SVEASKOG

ANNUAL REPORT AND SUSTAINABILITY REPORT

2025

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"Sveaskog is the State-owned forestry company and the country's largest forest owner. This is a responsibility we take seriously – with a long-term perspective, consideration and faith in the future."

Read more in the comments by the CEO on pages 4–6.

The statutory annual report, which includes the administration report, sustainability report, and financial statements, comprises pages 3, 9–10, 17, 29–161 and 165 .

Sweden's largest forest owner

Sveaskog owns 14 per cent of Sweden's forest land and has around 830 employees in the Group. The company is Sweden's largest forest owner – with the ambition to be the world leader in sustainable value creation in the forest. Sveaskog is owned by the Swedish State. The company's core business is forestry and the company is an independent player with no interests of its own as an end-user of wood raw materials. The company's mission is to conduct the business on a sustainable commercial basis and generate a market-based return. Related business can be conducted if it contributes to increasing the company's return.

100%
owned by the State

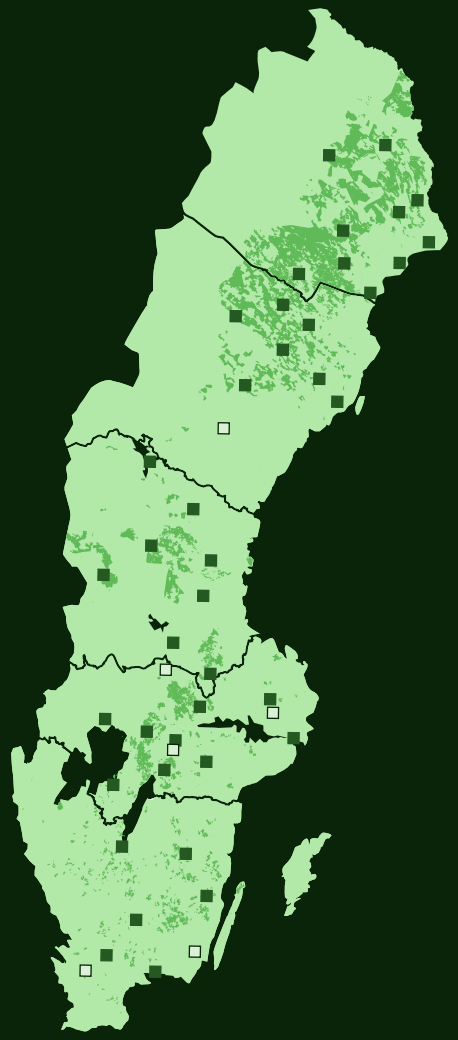
≈ 830
Employees

8,746
Million SEK in net sales

≈ 3
million hectares
productive forest land

26%
of holdings are
excluded from forestry

126
Million seedlings/year



Sveaskog owns

14%

of Sweden's forests

In 2025, Sveaskog's business activities were mainly conducted in one operational unit divided into five regions – Götaland, Svealand, Southern Norrland, Västerbotten and Norrbotten. In 2026, the five regions became four regions – Götaland, Central Sweden, Västerbotten and Norrbotten.

These are complemented by a business area for seed and seedling operations, Svenska Skogsplantor (Swedish Seedlings), and a number of Group functions including a forestry unit.

Other business comprises leases, concessions and new business in land, energy and wood raw materials, as well as Mörrums Kronolaxfiske.

- Sveaskog's land holdings
- Sveaskog's offices
- Sveaskog's nurseries

Comments by the CEO

Future-proofing Sveaskog in a time of change

In 2025, we navigated a forestry industry undergoing structural change. Through a strategic focus, completed divestments and a clearer role as an independent market player, Sveaskog has strengthened its position for the future. Operating profit is strong – proof that our strategy works even in challenging times.

An industry undergoing structural change
The Nordic forest industry is undergoing a transformation that goes beyond normal economic fluctuations. The industry is facing structural challenges: overcapacity in several segments, high cost levels and demand that is no longer growing at the rate we had become accustomed to.

In Sweden, the domestic construction crisis has deepened and several sawmills have cut back production.

Exports remain very important but have been negatively impacted by a stronger Swedish krona and trade barriers. At the same time, we are seeing new competition emerging from China and from short fibre pulp.

The initial indications for 2026 look somewhat brighter, but the construction industry will remain sluggish and prices in SEK for pulp products will remain under pressure. The wood supply is characterised by persistently high prices, import bans from Russia and ongoing discussions about felling and certification. The world is rapidly moving from a global trading arena to increased regionalisation in trade and competitiveness.

Sveaskog's role is clear: to be a stable, long-term partner. I see the fact that our domestic customers continue to prioritise deliveries from us as strong evidence of that trust.

A future-proof business delivers strong earnings
Net sales increased by 5 per cent to MSEK 8,746 and operating profit rose by 10 per cent to MSEK 2,275. Profit for the year amounted to MSEK 11,197, an increase of 45 per cent. The Board of Directors proposes a dividend to the owner of MSEK 1,338.

The equity ratio remains stable at 71 per cent, and the return on adjusted operating capital amounted to 3.9 per cent – well above our target of 2.5 per cent.

2025 – a year of strategic milestones
A clear focus and increased independence. During the first quarter of the year, the sale of our shareholding in Setra Group AB was completed and ownership of the Hjälmare Canal was transferred to AB Göta kanalbolag. We are now a more clearly independent player in the market and can focus more on value creation in the forest.

New paths to sustainable returns. We have announced plans to invest in energy parks – a new approach where we take a more active role in developing renewable energy on our land holdings.

Strategic resource for Sweden. The updated ownership policy from February 2025 highlights preparedness as a new area. Through land transfers, among other things, Sveaskog is contributing to the defence authorities' work to strengthen Sweden's resilience.

Progress in nature conservation and dialogue. In the summer of 2025, the FSC review committee determined that Sveaskog had acted in line with the standard in a reviewed joint planning process with the reindeer industry – important proof that our changed working methods in relation to the country's Sami villages comply with FSC requirements.

Storm Johannes. Shortly after Christmas, Sweden was hit by Storm Johannes. Up to 300,000 cubic metres of timber fell on Sveaskog's land. I am proud of how the organisation handled the situation – despite the holidays, the turnout was fantastic. By quickly clearing roads, we helped maintain essential societal functions.

In a situation without our own industry, we focused on our own forests, assisted existing timber suppliers and offered support to colleagues in the industry. I am thinking above all of all the private forest owners who see their life's work destroyed – often forests that have been managed by several generations. When processing timber from the storm, it is extremely important to focus on safety.

Operating profit 2025

+10%

MSEK 2,275

Return on adjusted operating capital 2025

3.9%

Since 2025, Sveaskog has taken a more active role in the development of renewable energy on the company's land.

Long-term thinking as a guiding principle
Our strategy is about sustainable value creation: increased forest growth, increased climate benefits and the development of biodiversity. In 2025, we surpassed several strategic targets. The proportion of fossil-free fuel in our own machinery teams reached 87 per cent – well above the target of 56 per cent. We restored 74 wetlands compared to a target of 24, and the pace of restarting damaged forests exceeded the annual target by almost 700 hectares.

During the year, we decided on a new tree species strategy for more diverse forestry. We are driving innovation in fossil-free transports and are testing fertilizers produced using renewable energy.

In August, the Forest Commission presented its final proposals to the Government. We welcome the ambition to create clarity, order and structure. Our

> “The perspectives in forestry span generations, by capitalising on today’s knowledge, we are laying the foundation for the forestry of the future together.”

goal is forestry that both supplies raw materials and strengthens biodiversity – to succeed, we need a holistic perspective and less polarisation in the forestry debate.

During the year, we prepared for the future by developing our operational activities through investments in leadership, planning, marketing and logistics. We streamlined flows, developed customer relationships and established our new business offering in forestry services and consulting. In January 2026, five geographical regions became four, providing more opportunities for an effective common working method.

Joint development

The forest is engaging and there are many interests in the forest: industry, climate interests, reindeer husbandry, outdoor recreation, defence – and new players seeking green carbon atoms. We engage in dialogue with all these groups and work to establish long-term partnerships.

To those of you who are stakeholders in the Swedish forest: you are welcome to be part of our development journey. The perspectives in forestry span generations, but by capitalising on today’s knowledge, we are laying the foundation for the forestry of the future together.

Lastly, I would like to express my sincere thanks to all the employees at Sveaskog. At the beginning of 2025, we gathered to discuss strategy and the future together – a successful initiative that strengthened our sense of unity. Your expertise and commitment are crucial to our success.

I would also like to thank our contractors, partners, customers, suppliers and the Board of Directors for their excellent cooperation.

Sveaskog is the State-owned forestry company and the country’s largest forest owner. This is a responsibility we take seriously – with a long-term perspective, consideration and faith in the future.

Erik Brandsma
President and CEO

Events in 2025

Reform proposals from the Forest Commission

The Government’s Forestry Commission submitted its final report with comprehensive proposals to strengthen Sweden’s forestry policy. The focus is on balancing biodiversity with a competitive forestry industry. A clarified and simplified regulatory framework is proposed, with increased flexibility in areas such as the choice of forest cultivation material and greater clarity regarding targets for set-asides and compensation to forest owners for forest conservation.

Sveaskog sells its holding in Setra

The sale of Sveaskog’s 50-per-cent shareholding in Setra Group AB to the forest owners’ association Mellanskog was completed. The sale was carried out in accordance with a decision by the Swedish Parliament from 2009. Sveaskog’s long-term strategy is to be a responsible forest owner and independent market player.

Sveaskog transfers Hjälmare Canal

Ownership of the Hjälmare Canal was transferred from Sveaskog to AB Göta kanalbolag. In connection with the transfer, the full-time employees affected were offered to transfer to AB Göta kanalbolag.

Approved by the FSC review committee

The FSC review committee decided that Sveaskog had acted in line with the standard of the Forest Stewardship Council® (FSC), in a reviewed joint planning process with the Semisjaur Njarg Sami village. The committee assessed whether all steps in the process had been carried out in accordance with the FSC standard, whether the process had been conducted in good faith, and whether all possibilities for adaptation had been considered by both parties.

Clearer responsibilities in new ownership policy

As a State-owned company, Sveaskog received an updated ownership policy in 2025. Among other things, the policy provides a clearer framework for the governance of State-owned companies and an increased focus on profitability. It also places greater emphasis on safety awareness. Sveaskog shall contribute on market terms to the country’s preparedness for crises and war.

External audit conducted

An external audit by consulting firm WSP shows that Sveaskog has a well-functioning systematic environmental programme that permeates the organisation. The audit examined the environmental management system in accordance with the certification requirements of ISO 14001, compliance with the requirements of the FSC and PEFC traceability and forestry standards, and compliance with the PEFC contractor standard.

Storm Johannes hit central Sweden

The storm mainly affected the company’s land on the Hälsingland coast and about 80 kilometres inland. The damage amounts to a maximum of 300,000 cubic metres of timber and is mainly found in recently thinned areas and clear-cut edges. A large proportion of the trees have root contact, which means longer processing times without compromising timber quality.

Strategy and objectives

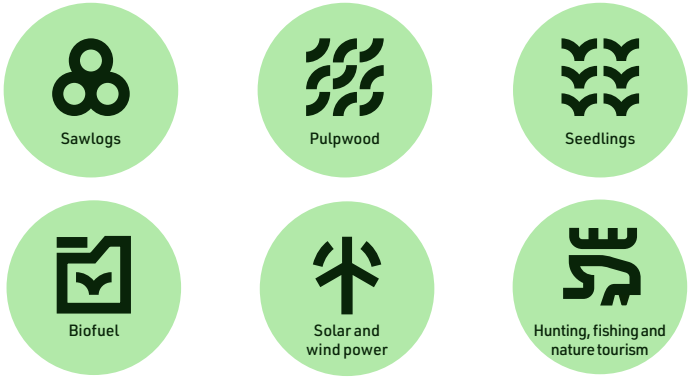
Sustainable value creation in the forest →
Sveaskog's financial targets →
Four strategic targets for sustainable value creation →
- Increased forest growth →
- Increased climate benefit →
- Development of biodiversity and ecosystem services →
- Increased sustainable returns →

Sveaskog's own forests are certified according to both FSC® and PEFC standards, FSC® - C 012140, PEFC/05-23-367. All timber purchased from other forest owners must meet FSC's Controlled Wood and Chain of Custody requirements, FSC ® SA-CW-014563.

Sustainable value creation in the forest

Sveaskog's core business is to manage and cultivate the forest responsibly. The company supplies timber, pulpwood, wood chips, biofuel, seedlings and forestry services that contribute to long-term sustainable returns.

The customers mainly come from the Swedish forest industry and energy sector. Sveaskog also conducts business in land, energy and forest raw materials, and actively contributes to the development of new technology in the forest industry. The company also develops the holding as a place for fishing, hunting, nature tourism and other nature experiences. Sveaskog works diligently with management methods that reduce the risk of climate-related damage and strengthen the forest's resilience to various pest attacks.



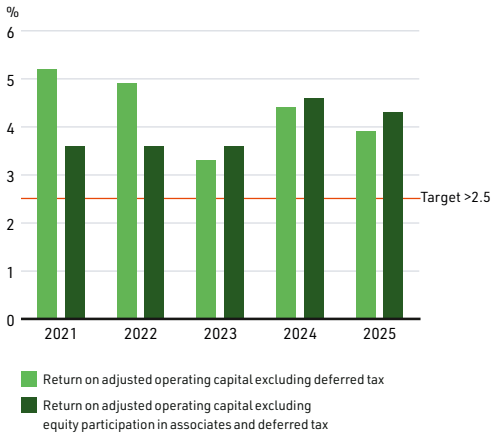
Sveaskog's financial targets

Sveaskog's financial targets are usually revised every few years or in connection with internal or external changes that have a significant impact on the company. The current financial targets were chosen at an Extraordinary General Meeting in August 2022.

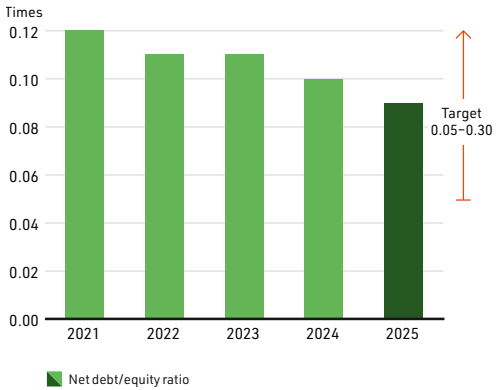
The financial targets mean that the net debt/equity ratio shall amount to 0.05-0.3 times and that the return on adjusted operating capital over time shall amount to at least 2.5 per cent with, and without, associates respectively.

Ordinary dividends shall amount to between 70 and 100 per cent of the Group's profit after tax, excluding non-cash changes in value of standing timber and profit participation from associates. 100 per cent of the dividends received by the company in the previous year from the associates is in addition to this.

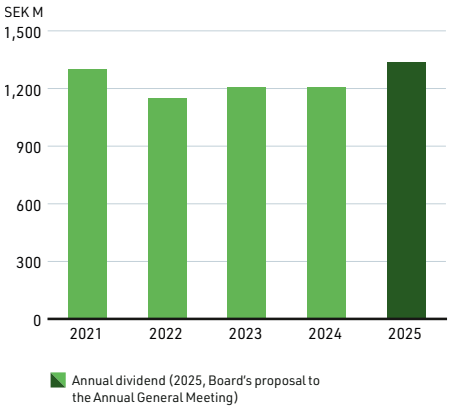
RETURN ON ADJUSTED OPERATING CAPITAL, ROLLING



NET DEBT/EQUITY RATIO



CASH DIVIDEND



RETURN ON ADJUSTED OPERATING CAPITAL 2025*

3.9%

* Excluding deferred tax

RETURN ON ADJUSTED OPERATING CAPITAL 2025*

4.2%

*Excluding deferred tax and equity participation in associates 2025

NET DEBT/EQUITY RATIO 2025

0.09 times

CASH DIVIDEND 2025*

MSEK 1,338

*Board's proposal to the Annual General Meeting – 100 per cent of the dividend base

Four strategic targets for sustainable value creation

Forests play an important role in both the development of society and people's everyday lives. Being a forest owner today means balancing several different interests. In addition to its core forestry operations, Sveaskog promotes interaction between forestry and local communities, interest groups, land users in the energy and mining sectors, the tourism sector and reindeer husbandry.

According to the Articles of Association, Sveaskog shall be an independent player in the wood raw materials market and serve as a role model. Sveaskog is a producer that operates throughout Sweden.

The company is a forest owner with high ambitions in sustainable forestry and nature conservation. Sveaskog wants to lead the way for the industry as a whole – both in terms of developing and adapting forestry and in terms of highlighting value and charging for it.

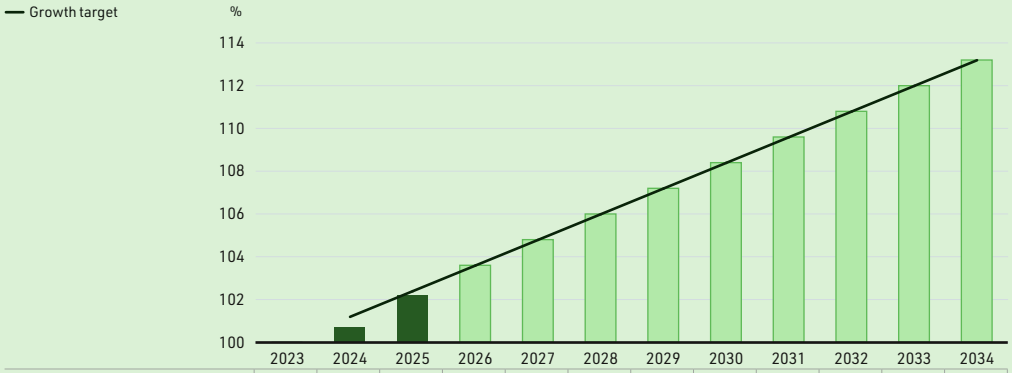
Ecosystem services and the products manufactured from the company's raw materials contribute significant value to society. Sveaskog contributes to a competitive forest industry, tourism and recreation, good opportunities for hunting and fishing, and a vibrant natural environment through accessible and well-managed forests that take biological values into account. World-class regeneration and first-class seed and seedling material also ensure that the forest will be preserved for future generations.

With 2034 as the target year, Sveaskog is working towards four prioritised strategic goals for sustainable value creation that reflect the long-term challenges facing the company: Increased forest growth, Increased climate benefits, Increased sustainable returns and Development of biodiversity and ecosystem services.

Increased forest growth

Sveaskog works actively and long term to increase growth in the company's forests. Growth, which varies naturally with weather and season, is monitored over time using data from the National Forest Inventory for Sveaskog's land. Increased growth is made possible through several forest management measures, such as site adaptation, use of good seedling material, fertilisation and management methods adapted to a changing climate. The goal includes Sveaskog's production forests and refers to the total combined growth of these forests. This provides flexibility to allow lower or unchanged growth in certain areas – when necessary for climate adaptation or consideration for local communities – and the opportunity to increase growth where the potential is greatest. The target is an average increase of 0.5 m^3fo per hectare over a rolling five-year period up to the end of 2034. In percentage terms, the target corresponds to a change in growth of +13.2 per cent, which is an average annual change of +1.2 per cent.

INCREASED FOREST GROWTH



	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Growth outcome	100	100.7	102.2									
Growth target*	100	101.2	102.4	103.6	104.8	106.0	107.2	108.4	109.6	110.8	112.0	113.2

* Base year 2023

STRATEGIC TARGET INDICATORS REPORTED QUARTERLY

Indicator	Outcome full year 2025	Outcome full year 2024	Target full year 2025	Target full year 2029
Thinning effect, %, acc.	85.7	84.3	87.5	87.5
Pre-commercial thinning (Cleaning) index, % acc.	95.1	98.1	>92.5	92.5
Restart damaged young forest[1)], number of hectares	2,717	2,033[2)]	1,257	1,395

[1)] The restart refers to Region Norrbotten and Västerbotten.
[2)] Changed definition from 'Commenced restart (ha)' to 'All measures carried out (ha)' within the project 'Restart damaged forest' during the year.

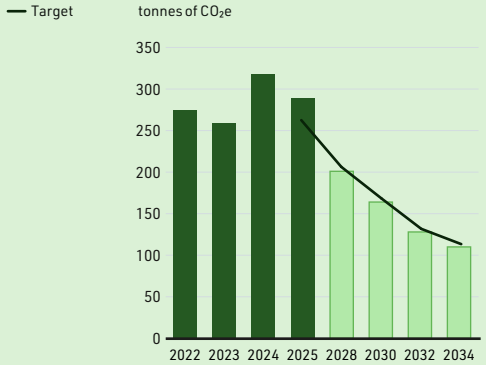
Increased climate benefit

Sveaskog's climate impact comprises carbon capture, natural emissions in the forests and land and emissions from the company's operations and value chain. The forestry is affected by a warmer climate with greater weather variations. Sveaskog is working to reduce emissions from transport and forestry machinery, among other things. The target is to reduce anthropogenic, fossil greenhouse gas emissions throughout the value chain by 60 per cent by 2034 compared to 2022. Between 2024 and 2025, total emissions fell by around 9 per cent as a result of investments in fossil-free harvesting and transport. In addition, Sveaskog is adapting its forestry practices so that forests can sequester more carbon.

At the end of 2025, Sveaskog adopted a long-term climate goal that means anthropogenic fossil greenhouse gas emissions throughout the value chain will be reduced by 90 per cent by 2045 from the base year 2022. In order to be prepared for the climate of the future, climate adaptation in forestry needs to be accelerated. By 2034, tree species other than spruce and pine should account for seven per cent of the total number of seedlings on Sveaskog's own forest land. The percentage increased from 1.0 per cent in 2022 to 5.1 per cent in 2025.

