders received growth	The total order growth includes the contribution from organic growth, currency and structure.	A good indicator of demand for Epiroc's equipment and aftermarket.
Organic growth	Organic growth is total growth excluding the contribution from currency and structure. Alternatively, the growth that is based on volume and price.	Explains how volume, price and product/service mix changes drive the growth.
Pay-out ratio	Dividend per share as % of basic earnings per share.	Facilitates monitoring of Epiroc's financial target of a payout ratio of 50%.
Profit margin	Profit before tax as % of revenues.	An indicator of profitability.

Return on capital employed	Operating profit [2] as % of average capital employed [1].	Measures how efficiently Epiroc generates profits from the capital utilized to run operations.
Return on equity	Profit for the period [2] divided by average equity, excluding non-controlling interest [1].	Shows Epiroc's ability to generate a return on the investments made by shareholders.

[1] Calculated as an average of five quarters. In 2016 and 2015, however, it was calculated as an average of two periods.
[2] 12 months' value.

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