→ Read more in the Sustainability Report on pages 68–73.

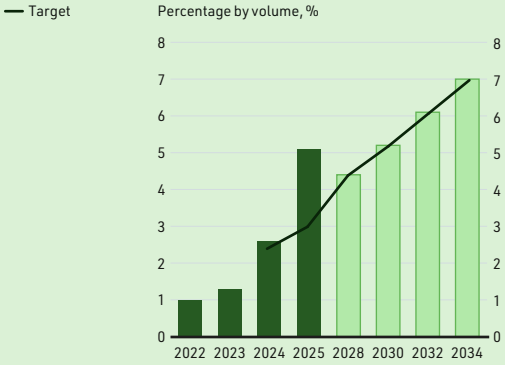
REDUCTION OF FOSSIL GREENHOUSE GASES



	2022	2023	2024	2025	2028	2030	2032	2034
Outcome	274	259	318	289				
Target*				256	201	164	128	110

* Base year 2022. Sveaskog has no annual targets other than for the years 2030 and 2034. Graphs and figures for other years are extrapolations.

PERCENTAGE OF OTHER TREE SPECIES (SEEDLINGS)



	2022	2023	2024	2025	2028	2030	2032	2034
Outcome	1.0	1.3	2.6	5.1[1]				
Target *			2.4	3.0	4.4	5.2	6.1	7.0

[1] The higher outcome for 2025 is due to the opening up of opportunities to plant more birch seedlings than planned. The outcome for 2026 is expected to be lower than originally planned. The long-term target will be affected by future felling levels, but the target of 7 per cent seedlings of tree species other than spruce remains unchanged.

* Base year 2022

STRATEGIC TARGET INDICATORS REPORTED QUARTERLY

Indicator	Outcome full year 2025	Outcome full year 2024	Target full year 2025[1]	Target full year 2029[1]
Share of fossil-free fuel, own teams, %	87	64	56	80

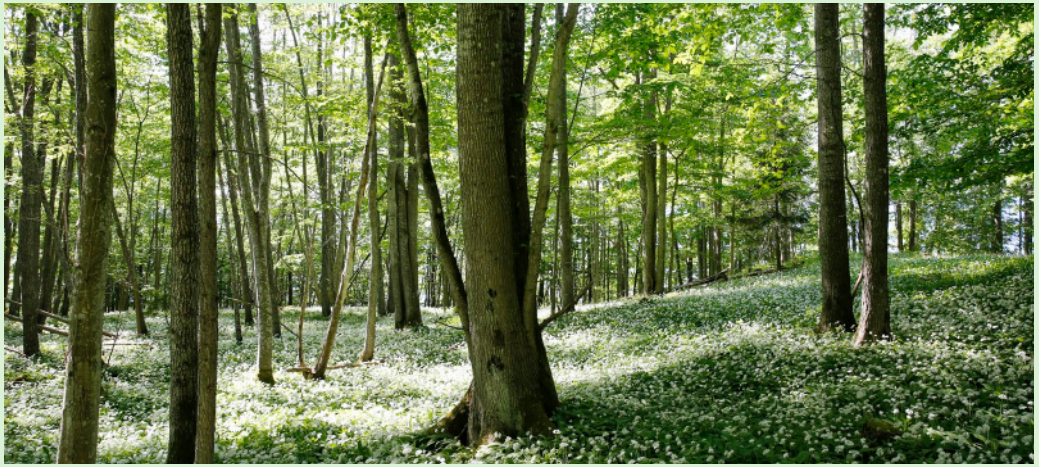
[1] The targets for 2025 and 2029 reported quarterly during the year are part of Sveaskog's business plan for 2025–2029. These differ from the targets reported for the corresponding measure in the table Selection from Sveaskog's climate action plan, in section E1 of the sustainability report, as these are based on the company's updated business plan for 2026–2030.

Development of biodiversity and ecosystem services

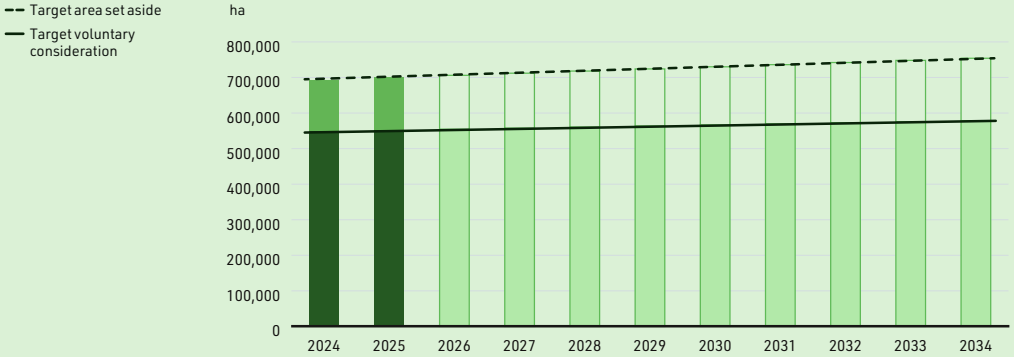
As Sweden's largest land owner, Sveaskog is important as a role model in the work on biodiversity and ecosystem services. Until 2034, Sveaskog's nature conservation work will focus on preserving and creating habitats, including the management of areas set aside and re-created deciduous forests. The overall objective is to further strengthen biodiversity both in natural areas and in the production landscape. Increased efforts to promote diverse forestry practices in the landscape also have positive effects on ecosystem services such as carbon sequestration, water quality, and resilience to extreme weather. Outdoor recreation and nature tourism also benefit.

In order to preserve and create habitats, a further 30,000 hectares of forest of high conservation value are planned to be set aside by 2034. An equal area will be left as consideration areas in connection with future felling. These measures are supplemented by monitoring individual species to indicate the development and effects of active biodiversity initiatives.

→ Read more in the Sustainability Report on pages 80–81.



LAND HOLDINGS SET ASIDE, HECTARES



	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Area set aside, outcome	548,000	553,000									
Voluntary consideration, area, outcome	146,000	148,500									
Area set aside, target *	548,000	551,000	554,000	557,000	560,000	563,000	566,000	569,000	572,000	575,000	578,000
Voluntary consideration, area, target *	146,000	149,000	152,000	155,000	158,000	161,000	164,000	167,000	170,000	173,000	176,000

* Base year 2024

STRATEGIC TARGET INDICATORS REPORTED QUARTERLY

Indicator	Outcome full year 2025	Outcome full year 2024	Target full year 2025	Target full year 2029
Nature conservation (extended area, ha)	2,119	1,529	1,805	N/A
Of which nature conservation burning (utilised area, ha)	151	109	220	N/A
Restored wetlands (number of objects)	74[1)]	51	24	30

[1)] The higher outcome compared to the targets is due to more measures being implemented than planned, both within Sveaskog's own operations and through collaborative projects with other actors.

Increased sustainable returns

Sveaskog wants to be a role model in value creation in forests and land. This means delivering positive returns over time while increasing the value of the forest and protecting biodiversity. The way there goes through efficient production, focus on new business in land, energy and wood raw materials, and ensuring that today's extractions are not at the expense of future forests and forestry.

Sveaskog's owner has the target that the company should generate a return on operating capital of at least 2.5 per cent. Sveaskog has adopted the following interim targets within the framework of the goal of increased sustainable returns: The timber margin[1)] on Sveaskog's own forest shall exceed 74 per cent and sales from other land transactions shall exceed MSEK 600 by 2034. Sveaskog shall also have a planning reserve, which means that there shall always be available fellable volume corresponding to 1.8 times the annual harvest.

The intermediate targets focus on both increased revenues and cost control. Together, they contribute to the company's profitability as well resilience towards fluctuations in timber prices and volume changes from Sveaskog's own forest.

INDICATOR

	Outcome 2024	Outcome 2025	Target
Return on adjusted operating capital, %	4.4%	3.9%	>2.5%
Timber margin[1)], %	76%	>80%	>74%
Planning reserve, multiple	>1.8	>1.8	>1.8

[1)] Deducting the felling cost from the timber price yields a root net amount.
This root net amount divided by the timber price provides a timber margin expressed as a percentage.

STRATEGIC TARGET INDICATORS REPORTED QUARTERLY

Indicator	Outcome full year 2025	Outcome full year 2024	Target full year 2025	Target full year 2029
Sales, other land transactions, R12[2)], MSEK	296	289	301	328
Return on adjusted operating capital R12, %	3.9	4.4	2.5	>2.5

[2)] The definition of which transactions are included has been adjusted and updated for all comparison periods.

The business

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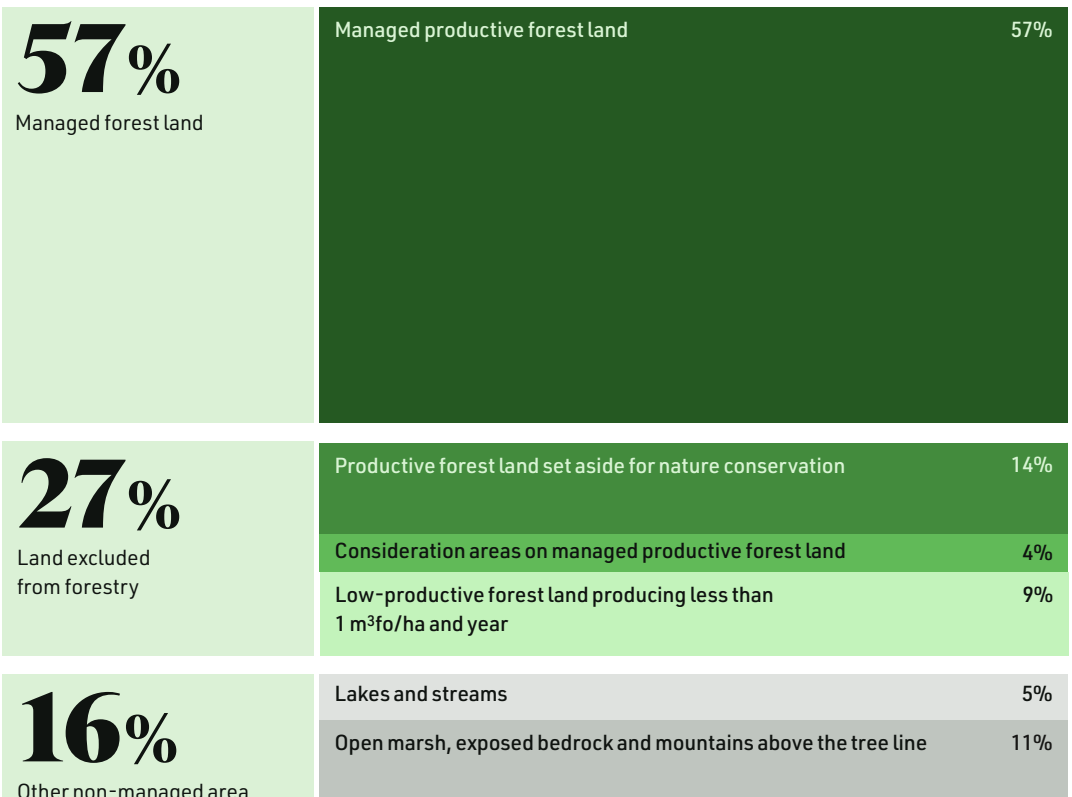
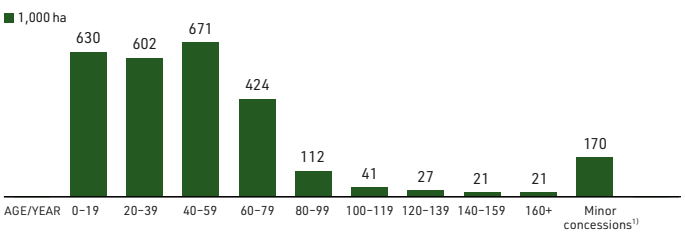
Sveaskog's holdings



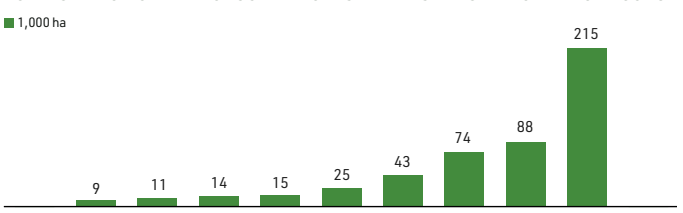
This diagram is intended to show the whole of Sveaskog's land holdings divided into the parts reported nationally in Statistics Sweden's recurring statistics.

Sveaskog's holdings are 4.1 million hectares large, of which 3.04 million hectares are productive forest land, meaning land that produces more than 1 cubic meter of forest per hectare (m^3fo/ha) and year. An overview of Sveaskog's holdings and how they are used is presented here. Today, a total of 27 per cent is excluded from forestry. On these lands, nature conservation can be carried out. A further 16 per cent consists of land that is not cultivated, such as open marshes, exposed bedrock and mountains above the tree line.

AGE DISTRIBUTION IN MANAGED PRODUCTIVE FOREST LAND



AGE DISTRIBUTION IN PRODUCTIVE FOREST LAND SET ASIDE FOR NATURE CONSERVATION



1) This area is mainly included in one of the younger age groups but is actually set aside during felling and is thus significantly older.

Sveaskog's business model

Assets

Forests and land
- Sveaskog's forest holding of 4.1 million hectares corresponds to 10 per cent of Sweden's surface area.
- 3.04 million hectares are productive forest land.
- Sveaskog is located in approximately 170 of the country's 290 municipalities.

Financial stability
- Sveaskog is a financially stable company that is resistant to fluctuations in the market. The net debt/equity ratio is 0.09 times and the equity ratio is 71 per cent.

Employees
- Sveaskog's employees have extensive knowledge of forestry and specialist knowledge in their respective areas of expertise.

Partnerships and collaboration
- Sveaskog has close collaboration and partnerships with customers, suppliers and contractors.
- Sveaskog collaborates with universities and industry organisations in research projects that increase innovation and improve forestry.

[1] m^3sub stands for "solid cubic metres under bark" and is used to measure the volume of forest products such as timber, pulpwood and bioenergy.

The business

Deliveries

Total delivery volume: 7,756 (8,231) thousand m^3sub.[1]
- From own forest: 4,677 (4,792) thousand m^3sub.
- External purchases of timber from private landowners: 1,040 (1,104) thousand m^3sub.
- External timber purchases via imports and otherwise: 220 (461) thousand m^3sub.
- During the year, the Svenska Skogsplantor business area delivered 126 million seedlings to both Sveaskog's own forest and external buyers.

Concessions
- Sveaskog provides land concessions for various purposes and to different types of actors.

How Sveaskog conducts its forestry

Seed to seedling
Sveaskog produces seed and cultivates seedlings in the Svenska Skogsplantor business area.

Planting
Sveaskog replants the harvested forest with its own seedlings.

Pre-commercial thinning
Pre-commercial thinning takes place in the young forest. In pre-commercial thinning, forest stocks are thinned out so that the best-suited trees have the opportunity to grow and develop.

Thinning
Thinning creates the conditions for increased value growth in the stocks and optimises the sawn timber share, the share of the timber used as sawn timber. Timber extraction from thinning is used for pulpwood and timber, and biofuel.

Regeneration felling
In regeneration felling, Sveaskog mainly obtains sawlogs and a smaller percentage of pulpwood.

Earnings

Customers

Sawmills
- Deliveries of sawlogs to some 50 sawmill customers in Sweden.
- The sawlogs are processed and used primarily for houses and furniture.
- Sawlogs: 2,895 (3,045) thousand m^3sub, 37 per cent of the total volume sold.

Pulp and paper mills
- Deliveries of pulpwood to some 20 paper and pulp mill customers who manufacture packaging paper and other paper products.
- Pulpwood: 4,594 (4,798) thousand m^3sub, 59 per cent of the total volume sold.

Biofuel
- Deliveries to some 40 biofuel customers in Sweden, mainly heating plants.
- Biofuel: 266 (389) thousand m^3sub, 4 per cent of the total volume sold.

Other forest owners
- Sveaskog supplies seedlings and forest management services to approximately 2,400 forest owners every year.

Concessions
- Land concessions issued for wind power stations, solar power parks, power line routes, nature tourism, hunting rights and fishing.

Society
- The forest creates climate benefits by binding carbon and by creating the conditions for the substitution of fossil materials with a high climate impact. Read more about the climate benefits of forests on pages 73–75.
- Forests create jobs in rural areas while at the same time being available for outdoor activities and recreation. By also buying timber from many individual actors, Sveaskog contributes to the industry locally.
- Sveaskog collaborates with around 1,000 contractors every year.
- Sveaskog paid MSEK 310 in taxes in 2025.

Employees
- Sveaskog has around 830 permanent employees. Most of them work in forestry and at Svenska Skogsplantor. The majority are active in rural areas and in smaller localities.

Owner
- In 2025, the total cash dividend to the owner, the State, was SEK 1.338 billion which contributes to the country's welfare.

The forest and its wetlands
- The standing forest grew about 12.5 million m^3fo during the year.
- In 2025, five watercourses and 74 wetlands were restored.

Grants

The UN Sustainable Development Goals

Sweden's environmental quality objectives

Vision: To be the world leader in sustainable value creation in the forest

Mission: Long-term management and returns from forests and land

Forests and land

Sveaskog's forestry is primarily aimed at timber production and high quality deliveries, but the entire tree is used for various purposes. The company is a major player in the Swedish market. The renewable raw material from the forest is processed by customers.

The sawlogs are the most valuable part of the tree. Other parts of the tree go to the pulp and paper industry while residual materials from forestry and from the forest industry are processed into biofuels, renewable transport fuels, chemicals and innovative new materials and uses.

The core business and product range

Products

Sawlogs
Sveaskog offers a wide range of timber to meet customer needs for different tree species, qualities and dimensions. In order to meet the demand, the company supplements the timber from its own forest with externally purchased volumes. The increased specialisation of sawmills demands high delivery precision. Sveaskog uses new digital technology to effectively take stock of the forest and ensure that the right product from the tree reaches the right customer. This work builds on close cooperation with customers, contractors, transport companies and internally within Sveaskog.

Pulpwood
Sveaskog offers a wide range of fresh pulpwood and chips. The pulpwood comes from Sveaskog's own forest, external purchases and imports, while the wood chips are purchased from sawmill customers. Pulpwood is the part of the tree that is not used by sawmills and is obtained during both thinning and regeneration felling. Sveaskog's customers use the raw material to manufacture pulp – the basis for paper and paperboard for packaging and hygiene products. Sveaskog has a close and long-term relationship with its pulpwood and chip customers. In recent years, efforts have focused on jointly developing logistics.

Biofuel
Sveaskog offers biofuel consisting of fuel wood and rejected branches and tree tops[1]. Biofuel extraction is an integrated part of sustainable forestry and takes place in accordance with Sveaskog's FSC certification. The natural degradation process in the forest releases the same amount of carbon dioxide that is released during a controlled combustion with heat extraction in a heating plant. Since the material is bulky and not suitable for long-distance transport, the biofuel market is primarily regional and local. Sveaskog's biofuel customers are mainly heating plants.

[1] Branches and treetops that are otherwise left in the forest after felling.

Seeds and seedling materials
Through its seed and seedling business area Svenska Skogsplantor, Sveaskog offers regeneration products and services that support sustainable and varied forestry. The range includes seeds, seedlings and forest management services. Efforts to increase tree species proportion contribute to a more varied and resilient forest landscape. Its customers include both companies and individual forest owners. Production takes place at five nurseries and a central seed production facility. The phasing out of cultivation peat and the broadening of the tree species range are important areas of development for the business area.

TOTAL VOLUME SOLD IN 2025 EXPRESSED IN THOUSAND M³ SUB (CUBIC METRES OF WOOD VOLUME WITHOUT BARK)

2,895 m³sub

4,594 m³sub

266 m³sub

NUMBER OF CULTIVATED SEEDLINGS IN 2025

Around 126 million seedlings

Land transactions

Solar power

Sveaskog provides concessions for land for the establishment of solar power parks. Commercial interest is high, and the company currently has 17 concession agreements for the planning of solar power parks – most of which were signed during the period 2021–2023.

Production on par with consumption
Sveaskog strives to find a business model that provides good returns with an acceptable level of risk from both a financial and operational perspective. The company shall be an active participant in how future solar power parks on forest land are designed to preserve and strengthen conservation value and include stakeholders in the process. Sveaskog's ambition is to produce as much electrical energy as the company currently uses as quickly as possible, which today would be equivalent to a solar power park of 15 hectares.

Sveaskog's partner Alight previously established a solar power park in Hallstavik.

Wind power

Sveaskog grants land concessions for wind power expansion, which provides revenues from the land holdings while at the same time helping to achieve Sweden's environmental objectives.

Projects in accordance with FSC guidelines
Today, around 830 wind power stations are operating on Sveaskog's land. The owners range from investment funds and large energy companies to smaller companies, municipalities and wind power cooperatives. Sveaskog currently does not own any wind power stations of its own, but ensures that the management of potential projects is in accordance with FSC guidelines.

More active role in the energy business
In 2025, Sveaskog initiated a number of collaborations with the aim of developing energy projects that have good prospects of becoming reality. This is part of the ambition to take a more active role and greater responsibility for the planning of new renewable energy. This will increase Sveaskog's expertise and understanding of the energy business.

The wind power stations on Sveaskog's land have a total installed power of 3,360 MW and produce more than 9 TWh of electricity per year, corresponding to around 5 per cent of Sweden's total electricity production. Approximately 18 per cent of the country's total wind power capacity is located on Sveaskog's land. Interest in wind power projects remains high, even though few new construction projects are expected to start in the next few years. In 2025, 35 new stations were commissioned and one new concession agreement was signed for the construction of three new wind power stations. At the end of the year, Sveaskog had approximately 40 concessions of rights of use for the project design of new wind farms.

Hunting, fishing and nature tourism

Hunting
As a forest and land owner, Sveaskog works to ensure that hunting contributes to a long-term sustainable balance between the forest and wildlife. Hunting rights are granted via personal hunting licences to hunting parties, hunting clubs and wildlife conservation areas. More than 25,000 hunters hunt every year on Sveaskog land. Hunting is central to achieving society's long-term goals regarding feed and game stocks, as well as reducing the number of wildlife accidents. The introduction of personal hunting licences and a new sales system for day passes has strengthened ties with hunters and streamlined administration. Sveaskog works to engage more new hunters through training and collaboration, as well as to strengthen wildlife management and promote respectful dialogue with hunting associations.

Fishing
Sveaskog's fishing licence provides access to over 1,500 fishing waters across the country. To encourage more young people to start fishing, Sveaskog offers free fishing in natural waters within its fishing licence areas to young people under the age of 20.

Sveaskog is working towards the sustainable development of fishing and to protect fish habitats. At Mörrum's Kronolaxfiske in Blekinge, fish conservation and research are carried out to preserve and develop the biological and ecological diversity of the Mörrum River. The operation collaborates with the Swedish University of Agricultural Sciences (SLU) to inventory the stocks and reproductive capacity of salmon and sea trout in the Mörrum River and its tributaries. Other collaborative partners include the Stockholm Resilience Centre, Lund University and Stockholm University. Sveaskog's facility in Mörrum is also a very popular destination.

Outdoor activities and nature tourism
Sveaskog's ecoparks are examples of areas that offer a wide range of experiences – from solitary wilderness adventures to hiking, cycling, canoeing and family picnics in more easily accessible environments with plenty of trails, wind shelters and other services in or adjacent to the parks. Today, there are 37 ecoparks throughout Sweden. Among the most popular are Ekopark Halle-Hunneberg in Västergötland and Ekopark Böda on Öland. The ecoparks combine forestry, nature conservation and recreation. In addition, there are many opportunities for wonderful nature and wilderness experiences in other parts of Sveaskog's land holdings.

NUMBER OF ECOPARKS IN SWEDEN

37

Stakeholders and cooperation

A number of different interests have claims to the forest. With its large forest holdings, Sveaskog has an operation that affects many parts of society and the company is therefore mindful of constructive dialogue with these stakeholders.

Close cooperation with customers, contractors, suppliers and partners in research and technology development is crucial to Sveaskog's success in achieving both its business and management goals.

Stakeholders

Customers

Sveaskog's customers are mainly in the forest industry and energy sector, and they demand timber, pulpwood, wood chips, biofuel, seedlings and forestry services. More than half of the raw material comes from its own forest, the rest is purchased from private and institutional forest owners. Sveaskog is also a major supplier of seedlings and regeneration services to forest owners. The company also exports timber, pulpwood, biofuel, seeds and seedling material, primarily to Europe.

Sawmills
Market conditions for sawmills were challenging in 2025, mainly due to continued low activity in the construction sector. Despite this, demand for Sveaskog's timber has remained stable and the company's delivery reliability is appreciated by its customers.

Pulp and paper industry
The pulp and paper industry faced major challenges in 2025. Growth in 2024 was driven by inventory build-up, which has now come to a halt, and the market is instead being driven by actual consumption. Competition in packaging materials has intensified in Europe as a result of new capacity in the Nordic region and trade policy disruptions.

Even though demand has been weak, Sveaskog remains a valued supplier of pulpwood, where delivery reliability and the ability to meet customer specifications contribute to strong business relationships.

The biofuel market
The market for forest-based biofuels, such as rejected branches and tree tops, is mainly local and regional due to high transport costs. After a mild winter at the beginning of the year and large fuel stocks, demand has fallen.

New value chains
Sveaskog collaborates with players in emerging value chains, including aviation fuel and fossil-free steel. The company offers efficient flows with traceability from sustainably managed forests. Large-scale investments, including solar power projects, strengthen Sveaskog's role in the sustainable value chain.

Employees

Working at Sveaskog means being part of something bigger. Here, business acumen is combined with social engagement, and every employee contributes to sustainable value creation.

Sveaskog's culture is characterised by participation, curiosity and drive. Employees are encouraged to take responsibility, show courage and develop – as individuals, leaders and together with colleagues – in an environment where different perspectives are valued. The company offers career development opportunities, competitive terms and benefits that support balance and well-being.

Grow with Sveaskog
Competence and development are crucial for the future. In 2025, an IT trainee programme was implemented to strengthen the IT organisation and attract new talent. At the same time, an 18-month AI training programme was launched in collaboration with Stellar Capacity, in which selected employees deepen their knowledge of digitalisation and innovation. Initiatives such as Sveaskog's basic forestry course and "Skötselskolan", the Forest Management School, strengthened learning throughout the organisation.

An inclusive and safe workplace
Diversity, respect and inclusion are fundamental parts of Sveaskog's culture. Through initiatives such as Mitt

Liv (My Life) and the Swedish Forest Sector's Gender Equality Council, the company is working to promote greater equality in the industry. Together with Always-Mind, Sveaskog promotes mental health through training and support tools. An agreement with OneLab is part of the long-term occupational safety and health efforts and provides insights into physical health, while the collaboration with the Nyckeltalinstitutet (Institute of Human Resource Indicators) enables monitoring of gender equality, inclusion and the work environment.

Committed employees
During the year, Sveaskog's employees demonstrated strong commitment and growing pride in their work. Employee surveys have shown a positive trend in the Employee Net Promoter Score (eNPS) and a stronger sense of involvement and optimism about the future.

Stakeholders, cont.

Contractors

Sveaskog engages contractors for most of the work involved in thinning, felling, forest management, transport and roads. They are important business partners and a prerequisite for meeting customer demand and driving sustainable value creation in the forest. The contractors are located throughout the country.

Swedish labour market regulations
Requirements on economic, social and environmental sustainability are set out in a service declaration that contractors sign before contracts are drawn up. Contractors with employees must be members of a Swedish employers' organisation or have an affiliated collective agreement with a trade union. Swedish labour market regulations apply regardless of the employees' countries of origin.

Sveaskog generally allows subcontracting in one tier with the same requirements as for main contractors. Subcontractors must be approved by Sveaskog and covered by a written agreement between the main contractor and the subcontractor.

The company conducts annual follow-ups together with the contractors and their employees. New for 2025 is the monitoring of accommodation provided by contractors to ensure reasonable rents and good standards in accordance with PEFC requirements.

Support and advice for contractors
Sveaskog offers recruitment support for the training of new machine operators and training in systematic occupational safety and health efforts as well as financial security in case of lost engagements due to fire risk and takes responsibility for damage in case of fire. The company has taken over the contractors' risk linked to changes in diesel and interest expenses by introducing indices in the agreements.

Sveaskog Finans AB can also offer commercial machine financing for investments or the start-up of new businesses. The contractors also have access to support, advice and information via the contractor portal.

Timber suppliers

Sveaskog purchases timber from subcontractors to supplement the wood raw material from its own forests. Timber purchasing involves several steps to ensure sustainable and responsible forestry. When evaluating potential subcontractors, clear guidelines are applied, covering financial, environmental and social sustainability.

Responsibly managed forests
All of Sveaskog's major timber suppliers hold valid PEFC or FSC certificates, ensuring that the raw material originates from responsibly managed forests and meets high-quality standards. In addition to these initial assessments, ongoing follow-ups are conducted to ensure that suppliers meet the company's requirements for economic, social and environmental sustainability.

Advice and measures for increased value
Sveaskog is seeing growing demand for advice and assistance with measures that increase the value of the products suppliers obtain from their forest properties. There is also growing interest in developing new sources of income from forest land beyond timber and pulpwood, which are the main sources of income. By offering alternative cultivation methods, such as continuous cover forestry, Sveaskog helps to create competitive advantages in an increasingly tough market. Forest management and forestry services aimed at landowners are important parts of this work, with Sveaskog offering high quality in both execution and in terms of seed and seedling materials.

Sveaskog only purchases timber from suppliers with valid PEFC or FSC certificates.

Cooperation

Research and development

Continued investment in WIFORCE
The largest investment in forest research ever continues through the Knut and Alice Wallenberg Foundation and the Wallenberg Initiative in Forest Research (WIFORCE) graduate school. The theme is the future's use and conservation of Swedish forests. In 2025, Sveaskog took on another industrial doctoral student and now has three doctoral students in the graduate school and participates in the programme's reference group.

Lichen research in young pine forest
Together with the Swedish University of Agricultural Sciences (SLU), Umeå University and engaged Sami villages, Sveaskog continued its work on thinning experiments in young pine forests in 2025. Results for the Norrbotten areas have been measured for the first year, and the areas in Västerbotten are planned for 2026. The study concerns the growth of ground lichens and investigates the possibility of harvesting biofuel during pre-commercial thinning in young pine forests, which is believed to benefit ground lichen.

Breeding of Swedish deciduous trees
Sveaskog's nurseries are conducting trial cultivation of several new tree species. All aiming to provide access to seedlings of all hardwood species, adapted to the climate of both today and tomorrow. In 2025, seed cultivations for maple, linden, mountain ash, common alder and grey alder were assessed and new selections were made. Trials with oak, beech, elm and ash are under way in adjacent programmes.

Sustainable establishment of wind power in forest landscapes
In 2025, the WindyForests research project was launched, focusing on the challenges that arise when wind power, forestry and local interests are to coexist in Swedish forest landscapes. It is about taking into account the existential, social, environmental and economic dimensions. The project also evaluates how improved forest management and collaboration can reduce conflicts and strengthen synergies between wind power and other interests. Sveaskog is part of the project's reference group.

Mistra Digital Forest
The major digitalisation project Mistra Digital Forest, which began in 2019, is now in its final stages. Sveaskog has contributed large digital test areas during the project and is placing great emphasis on applying new knowledge in the digital field during the programme's final two years, up to 2027. Sveaskog's new field planning tool and a new, modern timber flow system together provide excellent platforms for high precision and AI support in planning, production and delivery.

Technology

Fossil-free transport is gaining momentum
Sveaskog's work on fossil-free transport continues. As part of the TREE project (Transition to Efficient, Electrified forestry transport), the company commissioned two electric logging trucks during the year, one in Värmland/Närke and one in southern Norrbotten. In collaboration with Hestra Åkeri AB, Sveaskog has also put Sweden's first biogas-powered logging truck with a crane into operation. The project vehicles will be monitored and evaluated over the coming years as part of efforts to reduce carbon dioxide emissions. A total of twelve vehicles have been launched as part of the TREE project, which includes both timber trucks and wood chip trailers.

Efficiency gains with Autoplant
In 2025, Sveaskog continued its work on trials in the Autoplant project, which is coordinated by the Forestry Research Institute of Sweden. The industry-wide development project focuses on automating and improving forest regeneration, particularly planting and scarification. The goal is to reduce soil impact through automated planting and gentle soil scarification. Other potential benefits include increased seedling survival and a better working environment due to reduced need for heavy manual labour.

Increased precision for thinning
A thinning support system based on lidar, a technology that creates high-resolution maps using laser light and AI modulation, is being developed in collaboration with Nordic Forestry Automation (NFA). The technology makes it easier for machine operators to adjust thinning in real time and deliver according to thinning targets. The development project is in its final phase and testing is under way in Sveaskog's thinning stands. Sveaskog has had the systems installed on three thinning harvesters during the year. If the results are positive, the use of the system support will increase in the coming years.

Social dialogue

Forest Commission
In August, the report *A robust forest policy for active forestry* was issued by the Forest Commission appointed by the Government. Several of the proposals involve clarifications and simplifications that Sveaskog believes should be taken further. In an opinion piece, the company called for more common sense and nuance in the forestry debate. Sveaskog is particularly keen to take advantage of and move forward with proposals concerning clearer targets for nature conservation reserves, climate adaptation of different tree species, and a comprehensive calculation of the climate impact of forests.

Proposal for amended species protection
During the year, the Government presented a memorandum on changes to species protection through the adaptation of national conservation regulations. Sveaskog contributed to the process with constructive proposals concerning general measures such as natural value assessment, nature consideration and nature conservation management.

Several EU regulations are postponed
Sveaskog primarily pursues EU issues through its participation in the European State Forest Association (EUSTAFOR), the European association of state forest owners, and through a presence in Brussels. Discussions on the Deforestation Regulation, which requires

traceability of raw material origin, continued during the year. At the end of the year, the introduction of the regulation was postponed until the turn of the year 2026–2027. The Forest Monitoring Law also encountered political obstacles, partly due to disagreement over the division of responsibilities between the EU and the Member States. However, the process of setting binding targets for nature restoration continued, and the process of implementing the law in Sweden began.

Commitment to better FSC collaboration
During the year, Sveaskog increased its involvement in the FSC certification system in order to contribute to solutions to challenges in the system, both in Sweden and internationally. The company participated in the FSC General Assembly in Panama City and proposed improvements to the FSC's working methods and cooperation between different parts.

Dialogue with the reindeer industry

The journey of change in recent years linked to coexistence with Sami villages in northern Sweden continued in 2025. Sveaskog's ownership rights and the reindeer husbandry Sami's usage rights are continuously being developed through both dialogue and action.

Sveaskog has extensive land holdings in northern Sweden. Good coexistence with reindeer husbandry, which provides predictability and long-term planning, is a priority area for Group management and the Board of Directors, as well as an important part of the dialogue with the owner. The timber from the company's harvests is crucial for industry in the region, and long-term sustainable use of the forest is needed to ensure industry's continued investments and profitability.

Joint planning with Sami villages takes place prior to regeneration felling, soil scarification, tree species selection, road construction, fertilisation and burning in areas where Sveaskog and reindeer husbandry coexist.

Steps towards stronger dialogue and clarity
Since its relaunch in 2022, the current organisation, tasked with strengthening the dialogue, has taken many steps toward good cooperation with Sami villages and has developed the internal process for joint planning issues. The further development of the digital joint planning portal, cost reimbursement, new instructions and plans for how Sveaskog manages and prioritises measures in the forest in relation to reindeer husbandry have taken concrete shape.

Sveaskog's forest land is certified according to FSC and PEFC. This means higher requirements for joint planning than those stipulated in the Forestry Act. Where deadlocks have occurred and dialogue has not progressed, Sveaskog has chosen to continue with the FSC process in order to clarify the importance of good coexistence, for which both parties are responsible. In 2025, the FSC review committee determined that the company had acted in line with the standard in a reviewed joint planning process.

Cooperation between the reindeer industry, researchers and Sveaskog makes it possible to jointly develop effective methods that strengthen the sustainability of both industries in the short and long term.

→ Read more at: sveaskog.se.

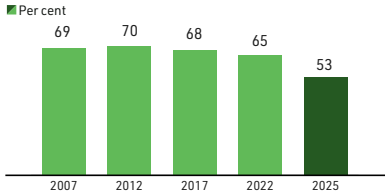
Five-year summary

	2021	2022	2023	2024	2025
Total land area, million hectares, excl. lakes and streams	3.90	3.89	3.87	3.86	3.87
Of which productive forest land, million hectares	3.04	3.03	3.02	3.02	3.04
Recognised fair value of forest assets, MSEK	85,430	88,862	100,221	119,746	123,369
Taxable value, MSEK	66,344	66,471	81,209	81,227	81,475
All deliveries, thousand m^3sub	10,682	10,360	8,930	8,231	7,756
Deliveries from own forest, thousand m^3sub	6,290	5,866	5,064	4,792	4,677
Timber purchases, thousand m^3sub	1,812	1,738	1,408	1,104	1,040
Central purchases and imports, thousand m^3sub	2,394	2,756	2,459	2,335	2,038
Number of delivered seedlings/of which to own forest, million seedlings	149/62	138/53	131/52	131/52	126/45
Growing stock, million forest cubic metres[1)]	278	281	283	288	290
Regeneration felling, area hectares	25,160	19,600	15,081	14,489	14,219
Soil scarification, hectares, including burning of felled areas	22,670	22,302	20,373	17,606	16,495
Reforestation, hectares[2)]	29,686	26,015	24,717	23,640	20,533
Natural regeneration, area hectares	460	270	124	516	286
Sowing, area hectares	1,217	941	859	780	574
Planting, hectares, excluding beeting[3)]	28,009	24,804	23,735	22,343	19,673
Pre-commercial thinning, area hectares, excluding understorey[4)]	35,269	36,811	40,285	43,553	46,970
Thinning, area hectares	30,180	27,250	22,806	28,148	30,125
Area managed with alternative methods, hectares[5)]	–	55	29	37	146

1) Growing stock refers to productive land minus ecoparks, trial parks and nature reserves.
2) Reforestation includes natural regeneration, sowing and planting excluding beeting.
3) In the past, planting including beeting was reported. This has been changed to make it a more interesting measurement for the business. Previous years have been corrected.
4) In the past, pre-commercial thinning including understorey was reported. This has been changed to make it a more interesting measurement for the business. Previous years have been corrected.
5) Alternative methods on forest land with production targets include selective felling, group selection, different types of thinning or selection cutting. These methods mean that the forest is managed in such a way that the land is always wooded without creating any large clear-cut areas. Previously, the area was indicated for the trial areas where these trial methods were planned. As of 2024, the area handled is followed up. This has also been adjusted for previous years.

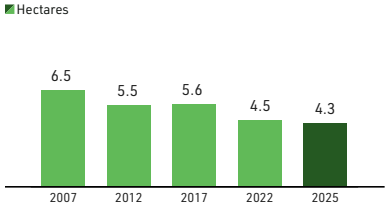
Timber extraction
Sveaskog's timber extraction is based on a long-term calculation. In 2025, the extraction represented 53 per cent of the volume growth on managed land. 63 per cent of the timber extraction occurred in regeneration felling and 31 per cent in thinning. Pine is the dominant species of tree in the timber extraction, followed by spruce and hardwoods.

TIMBER EXTRACTION AS A PERCENTAGE OF VOLUME GROWTH ON MANAGED LAND



Average size of regeneration fellings
Sveaskog's regeneration fellings vary in size, from about 0.5 hectares to about 20 hectares, depending on the conditions on the site. In rare cases, they may be larger.

AVERAGE SIZE REGENERATION FELLINGS



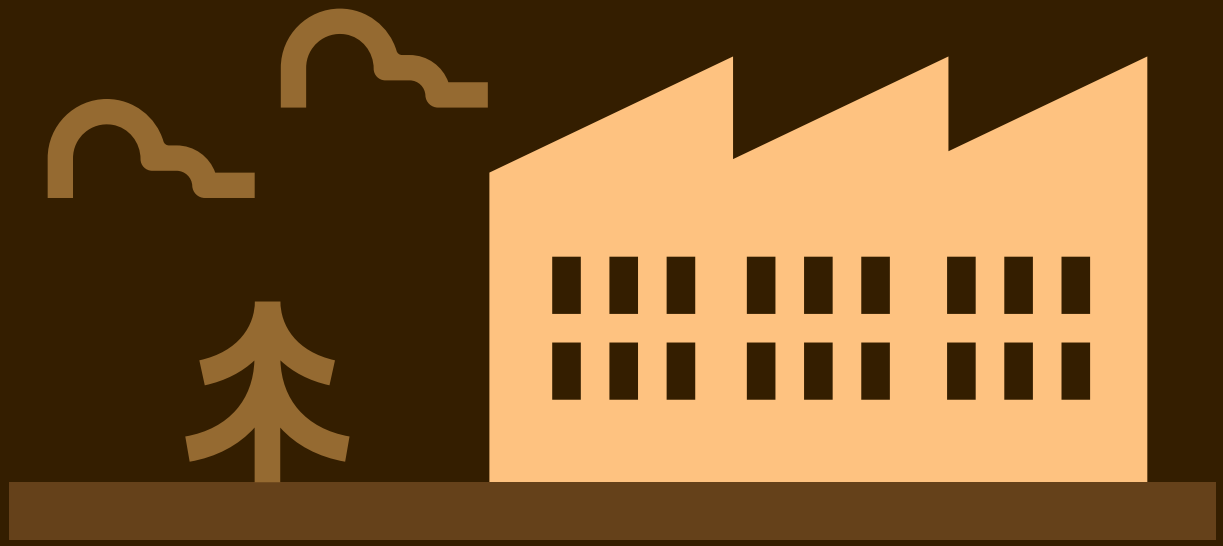
SHARE OF TREE SPECIES ON SVEASKOG'S LAND BY VOLUME

64% Pine

27% Spruce

9% Hardwood

Risk and corporate governance



Risk and sensitivity analysis →
Corporate Governance Report →
Board of Directors →
Group management →

Risk and sensitivity analysis

An important prerequisite for long-term value creation is to understand and be able to manage the risks in the business. The company's risk inventory is carried out as part of the annual business plan. The aim of the inventory is to identify measures that can be implemented to reduce risk exposure.

The material risks described in the summary on the following pages are based on the outcome of the risk inventory. The analysis describes the possible negative impact on Sveaskog's ability to achieve its strategic goals. The assessment relates to the business plan period which extends until 2030. Sustainability-related risks and opportunities are described in more detail in the respective sections of the sustainability report.

The risks can be financial, market-related, biological and climate-related, operational and legal, public and social. Sveaskog's deliveries from its own forest are high and relatively stable over time, which means limited risks of revenue loss. The forests are exposed to biological risks and risks related to weather and climate change. Large fires and windthrows in recent years, including 2025, have highlighted the weather and climate risks. Since Sveaskog's forest holdings are spread across the country, it can be subjected to various climate risks during the period in question. The forests are insured against extensive damage.

Sveaskog contributes to the development of new products and businesses. The company is also increasing revenue from the land by granting concessions for hunting, fishing, nature tourism and establishment of solar and wind power. These efforts provide a broader revenue base, but may also involve risks such as conflicts of interest. War and increased preparedness for conflicts in the surrounding area may lead to increased costs and limit the supply of inputs and foreign labour. Sveaskog does not make any imports from Russia or Belarus and has good control of the purchasing process for wood raw materials through well-established and certified procedures.

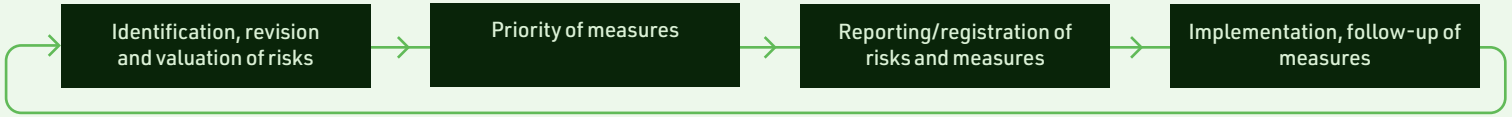
Risk management process in Sveaskog

Risk management is an integral part of the annual business planning of the company and includes both business units and Group functions. The reporting includes a description of the risk, its management and who is responsible. The assessment of the risk is made from a five-year perspective, and aims to describe, considering the company's risk management, the impact that the described risk can have on the company's strategic objectives according to the current business plan. The probability is assessed on a five-point scale where the lowest level (1) means that it is unlikely to occur during the period and where the highest level (5) means that it is expected to occur during the period. The impact is assessed on a five-point scale where the lowest level (1) means that it has a negligible negative impact and where the highest level (5) means that it has a very large negative impact on Sveaskog's target fulfilment. The product of this assessment provides the total risk value illustrated in the risk matrix. Improvement measures are established on the basis of the expected effect on the risk value and how time- and cost-consuming they are. The improvement measures are implemented in accordance with priorities and resource space. Governance and follow-up of priority measures and their effects are carried out regularly during the year. A presentation of how Sveaskog manages its most significant risks is provided on the following pages.

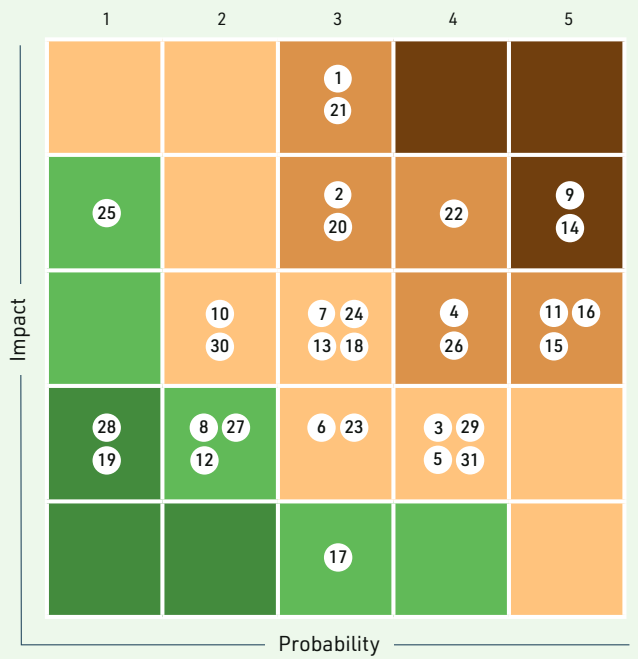
Responsibility

Sveaskog's Board of Directors is responsible for ensuring that the company manages risks in the right way and that established principles for financial reporting and internal control are complied with. The CEO has the overall operational responsibility and has delegated to the CFO to run the risk management process. Operational responsibility lies with the profit units and Group functions and is followed up at management level.

RISK MANAGEMENT IN SVEASKOG



Risk overview



Identification of material risks

The following pages provide an overview of all risks, assessed according to management and sorted by risk area.

Financial risks

1. Financing risk
2. Interest rate risk
3. Credit risk

Climate and biological risks

4. Changed conditions for forestry as a result of climate change
5. Transition measures to achieve climate goals
6. Restrictions on water consumption
7. Pests are introduced/increasing in scope
8. Shortage of seed material
9. Wildlife grazing damage
10. Loss of pollinators
11. Other forest damage

Operational and legal risks

12. Loss of certification
13. Restrictions on forestry as a result of political decisions
14. Access to labour and contractors
15. Information security risks
16. War and preparedness
17. Contaminated land
18. Expanded regulations on hazardous substances
19. Ongoing activities that cause pollution to soil, air and water
20. Coexistence with reindeer industry

Market risk

21. Sawmill industry
22. Pulp and paper industry
23. Energy sector
24. Land concessions

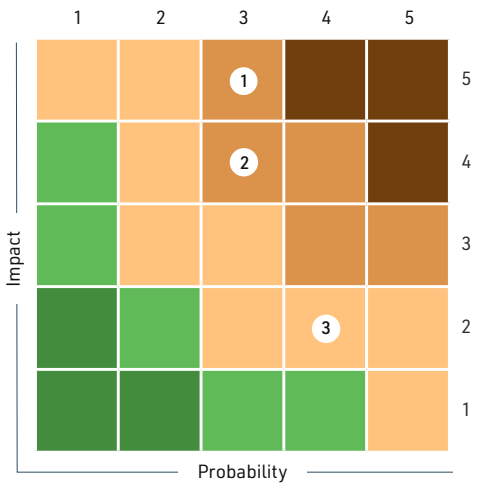
Social risks

25. Safety and sustainability in the purchasing process for wood raw materials
26. Inadequate control of contracted labour
27. Non-local labour
28. Strike by trade unions
29. Work environment, occupational health and safety
30. Bribery and corruption

Public Risks

31. Opinion about the forest

Financial risks



Financial risks

1. Financing risk
2. Interest rate risk
3. Credit risk

1. Financing risk
Assets are partly financed with external loans. This entails a risk if a high loan need arises in a strained credit market situation. Some financial markets operate less well due to wars and conflicts. The global situation is troubled and unpredictable.

Management
- Ensuring a well-diversified loan portfolio of lenders and investors with good flexibility, competitive pricing and stable cash flows.

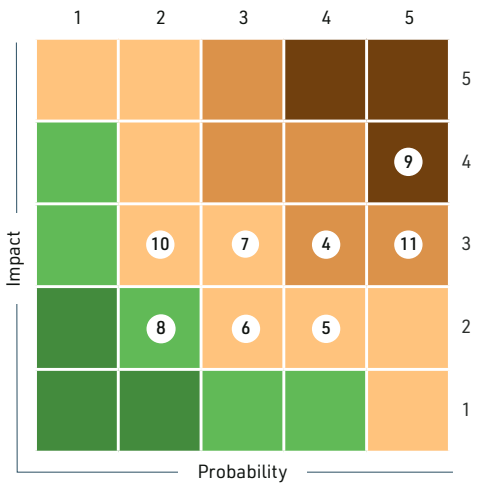
2. Interest rate risk
Risk of Sveaskog being exposed to an unfavourable interest rate position with a large loan portfolio. Interest rates have fallen over a period of time, but no major changes are anticipated over the next two years. However, economic developments and the continuing uncertain global situation may have a negative impact.

Management
- Sveaskog's policy is that the loan portfolio's average fixed interest rate term should be 12-48 months, which is managed through the allocation of bond maturity

3. Credit risk
A counterparty being unable to fulfil its obligations entails a risk. A severe deterioration in the economy entails an increased risk of credit losses.

Management
- The finance policy regulates maximum credit exposure in the investment portfolio
- For the commercial credit exposure, a few major customers are excluded, other customers are covered by credit insurance
- A credit committee conducts systematic follow-up and proposes development of procedures regarding credit risk management.

Climate and biological risks



Climate and biological risks
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4. Changed conditions for forestry as a result of climate change
Increased precipitation, warmer winters, a lack of frozen ground, longer dry periods, etc. lead to more difficult conditions in operational activities. This means, among other things, an increased risk of driving damage on wetter, softer ground. This also means an increased risk of forest fires and increased risk of damage after extreme weather. Overall, this risks leading to reduced timber values, reduced access to suitable objects, downtime and reduced deliveries.

Management
- Measures to improve climate adaptation in Sveaskog's forest lands, for example to increase biodiversity and water conservation
- Site adapted pre-commercial thinning, regeneration and thinning.
- Specially adapted forestry methods in case of fire risk and poor soil bearing capacity
- Working with refined seed and seedling materials
- Tree species variation, mixed forest and adapted final felling ages
- Good crisis organisation and logistics
- The possibility of moving felling resources to a windthrow area
- Insurance against damage

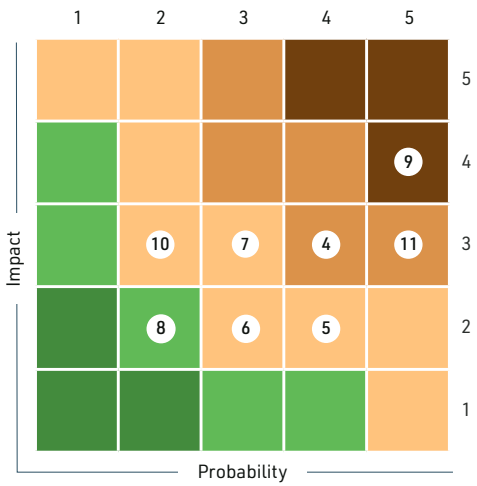
5. Transition measures to achieve climate goals
Measures to reduce fossil fuel emissions and adapt the company to climate change are costly, without any guarantee of a return on investment in the short term. There are uncertainties surrounding the costs of the transition due to external factors such as price volatility for HVO100 and uncertain political governance.

Management
- Steering and monitoring with the help of climate targets, transition plans and systematic work
- Cost-effectiveness is evaluated before measures are implemented

6. Restrictions on water consumption
Risk that Sveaskog or the company's customers who consume large volumes of water will be affected by water stress. Care should also be taken in new water-intensive projects. Certain regions of the country are at greater risk of water stress in the coming years. This may affect conditions for water extraction and lead to, for example, downtime.

Management
- Geographical mapping of our holdings and the location of nurseries in relation to frequent droughts or low groundwater levels
- Future forecasts and scenario management
- Measures to increase water reuse, which reduces total water consumption

Climate and biological risks, cont.



Climate and biological risks

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7. Pests are introduced/increasing in scope

Pests risk being introduced (new invasive species) or increasing in number as the climate becomes warmer and drier, and the availability of plant protection products is limited. An example of this is the engraver beetle. Invasive species introduced through global trade risk creating imbalances in ecosystems.

Management

- More certain forecasts
- Rapid reprocessing of windthrow timber and standing trees with fresh infestations
- Method development for early identification of damage causes
- Monitoring
- Spreading risk through tree species distribution and site adaptation
- Research and development, funding of doctoral students in the forest damage area

8. Shortage of seed material

Changes in forestry methods and regulations may require greater access to forest cultivation material. A changing climate means that existing provenances may find new areas of application, while at the same time there is a need for new provenances to cover geographical variations. Increased demand for seeds from tree species other than the traditional ones contributes to a shortage of suitable seed material. A changing climate with more extreme weather will affect the quality and increase the risk of damage to seedlings in nurseries and when establishing them in the forest. Seedling logistics and seedling care will become more difficult with more variable weather. New sizes of seedlings may be needed to ensure regeneration.

Management

- Collection of stock seeds and/or external purchases
- Research and development
- Planning of new seed plantations

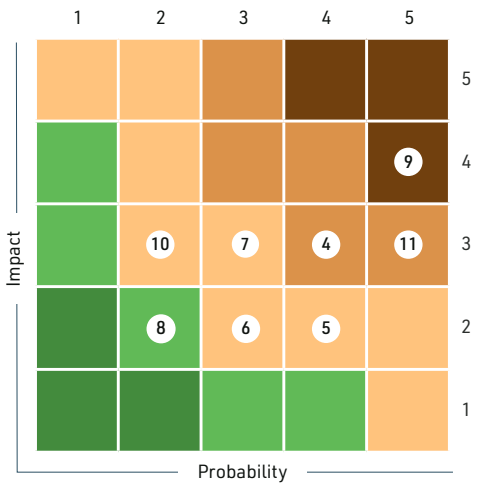
9. Wildlife grazing damage

Wildlife grazing on trees and seedlings reduces forest growth and timber quality and makes forest regeneration more difficult after felling. Wildlife grazing damage is a fact and the cost annually amounts to hundreds of millions of SEK on Sveaskog's land. Expansion of new tree species is a challenge as many of the tree species are popular wildlife grazing. The population of deer game species is increasing throughout Sweden.

Management

- Increased hunting pressure on cloven-hoofed game through various stimulus packages
- Measures to increase the availability of game food
- Customised pre-commercial thinning
- Increased knowledge of game populations

Climate and biological risks, cont.



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10. Loss of pollinators

Loss of pollinators can make the regeneration of insect-pollinated tree species more difficult, which can affect the diversity of deciduous trees and the presence of berries, as well as cause increased costs for regrowth.

Management

- Nature conservation measures that benefit pollinators, such as establishing pastureland, creating forest edge environments and creating nesting environments.

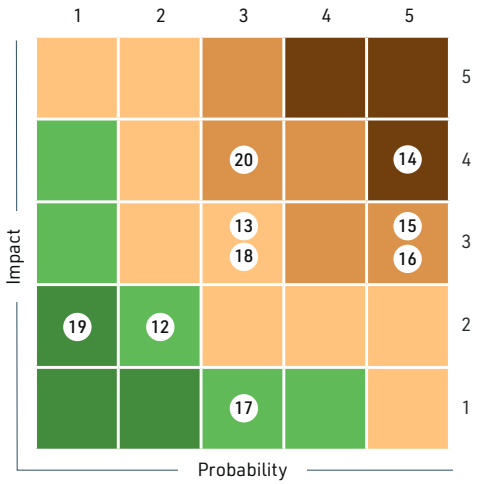
11. Other forest damage

Large areas of Sveaskog's land have negative growth due to damage caused by wildlife grazing combined with root rot, pine blister rust, pine twisting rust and other fungal infestations. This leads to sparse forests with the wrong tree species and low growth. Growth disruptions to the tops of pine in southern Sweden can cause quality reductions.

Management

- Preventing infestations by treating stumps against fungal spores during felling.
- Root rot treatment of pine trees on at-risk land
- Research and development, funding of doctoral students in the forest damage area
- Developed management methods, regeneration with other tree species in affected areas
- Stock-taking and restart of damaged forest
- Research and development, cooperation with authorities and other forestry operations

Operational and legal risks



Operational and legal risks
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20. Coexistence with reindeer industry

12. Loss of certification

A lack of quality in forest management and nature conservation, as well as shortcomings in work and monitoring of social responsibility may result in Sveaskog losing certifications (forestry and traceability certifications). A lost certificate is negative for reputation and would have a material negative impact on the timber business.

Management

- Documented procedures and work processes in all parts of the business
- Procedures and work processes for deviation management
- Internal and external audits and training courses for continuous improvement work

13. Restrictions on forestry as a result of political decisions

National and EU directives, as well as the interpretation of the directives by the authorities, may lead to restrictions or other negative impacts on forestry.

Management

- Participating and commenting on new political decisions at the EU and national level
- Monitoring and commenting on the interpretations made
- Participating in networks together with other stakeholders in the industry
- Adjusting strategy and implementing it in a balanced way

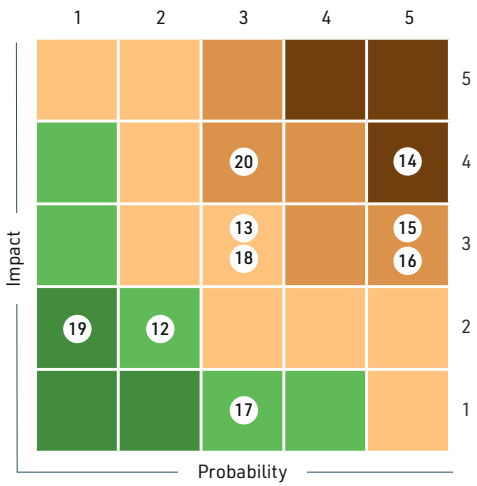
14. Access to labour and contractors

Sveaskog sees a decline in the availability of labour and increased competition from the industry and other sectors. This has made it increasingly difficult to recruit our own staff and contractors in the forestry and transport sectors. The Swedish krona strengthened during the year, giving us a competitive edge over other markets abroad. The reconstruction of Ukraine will affect the availability of labour.

Management

- Profiling Sveaskog as an attractive employer
- Working together in the industry to increase attractiveness
- Cooperation with the education sector and municipalities
- Contributing to creating the conditions for contractors to recruit

Operational and legal risks, cont.



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15. Information security risks

Information security covers Sveaskog's data, what information assets the company has and how they are classified, managed and protected. The information security risks require continuous attention and management. The risks include threats to confidentiality, integrity and accessibility of business critical information. External threats such as cyber attacks, data breaches and IT-related extortion, as well as internal risks such as accidental data leaks and a lack of security awareness among employees pose potential risks to the company's information security. Sveaskog is aware of the specific challenges that come with the digitalisation of the business, including the management of large amounts of data and the widespread use of advanced technologies such as AI.

Management

- Information classification in order to identify information in need of protection and appropriate security measures
- Procedures for the correct handling of information worthy of protection
- Information and regular training
- Participation by the operations in the information security work with clearly identified information ownership
- Monitoring and control of information security measures
- Protective measures are based on completed information classifications and risk analyses
- Simulated disaster scenarios to secure operations
- Monitoring to detect and address information security incidents
- Cooperation with authorities and other companies

16. War and preparedness

The war in Ukraine and the conflicts in the Middle East are contributing to continued geopolitical unrest. Trade barriers between the US, China and the EU have a negative impact on global trade. The increased preparedness situation, linked to Sveaskog's large land holdings, can affect the company's future behaviour. Increased global unrest risks affecting Sveaskog mainly through increased costs and resource shortages, as well as land transfers to the Swedish Armed Forces.

Management

- Complying with the recommended sanctions from authorities
- Working proactively to alleviate negative effects on operations, customers and employees
- Conducting a total defence analysis and continuity planning

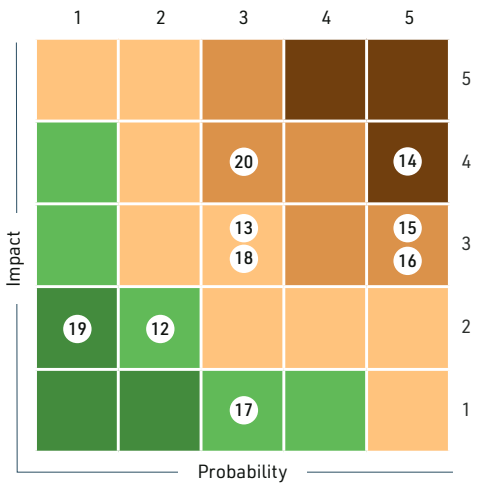
17. Contaminated land

Sveaskog is responsible for remediating contaminated land in areas where activities that caused contamination previously took place and where the land is now part of the Group's holdings. Through mapping and assessment of the various sites, costs have been estimated and funds allocated for remediation by Sveaskog Timber AB.

Management

- Mapping, strategy and action plan for the management of ongoing operations and possible post-treatment
- Annual own-initiative post-treatments as part of the action plan

Operational and legal risks, cont.



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18. Expanded regulations on hazardous substances
Extended bans and restrictions on "hazardous substances", i.e. compounds that are included on the EU candidate list or banned elsewhere, may limit customers and thus the company's sales to a particular industry. Bans on plant protection products increase the risk of pests.

Management
- External surveillance through industry collaborations, the Swedish Forest Industries Federation and customer dialogues
- Research and development, cooperation with authorities and other forestry operations

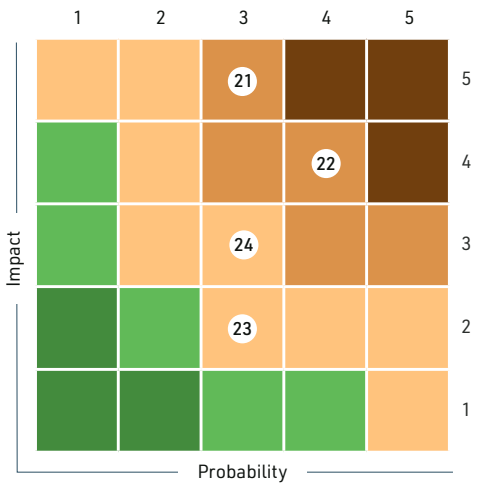
19. Ongoing activities that cause pollution to soil, air and water
The company's forestry operations and nurseries use xenobiotic substances and which, if they leak into the environment, could cause damage that Sveaskog could be liable to clean up/remedy.

Management
- Mapping, strategy and action plan for the management of ongoing operations and possible post-treatment

20. Coexistence with reindeer industry
Sveaskog coexists with the reindeer industry on much of the company's land holdings. Sveaskog follows the consultation process according to FSC and also observes significant voluntary consideration to create a good coexistence. Examples of such consideration are refraining from or postponing felling as well as adapted felling and forest management methods. This results in reduced revenues, increased costs and growth losses for Sveaskog. Growing numbers of actors are claiming land and natural resources in the reindeer industry area, which increases cumulative pressure. The dissolution of the Reindeer Grazing Land Committee has led to political uncertainty. Non-constructive consultations can lead to additional costs and reduced growth.

Management
- Documented procedures and work processes in all parts of the business
- Internal and external audits
- Developed joint planning process and dialogue
- Developed organisation and working methods
- Adapted felling and forest management
- Lichen trial project
- Training and exchange in joint planning

Market risk



Market risk

21. Sawmill industry
22. Pulp and paper industry
23. Energy sector
24. Land concessions

21. Sawmill industry

The sawmill industry has high geopolitical and commercial exposure to global markets and is thereby affected by political incentive schemes. The timber sector is risk exposed due to higher fragmentation and fluctuating demand. Sveaskog bears a risk of credit losses if sawmill customers are forced out of business due to poor profitability. Structural change may result in fewer sawmill customers in the vicinity of Sveaskog's forest holdings.

Management
- Active customer choices and credit insurance
- Well described assets and felling possibilities
- Prioritising cooperation with customers with long-term survival and profitability potential
- Securing timber sales through strategic partnerships

22. Pulp and paper industry

The pulp and paper industry is consolidated and consists of a few dominant companies, which limits business and sales opportunities, especially when demand is falling. Lack of profitability among customers can lead to the elimination of players and thus further consolidation. This could have a negative impact on timber prices in the longer term. Political incentive schemes, structured changes and demand in the international market affect demand for products from the pulp and paper industry.

Management
- Increasing market and customer capital in the sector as well as new value chains
- Facilitating new value chains linked to the green transition
- Well described assets and felling possibilities
- More efficient logistics and increased exports

23. Energy sector

The volatility of the energy sector in terms of supply and demand for forest fuel poses a risk of fluctuating sales opportunities. Financial risks due to high overheads and uncertain revenues, combined with long lead times from harvesting to delivery to the customer.

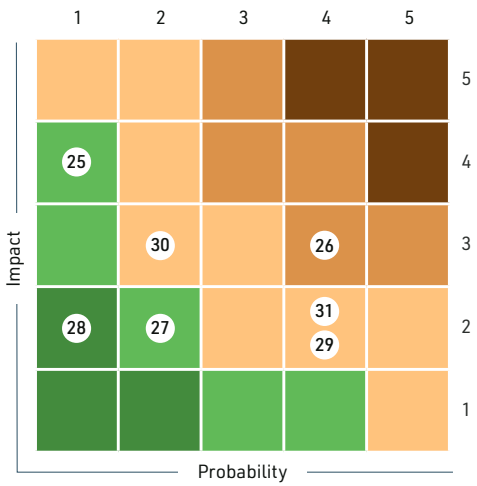
Management
- Being an efficient supplier with developed business concepts close to the customer that ensure added value and increased profitability for the parties
- Actively working to increase cost control
- Prioritising product development and innovation

24. Land concessions

Sveaskog provides concessions for land for various purposes. The concessions include, among other things, rights of use for hunting and fishing. Concessions also pertain to rentals and leases for agriculture, peat, gravel and rock quarries, as well as for wind power and telecommunications equipment. The number of new land concessions is increasing. The risks are mainly linked to FSC compliance, brand risks and electricity price development. The general public also has strong opinions on this issue, both in terms of experiential value and consideration of local communities.

Management
- Being an efficient grantor of concessions with developed offers and business concepts
- Active selection of customers and partners
- Clear requirements and procedures, Code of Conduct

Social risks and Public risks



Social risks

25. Safety and sustainability in the purchasing process for wood raw materials
26. Inadequate control of contracted labour
27. Non-local labour
28. Strike by trade unions
29. Work environment, occupational health and safety
30. Bribery and corruption

Public Risks

31. Opinion about the forest

25. Safety and sustainability in the purchasing process for wood raw materials

Sveaskog's timber procurement (direct purchases and bartering) from imports and purchases from domestic private landowners and commercial market players entails risks linked to the felling of high conservation values, illegal felling, corruption and inadequate labour law protection. If any of these risks materialise, it will damage Sveaskog's reputation, risk violating legal and certification requirements and may result in damages.

Management

- Sveaskog's Code of Conduct and certification
- Sveaskog's policies, guidelines, instructions and support documents
- Clear guidelines for tracking and documenting purchased raw materials
- Active agreements and supplier assessments
- Ongoing training and competency requirements
- Second opinions through internal and external audits and checks to ensure the quality of procedures and working methods
- Implementing quality-assured EUDR adaptations and procedures to comply with new legislation

26. Inadequate control of contracted labour

Contractors who do not fulfil commitments may pose a risk linked to the working environment, health, safety and labour law. The challenges of recent years, such as cost increases and labour recruitment difficulties, are challenging for many contractors.

Management

- Code of conduct, guidelines for the procurement of contractors, service declaration and follow-up and control of compliance reduce the risks
- Spot-checks and inspections in the field and at the company (internal and external audit)
- Skill-improvement measures in purchasing and for contractors

27. Non-local labour

When procuring non-local work teams, there is a risk that relations with the local community deteriorate. This affects the company's reputation and role as an employer.

Management

- Guidelines for the procurement of contractors

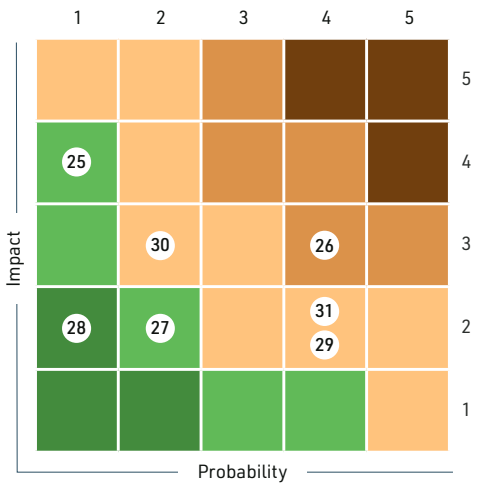
28. Strike by trade unions

A possible strike by the Swedish Union of Forestry, Wood and Graphical Workers (GS), with which the contractors are affiliated would have a major impact on Sveaskog's operations.

Management

- Requirements on collective agreements in procurement
- Supplier follow-ups
- Continuity planning

Social and public risks, cont.



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29. Work environment, occupational health and safety

Both our own employees and contracted temporary workers are exposed to risks, primarily related to the challenges of forestry work, which involves physically demanding tasks and working alone, as well as the psychosocial aspects of the work environment. In addition, there are increased risks in certain areas, such as windthrown forests. Even outside of operating activities, there are risks in this area, particularly with a focus on poor ergonomics and rehabilitation. Added to this are risks linked to the debate surrounding hunting, nature conservation, reindeer husbandry, wind power establishment and the use of forests.

Management

- Sustainable employment conditions
- Systematic work environment and safety work
- Structured working methods for crisis and safety issues
- Proactive communication regarding Sveaskog's sustainable forestry
- Support for operations and private individuals
- Clear objectives for the business and individual employees

30. Bribery and corruption

Unclear guidelines and procedures pose a risk of bribery and corruption. If this were to occur, Sveaskog's reputation and trustworthiness would be at risk. Improved systems and increased prevention work require increased resources and higher costs.

Management

- Continuous dialogue, Code of Conduct, clear guidelines, internal control, the possibility of anonymously reporting suspicions of violations
- Mapping corruption risks
- Internal training and communication

31. Opinion about the forest

Opinion on Sveaskog's forest management and areas of use can affect profitability and the value of forest land. The reputation of the company's operations, the forestry carried out and the brand are also affected by opinion. Confidence in the company is affected and with it customer relations and cooperation.

Management

- Being active in the forest debate
- Collaboration with other parties and stakeholders
- Local presence and dialogue
- Code of Conduct, internal procedures, active information work and continuous dialogue with stakeholders
- Acting as a role model in responsible forest ownership

Corporate Governance Report

This Corporate Governance Report describes how the company, based on the vision of being the world leader in sustainable value creation in the forest and the parliamentary mandate, is creating well-functioning structures and principles for the corporate governance of Sveaskog. The Swedish Companies Act, the State's ownership policy for 2025 and the Swedish Corporate Governance Code and other applicable laws and regulations form the basis for the governance of Sveaskog.

Corporate governance within Sveaskog

Sveaskog AB is a Swedish public limited company, which is wholly owned by the Swedish State and managed by the Ministry of Finance. The owner's governance of Sveaskog takes place through the General Meeting of Shareholders and the Board of Directors in accordance with the Swedish Companies Act. Sveaskog's corporate governance is formed on the basis of applicable legislation, the State's ownership policy and the Swedish Corporate Governance Code ("the Code").

This Corporate Governance Report has been prepared as part of Sveaskog's application of the Code. The report has been reviewed by the company's auditors. In accordance with the State's ownership policy, Sveaskog has deviated from the Code in two cases:

- Preparation of decisions on the nomination of the Board of Directors and auditors, meaning that Sveaskog has not appointed a Nomination Committee.
- As regards the independence of Board members in relation to the State as the majority shareholder, this is not reported as the Code in this respect targets companies with a distributed ownership.

Sveaskog's mission

According to the State's ownership policy, companies owned by the State must act in a professional, sustainable and exemplary manner that maintains public confidence. The companies must integrate sustainability into their business operations and act responsibly in the markets in which they operate and in the value chain in general. The companies must take into account international agreements, principles and guidelines on environmental and climate considerations, human rights, working conditions, anti-corruption and business ethics that are relevant to their operations. The companies should be role models in their industry in the environment and climate area.

According to the object of the company in the Articles of Association, Sveaskog shall own and manage movable and immovable property, as well as conduct forestry and forest industry activities, and activities consistent therewith. The core business shall be forestry. Sveaskog shall also be an independent operator with no major interests of its own as an end-user of wood raw materials. The company can also conduct related

ORGANISATION AND GOVERNANCE

business if it contributes to increasing the company's return. According to a special parliamentary mandate from 2022, the company will divest, for a market-based consideration, a total of up to 60,000 hectares of unprotected productive forest land, mainly above and close to the boundary of forests near mountains, for use as a compensation land to individual landowners of protected forest including forest properties owned and managed jointly within so-called common forests and district common land. The company's operations shall be conducted on a commercial basis and generate market-based returns. The owner has chosen financial targets for Sveaskog regarding return and net debt/equity ratio, as well as a dividend policy.

1. General Meeting

The General Meeting of Shareholders is Sveaskog's highest decision-making body and the forum where the shareholder formally exercises its influence. According to the State's ownership policy, the Annual General Meeting shall take place no later than 30 April of each year. The convening notice for the Annual General Meeting shall be made no earlier than six weeks and no later than four weeks before the Annual General Meeting through advertising on the company's website: sveaskog.se. The Board of Directors is responsible for convening the General Meeting. The Board submits a resolution proposal to the Annual General Meeting on guidelines for the remuneration of senior executives, reports whether previously agreed guidelines have been followed or not and the reasons for any deviations, and proposes the election and remuneration of auditors. According to the State's ownership policy and the Articles of Association, members of parliament have the right to attend the General Meeting and ask questions in connection with it. The public is also welcome to attend.

Annual General Meeting 2025

The Annual General Meeting of the parent company Sveaskog AB (publ) was held on 23 April 2025 in Stockholm. The meeting was open to the public and both members of parliament and the public were invited to participate. The meeting was opened by the company's Chief Legal Officer and Board Secretary, Christine Leandersson, who was also appointed to chair the meeting as the Chair of the Board, Kerstin Lindberg Göransson, was unable to attend. The owner was represented by Henrik Vesterberg. The Annual General Meeting adopted the income statement and balance sheet for the 2024 financial year and granted discharge from liability to the Board of Directors and the CEO for the year. The AGM resolved to approve the Board's proposed appropriation of earnings, which meant a dividend of MSEK 1,203 to the owner. Guidelines for remuneration of senior executives were established. In addition, the Board members, Chairperson and Auditor were elected and resolutions were passed regarding remuneration. Minutes and other material related to the Annual General Meeting can be found on the company's website: sveaskog.se.

Annual General Meeting 2026

The 2026 Annual General Meeting will be held on 22 April. Documents for, and minutes from, General Meetings can be found on the company's website: sveaskog.se.

2. External auditor

Election of auditors is decided by the owner at the Annual General Meeting. The Board of Directors submits a proposal on an auditor's election to the AGM based on a recommendation from the Audit Committee. Proposals for the election of auditors are presented in the convening notice to the Annual General Meeting and on the company's website: sveaskog.se. The auditors are appointed for a one-year term of office. According to Sveaskog's Articles of Association, the company must have one or two auditors with or without one or two deputy auditors or a registered accounting firm as the auditor. At the 2025 Annual General Meeting, KPMG AB was re-elected as auditor for a one-year period until the 2026 Annual General Meeting. The accounting firm appointed Joakim Thilstedt as the auditor in charge. The auditor is responsible for examining the company's annual financial statements and accounts, as well as the management of the Board of Directors and the CEO, on behalf of the shareholders. A summary review of the company's Sustainability Report is carried out by the elected auditor, which certifies the report together with the responsible sustainability auditor. In addition, a summary review of the Group's interim report is carried out at the end of the third quarter by the elected auditor. The Board of Directors has a dialogue with the auditor through the Audit Committee and through the auditor's presence at Board meetings in the treatment of issues leading to the annual financial statements and annual accounts. At least once a year, the auditor meets with the Board of Directors without the presence of the CEO or another person from Group management. The auditor participated in all of the seven meetings of the Audit Committee. The practical work on procurement of auditors is carried out by the Board's Audit Committee together with the company. Fees for the auditor's work are paid according to an approved bill. The company's audit costs are presented in Note 6, Other external expenses.

3. Board of Directors

The Board of Directors is responsible for the company's organisation and management of the company's affairs and ensuring that the company is managed in an exemplary manner within the framework of the legislation, the company's Articles of Association, the State's ownership policy and any owner instructions.

Nomination process

The State's ownership policy sets out a different nomination process than what the Code provides for in terms of election and remuneration of the Board of Directors and auditors. The nomination of Board members and the Chairman of the Board is coordinated by the Department of State-owned Companies at the Ministry of Enterprise and Innovation. For each State-owned company, the need for competence is analysed on the basis of the company's operations, situation and future challenges, the composition of the Board and the evaluations of the Board. After that, any recruitment needs are identified. An even gender balance is sought in the composition of the Board. Diversity aspects must also be taken into account. Once the nomination process has been completed, nominations are published in accordance with the Code. Proposals for the election of the auditor and auditor's fees are submitted by the Board. The nominations of Board members and auditors and proposals for remuneration are also presented in the

convening notice to the Annual General Meeting and on the company's website: sveaskog.se.

Composition of the Board of Directors
According to the Articles of Association, the Board of Directors shall consist of at least five and no more than nine members with no deputy members. The Articles of Association do not provide for the appointment or dismissal of Board members. The company's chief counsel is the secretary of the Board. At the 2025 Annual General Meeting, Kerstin Lindberg Göransson (re-election), Cecilia Ardström (re-election), Uno Brinnen (re-election), Elisabet Salander Björklund (re-election), Timo van't Hoff (re-election), Stefan Öhlén (re-election), Annika Ramsköld (new election) and Christer Simrén (new election) were elected to the Board, which means that after the Annual General Meeting, the Board of Directors consisted of four women and four men. The Board also has two employee representatives and two alternates for them. Kerstin Lindberg Göransson was re-elected as the Chair of the Board of Directors. The Annual General Meeting noted that the Board members are deemed to have relevant competence, experience and backgrounds for the company's operations, development stage and conditions otherwise and that the Board as a whole has a versatility, breadth and gender distribution that reflects the requirements of the State's ownership policy.

The Board's work during 2025
The Board's rules of procedure govern the work of the Board and determine how the work is to be divided among the Board members, the number of ordinary Board meetings, matters to be dealt with in ordinary Board meetings and the responsibility of the Chair of the Board. The Chair of the Board shall ensure that the work of the Board is carried out effectively and that the Board fulfils its obligations. At each Board meeting during the year, the CEO submits a report on significant events in the company and the outside world and the Chair of the respective committees reports from the committee meetings that have taken place between the Board meetings. According to the rules of procedure, the Chair of the Board, on behalf of the Board, shall inform the owner and request a special strategic review well in advance of Board decisions concerning radical strategic changes to the business. The rules of procedure also contain information about the Chair's role in the Board and information about the division of responsibilities and roles between the Board and the CEO. The Board continuously evaluates the CEO's work, and makes an annual evaluation of the Board's work. At least once a year, the CEO's work is evaluated without the presence of anyone from Group management.
In 2025, the Board held 11 meetings. In addition to dealing with standing items on the agenda, the Board of Directors dealt with issues relating to the company's strategic direction, investments, divestments and other business operations, as well as the relationship with the reindeer industry and other stakeholders. The Board of Directors also made a decision on a number of acquisitions and divestments of forest properties. In order to inform and update the Board members about the company's operations, certain Board meetings are held in different locations within the company's operations and are combined with meetings with management and employees. During the year, the Board of Directors made an excursion together with employees in the forest operations in the Southern Norrland region. The Board has also held informative seminars and, together with Group management, participated in AI training during the year.

Committees of the Board of Directors
The Board has established committees to specifically monitor and prepare Board issues within the respective focus areas of the committees. The members of the committee are elected at the statutory meeting of the Board, which is held in direct connection with the Annual General Meeting. At the committee meeting, representatives from operations such as the CEO, CFO, HR Director, Chief Legal Officer and Property Director can participate as rapporteurs. Guidelines for the work of the committees are set out in the Board's rules of procedure. In addition, there are specific instructions for the Property, Audit and Compensation Committee. The issues dealt with by the committees are recorded and reported at the next Board meeting.

Remuneration Committee (3a)
The Remuneration Committee prepares proposed guidelines for the terms of employment for senior executives and works with issues concerning remuneration and terms of employment, skills supply and succession planning. In 2025, the committee mainly worked on organisational development issues, the employee survey, the skills supply, health and safety, as well as the Code of Conduct. The Remuneration Committee consists of Kerstin Lindberg Göransson (Chair), Timo van't Hoff, Annika Ramsköld and Stefan Öhlén.

Property Committee (3b)
The Property Committee prepares proposals for decisions on property transactions and works on issues related to property management and land concessions. In 2025, the committee worked on the company's land ownership strategy mainly focusing on other land uses and business forms for energy production (solar and wind power) and discussed the development of the property market and issues related to the company's continued work on property development. The Property Committee consists of Elisabet Salander Björklund (Chair), Uno Brinnen, Christer Simrén and Sara Östh.

Audit Committee (3c)
The Audit Committee prepares issues regarding, among other things, the Board's quality assurance of the company's financial reporting and sustainability reporting and prepares quarterly reports for decisions in the Board. The committee supervises the efficiency of the company's internal control and risk management with regard to financial reporting and sustainability reporting, supervises the company's work on the capital structure and other financial matters, prepares policies for decisions in the Board of Directors and prepares the Board's proposal for the Annual General Meeting's resolution on the election of auditors. The committee continuously meets the company's auditor to inform itself of the focus, scope and results of the audit and discusses the coordination between the auditor and the internal control activities and the view of the company's risks. The Audit Committee consists of Cecilia Ardström (Chair), Elisabet Salander Björklund, Stefan Öhlén and Kenneth Andersson.

Principles for remuneration of the Board of Directors
The Board members' fees are decided by the Annual General Meeting as well as fees to members of the Board committees. During 2025, remuneration of the Board of Directors was paid in a total of SEK 2,216,000. The Board of Directors does not have a share in any bonus or incentive programme. The employee representatives, their alternates and the Board member employed at the Government Offices receive no fees.

Evaluation of the Board's work and the CEO's work
The Board conducts an annual evaluation of the work of the Board and the CEO. The evaluation is carried out either internally or externally with the aim of developing the working methods and effectiveness of the Board. An internal evaluation was carried out in 2025. The results of the evaluation were presented both to the Chair of the Board and to the Board as a whole. The owner in the form of the Government Office was also informed of the results of the evaluation. In addition, the Government Office's work on the Board nomination process is continuously evaluated by all State-owned corporate boards.

Organisation of operations
Sveaskog's business activities are comprised of one operational unit, which in 2025 in turn consisted of five regions, and the seed and seedling operations in the business area Svenska Skogsplantor. In addition to the business, the organisation is covered by a number of Group functions.

CEO and Group management
Sveaskog's CEO handles the company's ongoing management according to the terms of reference for the CEO issued by the Board. The CEO is the rapporteur for the Board's meetings. The CEO's responsibility includes ongoing business issues and leading the Group management's work. Erik Brandsma has been the company's CEO since 2022. In 2025, Group management included, in addition to the CEO, the CFO, HR Director, COO, Business Area Manager for Seed and seedling Operations, Forestry Director, CDO, Communications Director, Chief Legal Officer and the Head of Sustainable Business Development. A total of ten persons are included in Group management, of which five are women and five are men.

Internal control and risk management for financial reporting
The Board's responsibility for internal control is governed by the Swedish Companies Act and the Code. Internal control aims to provide reasonable assurance regarding the reliability of external financial reporting in the form of interim reports, year-end reports and annual and sustainability reports. Its verification shall also cover the external financial reporting and ensure that it is prepared in accordance with the law, applicable accounting standards and other requirements for public limited liability companies. The internal control within Sveaskog is based on the COSO Framework for Internal Control, which is an established framework.

Internal control framework
The following is a description of how internal control is organised in relation to financial reporting.

Control environment
The Board has overall responsibility for maintaining an effective internal control and risk management system. The Board of Directors has appointed the Audit Committee to prepare issues regarding risk assessment, internal control, financial reporting (including sustainability reporting) and auditing. The responsibility for maintaining an effective control environment and the ongoing work on risk management and internal control regarding the financial reporting in the company is delegated to the CEO. Managers at different levels of the company have corresponding responsibilities in their respective areas. The most important parts of the control environment for financial reporting are dealt with in the governing documents concerning accounting and financial reporting and in the company's accounting handbook.

Risk assessment and control structures
The Board of Directors is responsible for ensuring that the company manages its risks in the right way and that the established principles for financial reporting and internal control are followed. The identified risks associated with the financial reporting are loss or misappropriation of assets, undue benefits provided to another party at the company's expense, and other risks related to material misstatements in the reporting regarding, for example, the accounting and valuation of assets, liabilities, income and expenses or deviations in disclosure requirements. The questions are prepared by the Audit Committee for consideration by the Board. A number of items in the income statement and balance sheets have been identified where there is an elevated risk of material deviations. The risks mainly relate to the valuation of forest assets, revenue recognition, purchasing and external costs, financing and staff costs.

Information and communication
The company's information and communication channels aim to promote the completeness and accuracy of the financial reporting. For external communications, Sveaskog complies with Nasdaq Stockholm's Rulebook for Issuers.

Monitoring and evaluation
The Board of Directors, the CEO, Group management and the accounting unit continuously ensure monitoring and evaluation of the internal control regarding the financial reporting and that it is suitable and effective. Financial reporting takes place according to a defined reporting structure. The company's objectives and any identified risks are continuously monitored at different levels in the company. This monitoring is regulated in the Board's rules of procedure, the terms of reference for the CEO and other internal governance documents. The budget is decided each year by the Board and the Board receives monthly financial reports and a report from the last meeting of the respective committees. The Audit Committee has a special responsibility for following up audit issues and major issues of principle with regard to financial reporting, where issues relating to forest value and internal control are the focus among other matters. The company's auditor reports its observations from reviews and its assessment of the company's internal control to the Audit Committee and the Board of Directors. This is done both with and without the presence of Group management.

Special audit function

It is the Board's view that Sveaskog's significant risks and risk areas are covered by the risk management process applied by the company. The accounting unit is responsible for the risk inventory and risk management processes on behalf of the CEO. This unit is also responsible for a number of central controls combined with local follow-up. Operational responsibility lies within the regions and other operating units. The Board of Directors considers that there is no need for a special audit function in the company. The unit is led by the CFO and comprises finance, accounting, controlling, purchasing, timber accounts, properties and business development.

Code of Conduct

Sveaskog depends on the rest of the world having confidence in the company. A high level of confidence in the company is a prerequisite for Sveaskog to continue as a successful business. A part of this is Sveaskog's Code of Conduct, which makes it clear to all employees how to behave as a business partner, employer, employee and societal actor. Sveaskog's Code of Conduct applies to all employees. Those that reach agreements with customers, suppliers, contractors and consultants must ensure and monitor that they comply with the Code of Conduct. Sveaskog's managers have a special responsibility to ensure that the Code of Conduct is complied with in their daily operations. The Code of Conduct must always be reviewed in new recruitments, employee development talks, procurements, business follow-ups and similar. When signing business and cooperation agreements, the service declaration, which includes the Code of Conduct, is included as an annex. In order to ensure compliance with the Code of Conduct, there is a specific reporting system for discrepancies or violations. This whistleblower function can be found on the company's website: sveaskog.se.

The function is external, which means that the information is handled and investigated by an external party. In 2025, one case covered by the Act on the Protection of Persons Reporting Irregularities was received through the whistleblower function.

Attendance and remuneration of the Board members

		Attendance				Remuneration, SEK	
Name	Position	Attendance Board meetings	Remuneration Committee	Property Committee	Audit Committee	Board of Directors[1]	Committee
Kerstin Lindberg Göransson	Chair of the Board	9/11	3/4			546,667	17,000
Cecilia Ardström	Board member	11/11			8/8	233,000	61,000
Uno Brinnen	Board member	11/11		8/8		233,000	43,333
Elisabet Salander Björklund	Board member	11/11		8/8	8/8	233,000	77,333
Timo van't Hoff	Board member	11/11	4/4			233,000	14,667
Stefan Öhlén	Board member	11/11	4/4		8/8	0	0
Annika Ramsköld	Board member from 23 April	7/11	3/4			158,000	10,000
Christer Simrén	Board member from 23 April	7/11		5/8		158,000	29,333
Marie Berglund	Board member until 23 April	4/11	1/4			75,000	6,667
Måns Nilsson	Board member until 23 April	4/11		3/8		75,000	14,000
Kenneth Andersson	Employee representative	11/11			7/8	0	0
Sara Östh	Employee representative	10/11		8/8		0	0
Lars Djerf	Employee representative (alternate)	11/11				0	0
Thomas Esbjörnsson	Employee representative (alternate)	8/11					

[1] The Board also includes employee and owner representatives. No Board fees are paid to these representatives.

Board of Directors

Kerstin Lindberg Göransson

Chair of the Board

Master of Science in Economics.

Born in 1956. Elected in 2019 and Chair since 2022.

Other assignments: Chairman of the Board of the Sophiahemmet non-profit association, Chairman of the Board of Rikshem, and member of the Royal Swedish Academy of Engineering Sciences (IVA).

Previous experience: Chair of the Board of Svensk Bilprovning AB and the K2 Swedish Knowledge Centre for Public Transport and a former member of Alecta Fastigheter AB, the Third Swedish National Pension Fund, Jernhusen AB, Hemnet Group AB, Strömma Sjöfart and Turism AB and Grand Hotel AB. CEO of Akademiska Hus, Airport Director of Stockholm-Arlanda Airport, CFO and Deputy CEO of the Scandic Group.

Committee assignments: Chair of the Remuneration Committee.

Cecilia Ardström

Board member

Studies in business administration/economics, etc.

Born in 1965. Elected in April 2024

Other assignments: Board member of Euroclear Sweden AB, Altaal AB, Nordic Creditpartners S.A. Sicave-RAIF, Nordic Credit Opportunities S.A. Sicave-RAIF, Guldsillen AB and Trustly Group AB.

Previous experience: Chairman of the Board of Nordic Credit Partners AB. Board member of Teracom Group AB, Careium AB, Aktiebolaget Svensk Exportkredit, Doro AB, AMF Fonder AB, Fortnox AB, Länsförsäkringar Fondförvaltning AB and Humlegården Fastigheter AB. Acting CEO of AMF Fonder AB, CFO and Head of Asset Management Länsförsäkringar AB, Head of Asset Management and COO of Folksam Group, Treasury Head of the Tele2 Group.

Committee assignments: Chair of the Audit Committee.

Uno Brinnen

Board member

Master of Forestry, Licentiate of Forestry.

Born in 1956. Elected in 2023.

Other assignments: Board member of the Royal Swedish Academy of Agriculture and Forestry (KSLA).

Previous experience: SVP of Forestry BillerudKorsnäs AB, Board member of BillerudKorsnäs Baltic companies, Forest Director of Korsnäs AB, Board member of ACE (Alliance for Beverage Cartons and Environment) Brussels, Board member of the Forestry Research Institute of Sweden, Forest Manager of Ljusdals skogsförvaltning Korsnäs AB, Property and Information Manager of Gimo Skogsförvaltning Korsnäs AB, System Development Manager of Korsnäs AB, Forest System Development Manager of SCA Data, Forest Work Environment Researcher at the Swedish University of Agricultural Sciences (SLU).

Committee assignments: Member of the Property Committee.

Timo van't Hoff

Board member

MSc in Technology Management.

Born in 1971. Elected in 2023.

Current position: Senior Vice President – Strategy, Marketing & Sales at RISE (Research Institutes of Sweden).

Other assignments: Board member of Unimer AB.

Previous experience: Chief Product Officer at HMS Networks. CEO of Volvo Car Retail Solutions. Director of R&D, Emerson Process Management – Marine. Board member of SWERIM. Various positions at AB Volvo and Capgemini.

Committee assignments: Member of the Remuneration Committee.

Annika Ramsköld

Board member

M.Sc. in Chemical Engineering.

Born in 1964. Elected in 2025.

Current position: Head of Sustainability at Vattenfall.

Other assignments: Board member of CSR Sweden.

Previous experience: 35 years within the Vattenfall Group, including as Head of Market Strategy and Business Development, Chief of Staff at the CEO Office, Public Affairs, and Head of Communications and Marketing at the Supply & Trading unit. Chairman of the Board of the joint venture "Volvo-Vattenfall Plug-in Hybrid Company", Chairman of Värtan Gas and Gasnätet Stockholm.

Committee assignments: Member of the Remuneration Committee.

Elisabet Salander Björklund

Board member

Master of Forestry.

Born in 1958. Elected in 2021.

Other assignments: Board member of AB Karl Hedin, Arevo AB, Firefly AB and the Marcus Wallenberg Prize Foundation. Board member of the Royal Swedish Academy of Agricultural and Forestry (KSLA) and the Royal Swedish Academy of Engineering Sciences (IVA).

Previous experience: CEO of Bergvik Skog AB. Senior positions at Stora Enso. Several positions in charge of timber sales within the Swedish National Forest Enterprise, later AssiDomän. Member of the Boards of Ahlström-Munksjo Oyj, Clas Ohlson AB and Gasum Oy, among others.

Committee assignments: Chair of the Property Committee and member of the Audit Committee.

Board of Directors, cont.

Christer Simrén

Board member

Doctor of Technology, MSc. in Engineering, M.Sc. in Economics.

Born in 1961. Elected in 2025.

Current position: Senior Advisor, CellMark AB.

Other assignments: Chairman of the Board of Cellcomb AB and TopCell AB. Board member of Nordic Paper Holding AB. Member of the Royal Swedish Academy of Engineering Sciences (IVA).

Previous experience: CEO of CellMark AB, CEO of Korsnäs AB, Deputy CEO and COO of Billerud, CEO of Wermland Paper, CEO of CHAMPS, CEO of Mediabricks.

Committee assignments: Member of the Property Committee.

Stefan Öhlén

Board member

Master of Science in Economics.

Born in 1983. Elected in 2024.

Current position: Company Manager at the Ministry of Enterprise and Innovation's Department for State-owned Companies.

Previous experience: Company analyst at the Ministry of Finance, management consultant at QVARTZ, Board member of Norrlandsfonden.

Committee assignments: Member of the Remuneration Committee and the Audit Committee.

Kenneth Andersson

Employee representative

Machine driver.

Born in 1969. Elected in 2017.

Current position: Employee representative for the Swedish Union of Forestry, Wood and Graphical Workers (GS). Employed at Sveaskog as a machine driver.

Committee assignments: Member of the Audit Committee.

Sara Östh

Employee representative

Master of Forestry.

Born in 1983. Elected in 2018.

Current position: Employee representative for the Union for University Graduates. Employed at Sveaskog as an Environmental and Quality Coordinator.

Committee assignments: Member of the Property Committee.

Lars Djerf

Employee representative (alternate)

Machine driver.

Born in 1968. Elected in 2013.

Current position: Employee representative for the Swedish Union of Forestry, Wood and Graphical Workers (GS). Employed at Sveaskog as a machine driver.

Thomas Esbjörnsson

Employee representative (alternate)

Born in 1962. Elected in 2015.

Current position: Employee representative for Ledarna, the organisation for managers in Sweden. Employed at Sveaskog as a Process Developer.

Members who left the Board in 2025:
Marie Berglund, Måns Nilsson

Group management

Erik Brandsma

CEO

Forest Engineer.

Born in 1964.

Employed in 2022.
Began in the current position in 2022.

Previous experience: CEO Jämtkraft AB, Director General of the Swedish Energy Agency, Head of Sustainability Vattenfall AB, Chief Sustainability Officer EON AG, Commission for Sustainable Development (CSD) United Nations, Environment Directorate OECD.

Other assignments: Board member of Stockholm University and Circular Gastronomy.

Anders Almäng

Director of Forestry

Master of Forestry.

Born in 1965.

Employed in 2003.
Began in the current position in 2022.

Previous experience: Head of Södra Norrland Profit Centre, Director of Forest Management MO Mitt Sveaskog, Planning Manager Södra Norrland Sveaskog. Director of Forest Management, Swedish National Property Board, Director of Forest Management (acting) AssiDomän.

Other assignments: Deputy Board member of NFA Forestry Automation AB.

Helene Bergström

Head of Svenska Skogsplantor

Primary school teacher and Master of Forestry. Executive MBA, Stockholm School of Economics.

Born in 1972.

Employed in 2010.
Began in the current position in 2020.

Previous experience: Planning Manager and Head of Sveaskog Norra Bergslagen and Södra Bergslagen Profit Centres.

Other assignments: Board member of SIA Sveaskog Baltfor.

Per Callenberg

Head of Sustainable Business Development

M.Sc. in Industrial Economics.

Born in 1980.

Employed in 2023.
Began in the current position in 2023.

Previous experience: State Secretary, Ministry of Infrastructure. State Secretary, Ministry of Enterprise and Industry. Deputy Head of the Coordination Office of the Cabinet Office. Senior Advisor Vattenfall Nordic. Chair of the Swedish FAO Committee.

Other assignments: Board member of SIA Sveaskog Baltfor.

Annica de Jong

HR Director

Bachelor of Science in Working Life Issues. Diplomaed Gestalt Practitioner in Organisation, Gestalt Institute of Scandinavia.

Born in 1968.

Employed in 2023.
Began in the current position in 2023.

Previous experience: HR Director LRF, Human Resource Director CGI. HR Controller, Swedavia; Consultant Director, Proffice Sweden. HR Manager, Ericsson Business Consulting.

Other assignments: Member of the Boards of ShoreLink AB and the Swedish Federation of Green Employers.

Group management, cont.

Patrik Karlsson

Chief Digital Officer

M.Sc. Economics and Systems Scientist.

Born in 1969.

Employed in 2020.
Began in the current position in 2020.

Previous experience: CIO at Nordic Cinema Group and Filmstaden, CIO Intrum Justitia, CIO Ventelo, various roles at Capgemini.

Other assignments: Board member of Biometria.

Christine Leandersson

Chief Legal Officer

Master of Laws.

Born in 1974.

Employed in 2022.
Began in the current position in 2022.

Previous experience: Senior Adviser, Group Director and Business Counsel, Corporate Administration, Government Offices of Sweden. Attorney, Advokatfirman Vinge.

Other assignments: Board member of Sveaskog Finans AB and chairman of the Domäns hjälpfond foundation.

Malin Nordén

Head of Communications

Bachelor's degree.

Born in 1971.

Employed in 2022.
Began in the current position in 2022.

Previous experience: Head of Group Communications, Head of Internal Communications and Head of Content PostNord. Director Internal Communication & Brand Management, Director Editorial Management, Ericsson. AD, Copywriter and Editor-in-Chief HL Display.

Claes Rasmuson[1)]

CFO

M.Sc. in Engineering.

Born in 1968.

Employed in 2023.
Began in the current position in 2023.

Previous experience: CFO at Specialfastigheter Sverige AB. Head of Strategy and Business Development and Acting CFO LKAB. Financial analyst.

Other assignments: Chairman of the Board of Sveaskog Försäkringsaktiebolag and Board member of Sveaskog Finans AB.

Anette Waara

Chief Operating Officer

Master of Forestry.

Born in 1969.

Employed in 2002.
Began in the current position in 2023.

Previous experience: Head of Västerbotten Profit Centre
and Production Manager and Environmental Manager Sveaskog. Field Worker Holmen Skog. Board member, Swedish National Property Board.

[1)] Claes Rasmuson left Group management when he left Sveaskog during the first quarter of 2026.

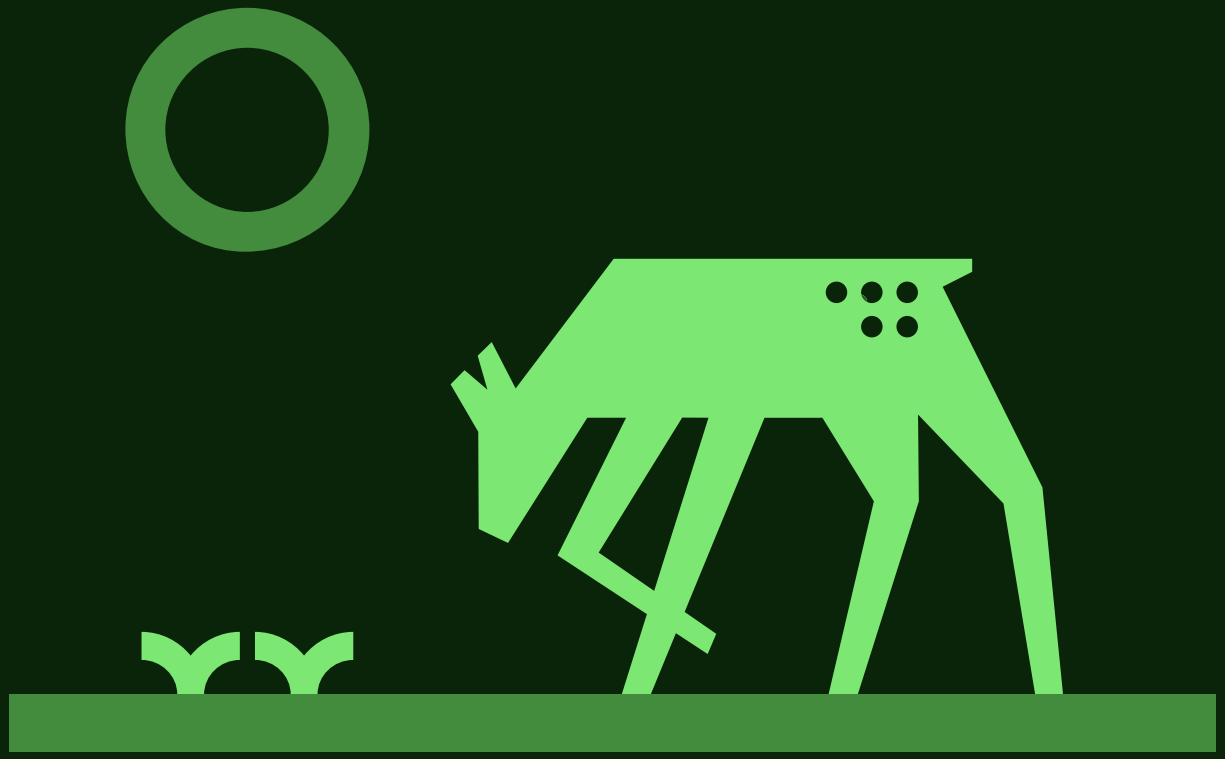
Sustainability Report

General disclosures →
Environmental information →
- EU taxonomy reporting →
- Climate change →
- Biodiversity and ecosystems →
- Resource use and circular economy →

Social information →
- Own workforce →
- Workers in the value chain →
- Affected communities →

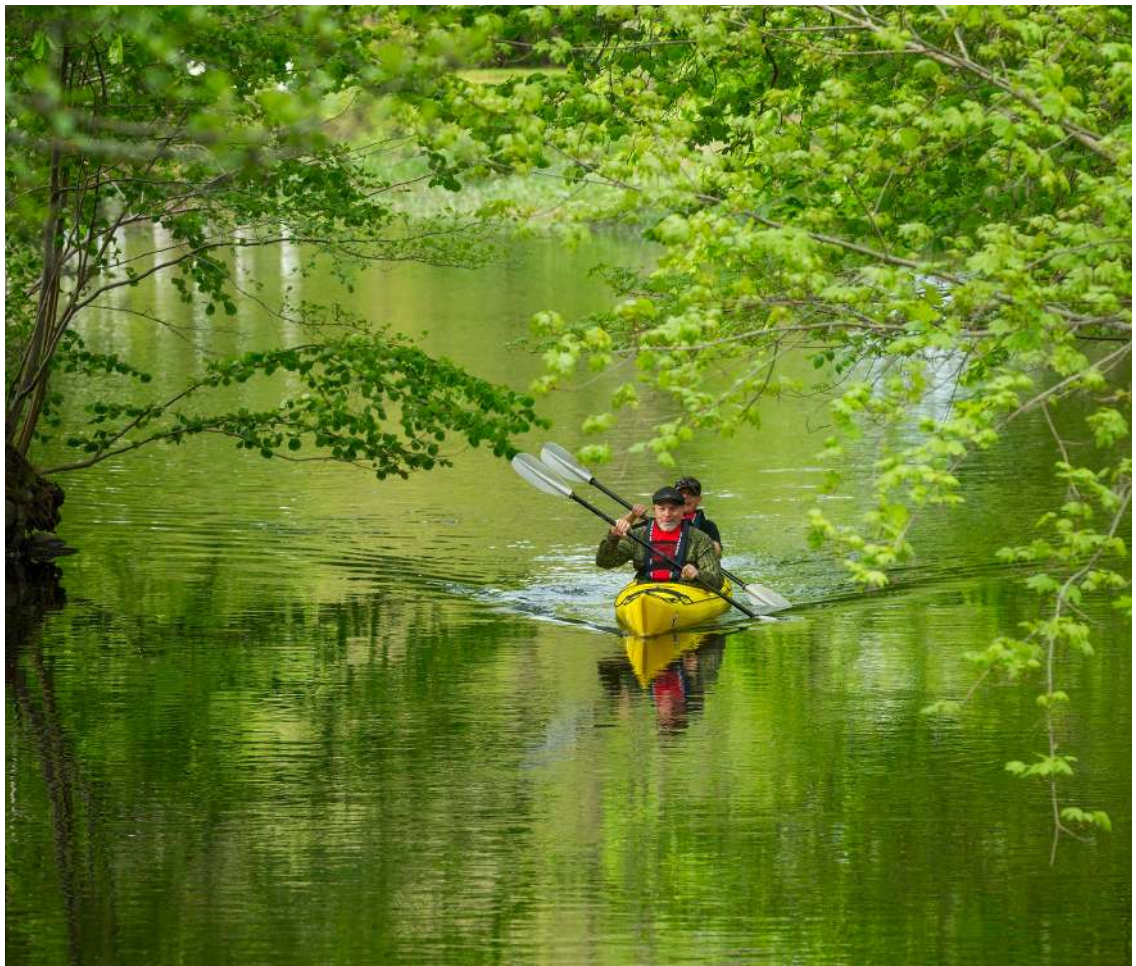
Governance information →
- Business conduct →

Appendices →
Disclosures outside ESRS →



General disclosures

Sveaskog strives to report on its work with material sustainability issues in a transparent manner. Clear and reliable reporting is a key part of the company's responsibility as a State-owned company and as the manager of large parts of Sweden's forests. By describing the company's impacts, risks, opportunities, targets and actions, Sveaskog lays the foundation for a trusting dialogue with stakeholders and strengthens the conditions for long-term sustainable and responsible operations.



Read more

→ Basis for preparation
→ Governance
→ Strategy
→ Impact, risk and opportunity management

ESRS 2 General disclosures

Basis for preparation (BP)[1)]

BP-1 About this report

The Sustainability Report has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and its European Sustainability Reporting Standards (ESRS). References to ESRS can be found in the various sections of the report, both in headings and in the body text. The report begins with ESRS 2. This is followed by a presentation of the EU taxonomy, ESRS E1, E4 and other relevant ESRS standards that have been deemed material for Sveaskog.

Sveaskog applies the European Commission's Quick Fix provision for ESRS E4, S2 and S3. This entails reduced disclosure requirements, resulting in the structure of the chapters differing from that of the other sections. Instead of containing complete information in accordance with the disclosure requirements of the frameworks, summary information is presented. (BP-2 17)

General information about the Sustainability Report
Similar to the financial statements, the information in the Sustainability Report covers the entire Group. In cases where this is not possible, it is specified whether the information only applies to Sveaskog Förvaltnings AB in Sweden or SIA Sveaskog Baltfor in Latvia. Part-owned companies are not included in the Sustainability Report since Sveaskog has no operational control over them, with the exception of the parts of the climate report that include emissions within scope 3 for Sveaskog's associates. Any significant omitted information or limited scope of information is explained in the respective section. (BP-1 5)

Connection to the value chain
Besides information on how Sveaskog's own operations lead to impacts, risks and opportunities, the Sustainability Report also contains information linked to the value chain, as activities both upstream and downstream are taken into account in the double materiality assessment. This information is mainly found in the sections climate, biodiversity, labour in the value chain, affected communities and business conduct. In terms of policies, the value chain is covered in certain cases, for example with regard to the Code of Conduct for Suppliers and Sveaskog's Guidelines for Forestry Measures, which also cover contractors. Measures relating to climate, biodiversity and employees in the value chain largely extend to the value chain as well, involving customers, suppliers and contractors. For more information, please refer to the respective sections where the measures are described in more detail. When it comes to targets and metrics, it is primarily in the climate area that these extend to the value chain, as Sveaskog, among other things, measures and has set targets for the percentage of purchased transport that is to be converted from fossil fuels to renewable fuels in 2025 and beyond. (BP-1 5)

BP-2 Disclosures in relation to specific circumstances

Time horizons
When assessing impacts, risks and opportunities, the assessments are based on a short-, medium- and long-term perspective. For Sveaskog, this means that an assessment is made based on the current reporting year (short time horizon), the current business plan period (the next five-year period, medium time horizon), and everything thereafter (five years and beyond, long time horizon). The short- and medium-term assessments rarely differ, but are often seen as a joint assessment. Exceptions may apply. With regard to the long time horizon, an assessment is made as to whether the significance of the issue will increase, decrease or remain unchanged. A more detailed long-term assessment is difficult to make given the many external factors that influence the assessment of both probability and impact. (BP-2 9)

Data quality and sources of uncertainty
Sveaskog is constantly working for improved data quality and greater accuracy in measurements and follow-ups. Examples of quantitative measures assessed as highly uncertain, and consequently prioritised for improvement, are input into two categories in the climate calculations: data on purchased goods and services and data on emissions from processing in the process industry. This is explained in more detail in section E1. (BP-2 11)

Changes in reporting compared to previous years
This year's Sustainability Report has undergone extensive changes in content and structure compared with previous reports in order to comply with CSRD, as implemented in Swedish law, and to align reporting with the requirements of ESRS. In several cases, indicators that previously met the requirements of Global Reporting Standards 2021 (GRI) have been adapted to align with ESRS. (BP-2 13) In the event that errors are discovered in previous years' reports, these are described and their causes explained in connection with the information in the report, and corrected information is reported as far as possible. (BP-2 14)

1) BP = Basis for preparation, according to ESRS.

Governance (GOV)[1)]

GOV-1 Governance of sustainability issues

Role and composition of the Board

Sveaskog's Board of Directors and Group management are presented on pages 46-49. The Board consists of eight members and has an even gender distribution with 50 per cent women and 50 per cent men. In addition to the Board's members, the Board consists of two employee representatives and two alternates for them. The employees of Sveaskog Förvaltnings AB are represented by employee representatives appointed by the trade unions. Sveaskog's corporate governance is based on applicable legislation, the State's ownership policy and the Swedish Corporate Governance Code ("the Code"). As regards the independence of Board members in relation to the State as the majority shareholder, Sveaskog deviates from the Code as it is mainly structured for companies with a distributed ownership.

The nomination of the Board of Directors is coordinated by the owner. For State-owned companies, skills needs are analysed with regard to the company's operations, stage of development and other circumstances. After that, any recruitment needs are identified. The Board shall have an appropriate composition characterised by diversity and breadth in terms of the competence, experience and background of the members elected by the Annual General Meeting, including in matters relating to sustainability and corporate responsibility. The Board of Directors and Group management should possess sufficient knowledge in these areas to fulfil their responsibilities for ensuring that the company conducts its business in a responsible manner. For a description of the Board members' previous experience relevant to the company's operations, please refer to pages 46-47. (GOV-1 21, 23, GOV-1 G1)

The Board of Directors is responsible for deciding on the company's overall strategic direction, which may also include issues relating to corporate responsibility. The Board also makes decisions on the adoption of policies, including those relating to sustainability aspects and social responsibility. These decisions are based on proposals from Group management. All the company's policies have been approved by the Board. In addition to making decisions, the Board, together with Group management, is responsible for ensuring that the strategic direction is put into practice and that established policies are implemented in the business. (GOV-1 G1)

Sveaskog's Board of Directors works through committees, with the Property Committee (PC), Remuneration Committee (RC), and Audit Committee (AC) responsible for preparing various issues before presented to the rest of the Board. Issues relating to sustainability reporting and supervision of the company's risk management and thereby identified sustainability-related impacts, risks and opportunities are monitored and prepared by the Audit Committee prior to Board validation. The Board's working methods are described in more detail in the Corporate Governance Report on page 43. The State's ownership policy states that the Board is responsible for maintaining good corporate governance in line with, among other things, the Swedish Companies Act and the State's ownership policy. Good corporate governance aims to ensure sustainable and responsible value creation. (GOV-1 22)

The role of Group management

Sveaskog's CEO and the finance unit under the CFO are responsible for identifying risks and driving risk management processes, which also include assessing sustainability-related impacts, risks and opportunities. Processes for internal control, follow-up and evaluation are described in more detail in the Corporate Governance Report on page 44 and in section GOV-5. Depending on the nature of the issue, different parts of the organisation are responsible for handling and supervising these matters. This is described in more detail within each ESRS. For the specific purpose of managing and monitoring the double materiality assessment process, a steering group has been appointed, which includes the CFO and is supplemented with additional expertise in sustainability, risk management, accounting and communication. A couple of times a year, progress and results are reported to the Audit Committee and the Board. (GOV-1 22, GOV-2 26)

The results of the company's assessment of its material impacts, risks and opportunities are followed up to determine the extent to which existing measures, metrics and targets ensure that these are managed. The Board of Directors decides on the business plan and strategy, which include Group-wide strategic targets for sustainable value creation. These targets are broken down into interim targets that are followed up at various levels within the organisation. Progress is monitored monthly, quarterly or annually, depending on the nature of the targets. Targets that are not group-wide are followed up by the respective management team in the organisation. (GOV-1 22)

GOV-2 Information provided to and sustainability issues addressed by the company's Board of Directors and Group management

Work on the company's risks and opportunities is integrated with the company's strategy and business plan work, which is discussed by the Board on several occasions during the year.

The outcome of the analysis of impacts, risks and opportunities (see section SBM-3) form the basis for the organisation's work on evaluating existing strategic initiatives and activities and developing new ones. The results of this work, including proposals for developed or new activities, are determined by the Board on an annual basis. In addition, management and the Board receive monthly and quarterly reports providing information on ongoing progress and relevant KPIs, highlighting any significant deviations and risks.

The Audit Committee receives annual information on, and has the opportunity to comment on, the outcome of the analysis of material impacts, risks and opportunities, after which the results are also presented by the CEO to the Board of Directors. The Board also reviews and approves the company's policies annually.

The company's strategy, with its four strategic objectives, is an example of how the company's value creation for different purposes and interests has been shaped by balancing different values. Promoting the circular economy through efficient raw material supply, increasing climate benefits and developing biodiversity means that all interests must be considered side by side, but where one cannot be optimised without hindering something else. (GOV-2 26)

[1)] GOV = Governance, according to ESRS.

GOV-3 Integration of sustainability-related performance in incentive schemes

There are no sustainability-based incentive schemes in Sveaskog's remuneration models. This is in accordance with the State's ownership policy that stipulates that variable salary via, for example, incentive programmes may not be given to senior executives. (GOV-3 29)

GOV-4 Statement on due diligence

SVEASKOG'S WORK WITH DUE DILIGENCE

Key elements in due diligence	Reference to disclosure requirements	Page
Building due diligence into governance, strategy and business model	GOV-2, GOV-3, SBM-3	53-54, 66, 82, 85, 102
Cooperation with relevant stakeholders	GOV-2, SBM-2, IRO-1, S1-2, G1-2	52, 56, 57-59, 86-87, 103
Identifying and assessing negative impacts on people and the environment	IRO-1, SBM-3	57-59, 66, 82, 85, 102
Taking steps to address negative impacts on people and the environment	E1-1, E1-3, E5-2, S1-4	71-72, 67-68, 82-83, 88-89
Monitoring the effectiveness of measures	E1-4, E1-6, E5-3, E5-5, S1-5 – 9, S1-11, S1-13 – 14, S1-16-17	68-70, 72-73, 83, 89-93

GOV-5 Risk management and internal controls over sustainability reporting

The company applies a number of control principles when collecting and compiling data for sustainability reporting. To ensure the completeness, accuracy and correctness of the information reported, the four-eyes principle, reasonable risk analyses and documentation of deviations are applied. These controls are used in the collection and compilation of data and are reinforced in particular in areas where the risk of errors is considered to be high. Identified risks and any deviations are communicated to the respective responsible part of the business. The results of this work are integrated into the reporting process by prioritising identified risk areas for improvement measures, including strengthening control points, improving system support and further developing processes to reduce the risk of errors in reporting. This is an ongoing task and a priority area in the company's continued improvement work related to sustainability reporting. The improvement work focuses on clarifying the division of responsibilities. Formalisation of documentation for each sustainability indicator, including source systems, control points, traceability and documentation requirements, are other important elements.

Reporting risk varies between indicators depending on the degree of manual processing and whether data needs to be compiled from one or more systems. Both manual processing and multiple source systems are considered factors that increase risk. For certain forestry key figures, system integrations and standardised reporting tools are used, which support both accuracy and period delimitation. In areas where reporting is based on third-party data, more extensive review is required, as insight into underlying processes and the ability to assess completeness may be limited. The company's materiality assessment, assessment of high-risk areas in light of the above-mentioned risk factors (manual processing and number of source systems) and the auditors' evaluation of the Sustainability Report are used to help the company assess which risk areas should be prioritised and further developed. These are reported annually to the company's management and Board of Directors. (GOV-5 36)

Strategy (SBM)[1)]

SBM-1 Strategy, business model and value chain

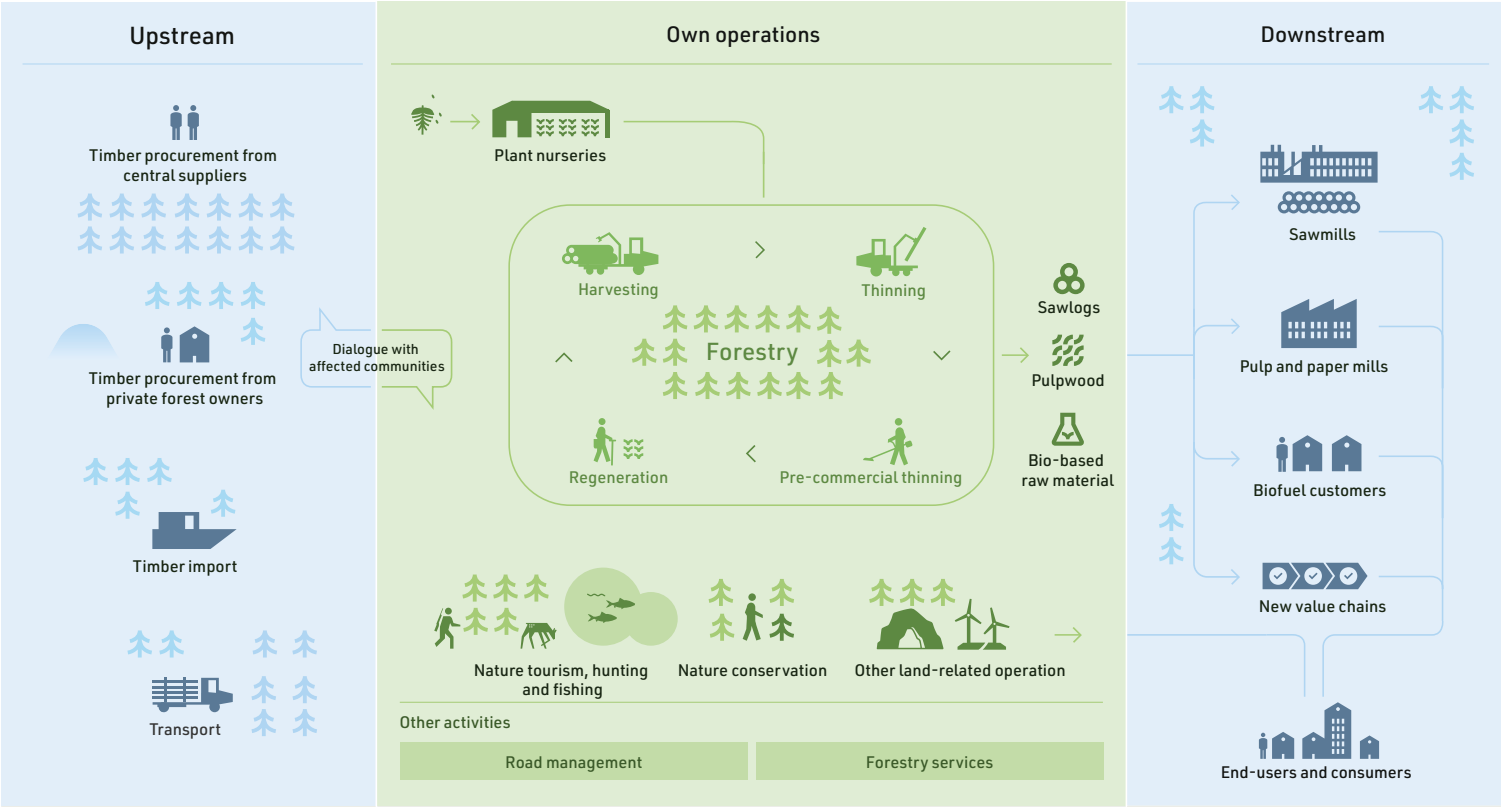
Sveaskog's core business is to manage and cultivate the forest responsibly. The company conducts business in land, energy and forest raw materials and actively contributes to the development of new technology in the industry. In addition, the land holdings are developed as a location for fishing, hunting, and nature tourism. Sveaskog supplies timber, pulpwood, wood chips, biofuel, seedlings and forest services. At the end of 2025, the company had 785 permanent employees in Sweden and 45 in Latvia. Contractors are engaged for most of the operational work in the forest; see section S2 Workers in the value chain.

Customers operate mainly in the Swedish forestry industry, which processes the raw material and delivers products on to one or more stages before they reach the consumer. Sveaskog is also a major supplier of seedlings and forestry services to small forest owners and of biofuel to the energy sector. The majority of the raw material supplied by Sveaskog comes from the company's own forests, with the remainder coming from other forest owners and some imports via the subsidiary SIA Sveaskog Baltfor. Deliveries are mainly distributed by road and rail transport.

Pages 7–14 and 17–21 of the administration report present Sveaskog's strategy, business model and an in-depth description of products, markets and customer groups. The company's four strategic goals for sustainable value creation are presented on pages 10-14. More sustainability-related goals and issues, and their connection to the business model, are presented in the respective ESRS sections.

(SBM-1 40, 42)

SVEASKOG'S VALUE CHAIN AND MATERIAL SUSTAINABILITY ISSUES



Material sustainability issues
E1 Climate
E4 Biodiversity and ecosystem services
S2 Labour in the value chain
S3 Affected communities
G1 Business conduct

Material sustainability issues
E1 Climate
E4 Biodiversity and ecosystem services
E5 Resource use and circular economy
S1 Own workforce
S3 Affected communities
G1 Business conduct

Material sustainability issues
E1 Climate
E5 Resource use and circular economy
S3 Affected communities
G1 Business conduct

[1)] SBM = Strategy, according to ESRS.

SBM-2 Interests and views of stakeholders

Sveaskog conducts a continuous dialogue with the company's stakeholders. The aim is to create and maintain good relationships with those who are impacted by or can themselves impact the company's operations. Expectations and opinions on how Sveaskog is to conduct its business can vary widely between different stakeholders. Sveaskog thus often encounters completely different views on how the forest and land holdings should be used and managed. Through the dialogue opportunities, stakeholders' views and expectations of Sveaskog as a company can be captured.

The contacts with stakeholders consist, for example, of dialogue meetings with local communities when planning operating activities, consultations with Sami villages, business development talks with contractors, business discussions with customers and employee development talks. The company also has a dialogue with nature conservation and environmental organisations on nature conservation and forestry, as well as knowledge-raising discussions with research organisations and academia. The ongoing dialogue takes place at the national, regional and local level through contacts and channels throughout the business. This is presented in more detail in the table to the right.

This table is compiled and updated annually, after which both Group management and the Board review and provide input on the documentation. (SBM-2 45)

Stakeholder	Key issues for the stakeholder group	What is Sveaskog doing	Dialogue opportunity
Contractors	Active recruitment to forest occupations, safe working environment, profitability, fair competition, efficiency, good and close dialogue, sustainable forestry. Ability to fulfil its commitments to staff and the general public.	Active recruitment efforts and support to strengthen the supply of skilled labour. Collaboration with forestry education programmes. Participation in industry initiatives and skills supply councils, as well as active dialogue with trade unions. Offering financing solutions to contractors. Training and dialogue through the contractor portal. Brand survey Entrepreneur follow-up.	Business development talks, follow-ups and checks in the field. Annual national review with clients and the Swedish Union of Forestry, Wood and Graphical Workers. Forestry contractors. The contractor portal.
The EU and internationally	Commitment and input to various EU initiatives, such as restoration, deforestation, monitoring of forests, carbon capture in forests and land.	Being a leading player as a State-owned organisation, "leading the way in the issues". FSC commitment, contributions to environmental objectives, investments in research, development of varied and climate-adapted forestry.	Dialogue with Swedish representatives, representatives of the Commission and Parliament. Continuous dialogue with other state forestry organisations in the EU within the framework of EUSTAFOR.
Customers	Delivery reliability in volume and precision. Fossil fuel-free products. Sustainable forestry methods that strengthen biodiversity.	Ensuring delivery volumes by complementing deliveries from own forest with external purchases. Measuring delivery precision. Participating in the transition to fossil-free fuels. Creating competition in the market for forest raw materials.	Business talks, Satisfied customer index, forest days, collaboration on sustainability reporting and round table discussions.
Loan institutions, creditors	Economic development and new targets, sustainable business, financial stability and new business opportunities. Managing climate risks.	Economic targets and finance policy, prioritising long-term business relationships and customers with profitability potential. Issuing green bonds.	Regular dialogue meetings.
Employees	Meaningfulness, climate transition, FSC auditing, skills development and skills supply, collegiality and leadership, health and safety.	Internal training, internal mobility, active recruitment, developed guidelines and training in safety.	Employee development talks, employee and leadership days, union collaboration, information and workplace meetings.
Authorities	Sveaskog's long-term focus on diversified forestry. Preventive work against forest damage. Climate adaptation, biodiversity and joint management of forests and ungulate populations.	Strategic objective and initiative for developed biodiversity. Developing forestry methods in accordance with research and consideration inventory.	Consultation procedures. Dialogue in collaboration meetings and information meetings, check-ins at the regional and national levels.
Nature conservation organisations	Forestry methods, biodiversity, nature conservation, climate adaptation. Biofuels, forest conservation areas and compensation.	Building a long-term focus with action programmes for sustainable forestry, environmental objectives, FSC membership. Develops forestry methods in accordance with research, investments in biodiversity and continues efforts to be a leading player and role model.	Dialogue meetings, correspondence, excursions, consultations and dialogue meetings in local communities.
The reindeer industry	Gentle forestry methods. Land concessions that can affect reindeer husbandry, measures for lichen growth. Lower felling levels. Clearly expressed approach.	Formalised consultations according to FSC. Joint planning portal (samplanering.se). Reimbursement of expenses for joint planning. Alternative management methods are prioritised for better reindeer grazing. Investment in collaboration between Sveaskog, Sami villages and research.	Consultation with the Sami villages, joint planning and collaboration within the Swedish FSC. Continuous dialogue with Sami villages.
Tourism entrepreneurs, hunters, fishermen and others	Management of forest and ungulate populations, grants leases for land, forest and land for outdoor activities and the impact of forestry on outdoor activities.	Paying attention to public's wishes, investing in outdoor areas, ecoparks, roads, signs, maps and information on the website. Improved dialogue on the management of water, wildlife and biodiversity. Initiator of national dialogue with the Swedish Association for Hunting and Wildlife Management.	Elk management meetings, collaboration meetings, hunting leader meetings, business talks, continued development of short-term hunting.
Timber suppliers	Long-term collaborations, quality in agreements between timber suppliers and Sveaskog, skills supply, sustainable forestry, the development of future forestry.	Constantly updating instructions and training courses to comply with established requirements, such as FSC. Creating conditions to ensure reliable delivery and forecasts.	FSC cooperation and dialogue with affected suppliers in connection with the provision of forestry services.
Owner	That the company lives up to expectations in the State's ownership policy and complies with the adopted Articles of Association.	Driving continuous development to be a leading, independent player in the wood raw materials market. Conducting measures for varied forestry, to meet the financial targets, as well as targets and strategies for sustainable enterprise and the special role of State-owned companies in building up total defence.	Annual General Meeting, Board meetings, dialogues between the Chair of the Board, the CEO and the Government Office. Network meetings with State-owned companies arranged by the Government Office.

Impact, risk and opportunity management (IRO)[1)]

Sveaskog's material impacts, risks and opportunities are summarised in the tables on the following pages, with more detailed descriptions in the respective ESRS sections. (SBM-3 48)

IRO-1 Double materiality assessment

During the year, Sveaskog reworked on the double materiality assessment that was carried out in 2024. The process was fine-tuned in several stages, and the company took further steps to integrate the financial perspective into the company's overall financial risk analysis. (IRO-1 53) The purpose of the analysis was to identify and assess Sveaskog's impacts, risks and opportunities related to the environment, social sustainability and governance. The analysis has taken into account both the Group's own operations and activities and relationships in the value chain.

Sveaskog's process for determining material sustainability issues was based on the following steps:

- Establishing frameworks for the company's operations and value chain, including relationships with stakeholders.
- Overall review of the company's impact based on the ESRS structure's topics, sub-topics, and sub-sub-topics[2)]. Analysis of the financial perspective in parallel with the company's existing process for analysing risks and opportunities. (IRO-2 59) Gathering perspectives from key individuals in the organisation, as well as analyses and reports from external experts.

SBM-3 Material impacts, risks and opportunities

ESRS E1 Climate change

Category	IRO	Type	Position in the value chain: Upstream	Own operations	Downstream	Time horizon
Climate adaptation	Climate adaptation of forests	Actual positive impact	○	●	○	Long
Limiting climate impact	Greenhouse gas emissions	Actual negative impact	●	●	●	Short, medium
	Carbon dioxide uptake and carbon storage	Actual positive impact	●	●	●	Short, medium, long
Energy supply	Land concessions for renewable energy	Actual positive impact	○	●	●	Short, medium
Climate risk	Operating conditions in a changing climate	Physical risk	●	●	●	Short, medium, long
	Impact on forest growth	Physical risk	●	●	●	Short, medium, long
	Uncertain return on investment in transition plan	Transition risk	○	●	○	Short
	Shortage of seed material	Physical risk	○	●	○	Medium, long

ESRS E4 Biodiversity and ecosystems

Direct impact factors	Climate change and invasive species	Potential negative impact Risk	●	●	○	Medium, long
	Direct exploitation	Actual negative impact	●	●	○	Short, medium, long
Impacts on the state of species	Population size of species	Actual negative impact	●	●	○	Short, medium, long
Ecosystem services	Nature conservation management, wetlands and running water	Actual positive impact	○	●	○	Short, medium, long
	Impact on and dependencies on ecosystem services	Actual negative impact	○	●	○	Short, medium, long
Legal risk	Policy-driven restrictions on forestry	Transition risk	○	●	○	Short
Systemic risk	Ecosystem collapse	Physical risk	●	●	○	Long
Opportunity	Offering sustainable forest services	Opportunity	●	○	○	Short, medium

ESRS E5 Resource use and circular economy

Contribution to circular economy	Increased demand for bio-based and circular products and inputs	Opportunity	○	●	●	Short, medium, long

1) IRO = Impact, risk and opportunity management, according to ESRS.
2) In ESRS 2, these concepts are used to structure sustainability information. Topics represent broad areas, such as Own workforce, while sub-topics divide the area into smaller parts, such as Working conditions. Sub-sub-topics break it down further, for example Working hours.

- Conducting assessments of severity (scale, scope and irreversibility) and probability according to Sveaskog's defined thresholds, in some cases based on internal knowledge and expertise, in other cases with reference to analyses conducted or external sources.
- Synthesis and compilation of the overall results of the key areas that form the basis for sustainability reporting.
- Review and approval by Group management and the Board of Directors.

Input from affected stakeholders

The analysis of sustainability issues is based, among other things, on knowledge of how different groups or stakeholders are affected by the company's operations, environmentally, socially and financially. Knowledge is gathered through ongoing dialogues with a range of stakeholders (see SBM-2 above), from environmental and nature conservation organisations and local communities where the company operates, to dialogues with customers and suppliers. This covers everything from how the environment is affected by the company's forestry operations to how local communities are affected by the company's role as a contracting entity, or how the general public is affected by how the company makes forests and land available for recreational use. (IRO-1 53)

Materiality of impacts

Positive and negative impacts within each ESRS were described and contextualised from Sveaskog's perspective, with regard to the company's industry,

ESRS S1 Own workforce

Category	IRO	Type	Position in the value chain: Upstream	Own operations	Downstream	Time horizon
Working conditions	Secure employment	Actual positive impact	○	●	○	Short, medium, long
	Social dialogue	Actual positive impact	○	●	○	Short, medium, long
Work environment, occupational health and safety	Deficient work environment and safety	Potential negative impact	○	●	○	Short, medium, long
Equal treatment and opportunities	Training and skills development	Actual positive impact	○	●	○	Short, medium
	Violence and harassment	Potential negative impact	○	●	○	Short, medium, long
	Diversity and inclusion	Potential positive impact	○	●	○	Short, medium, long
Skills supply	Availability of labour and skills	Risk	○	●	○	Short, medium

ESRS S2 Workers in the value chain

Working conditions	Secure employment	Actual positive impact	●	○	○	Short, medium, long
	Working hours	Potential negative impact	●	○	○	Short, medium
Work environment and safety	Physically demanding work and lack of control	Potential negative impact Risk	●	○	○	Short, medium, long
Equal treatment	Training and skills development	Actual positive impact	●	○	○	Short, medium
Work-related rights	Adequate housing	Potential negative impact Risk	●	○	○	Short, medium
Labour market	Access to labour and contractors	Risk	●	○	○	Short, medium

ESRS S3 Affected communities

Communities' economic, social and cultural rights	Employment effects	Potential positive impact	●	○	○	Short, medium, long
	Land-related impact	Potential negative impact	●	○	○	Short
Indigenous Peoples' rights	Impact on reindeer husbandry	Actual negative impact	●	○	○	Short, medium, long
	Coexistence with reindeer industry	Risk	●	●	○	Short, medium, long
Land use	Land concessions	Risk	●	●	○	Short, medium
Governance and management	Loss of certification	Risk	●	●	●	Short

operations, business relationships and geographical location. (IRO-1 53) The assessment of the parameters has followed ESRS guidance and has been carried out per sub-topic and sub-sub-topic. The assessment has covered:

- Actual and potential impact.
- Positive and negative impact.
- The time perspectives: short term (1 year), medium term (5 years) and long term (>5 years).

Parameters and definitions

Severity (average of scale, scope and irreversibility):

- Scale – impact on the environment and people (general parameter).
- Scope – how many or how large areas are affected (more Sveaskog-specific).
- Irreversibility – how difficult it is to reverse the impact (assessed only for negative impacts, not for positive impacts).
- Probability (assessed only in the case of potential impact) is weighted on a scale of 1–5.

In line with ESRS, particular consideration is given to the impact on human rights, where severity takes precedence over probability when determining materiality. Assessments of scale, scope and likelihood in particular are based on external analyses, internal investigations and stakeholder dialogues, with the results indicating where the company has an impact. These underlying data are presented in more detail in the respective ESRS and in the stakeholder table on page 56. (IRO-1 53)

Financial materiality

The financial materiality assessment is integrated into Sveaskog's established risk analysis framework, which has been supplemented with perspectives from CSRD. Sveaskog manages sustainability-related risks and opportunities within the framework of the company's overall risk model, where all risks are assessed based on the same criteria for probability and impact. In practice, this means that sustainability risks and opportunities are integrated into Sveaskog's annual risk process and analysed using the same risk tools as other operational risks. Sustainability risks and opportunities are managed by Group management in the same way as other risks with similar risk values. This ensures that sustainability-related risks are not treated separately, but are included in the company's overall risk management and monitoring.

Risks are assessed based on the following parameters:

- Impact – either monetary or qualitative using a five-point scale (negligible impact–very significant impact on brand and reputation). The monetary scale has been developed by translating the effect of the impact into monetary terms. The assessment is based on how various events or risks may affect Sveaskog's financial results, as well as the company's ability to meet its financial targets and implement its established business plan.
- Probability – five-point scale (from unlikely to expected to occur).

Opportunities are assessed based on a parameter that corresponds to their "potential".

In some cases, the identified risks and opportunities are completely separate from the impact perspective, but in other cases, the financial risks are a direct effect of an identified impact or dependency, for example, in terms of dependencies on ecosystem services and the resulting identified risk of ecosystem service system collapse. (IRO-1 53)

Assessment criteria and limit values

It is important to note that the risk assessment was made from a gross perspective, i.e. considering Sveaskog's industry, the size of companies and their geographic residence, without taking into account the company's management of these issues or active measures. The analysis should therefore be seen as a method for identifying the areas and issues that are relevant for Sveaskog as a company to report on in more detail, and for filtering out those areas that are not relevant or applicable to the company. The results enable Sveaskog to describe in greater detail how the company manages identified impacts, risks and opportunities.

The threshold for materiality was set at values above three, i.e. the upper half of the scale. The selection of material issues and assessment criteria was then agreed upon by the steering group, Group management and the Board of Directors to ensure consensus and reasonableness in its scope. (IRO-1 53)

ESRS G1 **Business conduct**

Category	IRO	Type	Position in the value chain: Upstream	Position in the value chain: Own operations	Position in the value chain: Downstream	Time horizon
Corporate culture	Good corporate culture	Actual positive impact	●	●	●	Short, medium, long
Whistleblower function	Protection for whistleblowers	Actual positive impact Potential negative impact	●	●	●	Short, medium
Business ethics	Bribery and corruption	Risk	●	●	●	Short, medium
Legal risk	Restrictions on forestry as a result of political decisions	Transition risk	●	●	●	Short, medium, long
Brand and reputation	Opinion about Sveaskog	Risk	●	●	●	Short, medium
Purchasing and supply chains	Timber of unwanted origin	Risk	●	○	○	Short, medium
Market position and business development	Clearer role for transparency and market pricing	Opportunity	●	●	●	Short, medium

Environmental information

Sveaskog works to ensure long-term sustainable forestry. In relation to environmental matters, climate change, biodiversity and ecosystems, as well as resource use and the circular economy, are areas where Sveaskog has identified material impacts, risks and opportunities.

The EU Taxonomy Regulation defines when an economic activity can be defined as environmentally sustainable. 53 per cent of Sveaskog's turnover is considered to be taxonomy-aligned. The majority of this turnover is primarily attributable to EU Taxonomy Activity 1.3 Forest Management and revenue linked to timber sales.

Read more

→ EU taxonomy reporting
→ E1 - Climate change
→ E4 - Biodiversity and ecosystems
→ E5 - Resource use and circular economy

EU taxonomy reporting

Compliance with the Taxonomy Regulation
The EU Taxonomy Regulation (EU 2020/852) establishes criteria for when an economic activity should be defined as environmentally sustainable, known as taxonomy-aligned. The aim is to help investors identify and compare environmentally sustainable investments.

As a non-financial company engaged in activities eligible for the taxonomy, Sveaskog must report the proportion of its revenue, capital expenditure (CapEx) and operating expenditure (OpEx) that is eligible for and aligned with the taxonomy. The process therefore begins with the identification of which parts of the operations are eligible for the taxonomy, followed by an assessment of whether the activities are also aligned with the taxonomy requirements.

For an economic activity to be aligned with the taxonomy requirements, it must contribute substantially to at least one of the environmental objectives, not cause significant harm to the other environmental objectives according to the DNSH (Do No Significant Harm) criteria, and be conducted in compliance with the minimum social safeguards.

Accounting principles
In connection with the introduction of the taxonomy, Sveaskog carried out a mapping of the company's operations against the technical review criteria. This mapping is reviewed annually to determine whether the scope of the operations has changed in a way that requires adjustments to the assessment against the taxonomy criteria. For Sveaskog, the activities eligible under the Taxonomy Regulation are those in Chapter 1, Forestry, specifically category 1.3 Forest management. CCM 6.5 Transport by motorbikes, passenger cars and light commercial vehicles, as well as CCM 7.7 Acquisition and ownership of buildings are also reported on.

For Sveaskog, the scope is limited to activities related to its own forests. Criteria for substantial contribution and for doing no significant harm are assessed for each economic activity, and minimum safeguards are assessed at Group level.

Substantial positive contribution
Sveaskog's primary core business, which contributes positively to the goal of mitigating climate change, is covered by activity 1.3 Forest management. This is confirmed by Sveaskog's long-term forest management plan, the company's climate benefit analysis and its guarantee of permanence, i.e. that the forest will continue to be classified as forest under the Forestry Act. Sveaskog's long-term forestry plan meets FSC requirements and includes a harvest calculation for 100 years, which is updated on an ongoing basis. The company's climate benefit analysis, which complies with the IPCC guidelines for national greenhouse gas inventories, shows that Sveaskog's carbon stocks and carbon sinks in the forest are maintained or improved over a period of 30 years, compared with if the business had not been conducted.

Criteria for doing no significant harm (DNSH)
Sveaskog's forest management and its impact on the other five environmental objectives are evaluated based on the DNSH criteria. For the environmental objective of climate change adaptation, the criteria are considered to be met in light of the climate risk analysis prepared by Sveaskog, which the company manages and updates as part of its regular risk analysis process. For the environmental objective concerning water and marine resources, the criterion is met with the help of FSC certification content relating to environmental considerations and nature conservation in connection with watercourses, lakes and wetlands. The environmental objective of a circular economy is achieved through the climate benefit analysis, which confirms a positive contribution, ensuring that the amount of renewable raw materials does not decrease. The environmental objective of preventing pollution is achieved by not using pesticides in forestry and by limiting the amount of fertilizer used to below the levels permitted by the FSC. The criteria for certifying DNSH for the environmental objective of protecting and restoring biodiversity largely correspond to the FSC certification standard.

Minimum safeguards
As a State-owned company, Sveaskog must comply with the ten principles of the Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. These principles and guidelines have been signed by the company's senior management. For Sveaskog, the minimum safeguards mean that the company works to ensure human rights in its value chain, and works to combat corruption, ensure correct taxation and fair competition.

Significant changes in 2025
In 2025, the European Commission presented proposals for simplifying the EU Taxonomy Regulation. Due to a prolonged decision-making process, Sveaskog chose to continue reporting without these simplifications for the 2025 financial year.

Outcome 2025

53 per cent of Sveaskog's turnover is considered to be taxonomy aligned. The majority of this turnover is primarily attributable to Taxonomy Activity 1.3 Forest Management and revenue linked to timber sales. Of the turnover covered by activity 1.3, timber transport revenues are not considered to be aligned with the taxonomy. Otherwise, turnover not eligible for the taxonomy mainly consists of external timber sales, certain concession income and income linked to seed and seedling operations.

72 per cent of Sveaskog's capital expenditures are considered to be taxonomy aligned. The majority of Sveaskog's capital expenditure in 2025 was attributable to 1.3 Forest management, and investments in forest properties and associated infrastructure, as well as investments in forest management. Changes in office and vehicle leasing are reported under separate activities and constitute non-taxonomy-aligned investments.

98.8 per cent of Sveaskog's operating expenditures are considered to be taxonomy aligned. The denominator of the equation for operating expenditures eligible for the taxonomy includes operating expenditures linked to operating activities and the company's own forest. 98.8 per cent of these are considered to be included in activity 1.3 Forest management and are deemed to be aligned. Operating expenditures allocated to activity 7.7. Acquisition and ownership of buildings, which is also non-aligned, are excluded.

Sveaskog currently has no specific targets or plans that explicitly aim to align revenues, investments (CapEx) or operating costs (OpEx) with the taxonomy criteria, although some of the company's sustainability-related targets may have an indirect impact on taxonomy-related key performance indicators. (E1-16)

NUCLEAR ENERGY AND FOSSIL GAS-RELATED ACTIVITIES

Nuclear energy-related activities		Sveaskog
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
Fossil gas-related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

The table above describes whether or not the company conducts gas or nuclear power activity, or is exposed to such activity. As the table shows, this is not relevant for Sveaskog.

The following pages present Sveaskog's taxonomy-aligned turnover, operating expenditure and capital expenditure with amounts for 2025 and for the previous year in parentheses.

Environmental information

Turnover

In terms of the share of turnover that is eligible, the company has used net revenue from the income statement as the denominator, which for 2025 is MSEK 8,746 (8,304). This corresponds to Note 4 on page 127 of the financial statements. Turnover linked to external timber transactions, concession revenues from external operators establishing wind and solar power production, gravel and peat extraction, and seed and seedling operations is not eligible. When assessing the alignment of activity 1.3 Forest management, everything eligible, excluding income from timber transport, is also considered to be aligned. The proportion of taxonomy-aligned turnover amounts to 53 per cent.

Financial year 2025	**2025**			**Substantial contribution criteria**						**Do No Significant Harm (DNSH) criteria**									
Economic activities	Code	Turnover	Proportion of turnover, year 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2024	Category enabling activity	Category transitional activity
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Forest management	CCM 1.3	4,673	53%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	53%	–	–
Turnover of environmentally sustainable activities (Taxonomy- aligned) (A.1)		4,673	53%	53%	–	–	–	–	–	–	Y	Y	Y	Y	Y	Y	53%		
Of which enabling activities		–	–	–						–	–	–	–	–	–	–	–	E	
Of which transitional activities		–	–	–						–	–	–	–	–	–	–	–		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Forest management	CCM 1.3	496	6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL								0%	–	–
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		496	6%	6%	–	–	–	–	–								0%		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		5,169	59%	59%	–	–	–	–	–								50%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		3,577	41%																
TOTAL		8,746	100%																

Environmental information

Capital expenditure (CapEx)

The Group's cash flow statement on page 121 shows that investments in non-current assets in 2025 amounted to MSEK 607 (563). Of these, the majority are reported under activity 1.3 Forest management, which refers to investments in forest properties and associated infrastructure. The denominator in the equation describing the share of taxonomy-aligned CapEx has included this year's addition of "investment and revaluation of leasing" in accordance with IFRS 16, see Note 7 in the financial statements, which results in a total of MSEK 708 (507).

Activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles, as well as 7.7 Acquisition and ownership of buildings are also reported. These relate to both additional and changed leasing liabilities for offices and vehicles, as well as investments in non-current assets.

Investments deemed to be "ineligible" include investments in seed and seedling operations, Group functions and other subsidiaries.

The numerator includes total investments in new property acquisitions and new forest, production machinery, equipment, investments in forest management (for soil preparation, planting, beeting and sowing). In total, the taxonomy aligned share of CapEx was 72 (74) per cent in 2025.

Financial year 2025	**2025**			**Substantial contribution criteria**						**Do No Significant Harm (DNSH) criteria**									
Economic activities	Code	CapEx	Proportion of CapEx, year 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) capital expenditure, year 2024	Category enabling activity	Category transitional activity
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Forest management	CCM 1.3	506	72%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	74%	–	–
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		506	72%	72%	–	–	–	–	–	–	Y	Y	Y	Y	Y	Y	74%		
Of which enabling activities		–	–	–						–	–	–	–	–	–	–	–	E	
Of which transitional activities		–	–	–						–	–	–	–	–	–	–	–		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Acquisition and ownership of buildings	CCM 7.7	30	4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5%		
Transport by motorbikes, passenger cars and light light commercial vehicles	CCM 6.5	81	11%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								7%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		111	15%	–	–	–	–	–	–								13%		
A. CapEx of Taxonomy-eligible activities (A.1+ A.2)		617	87%	87%	–	–	–	–	–								86,5%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		91	13%																
TOTAL		708	100%																

Environmental information

Operating expenditure (OpEx)

For operating expenditure, the company changed the reporting from the previous year, as the company clarified the alignment with the definition of operating expenditure in the EU taxonomy. This relates to research and development, building renovation, short-term leases, maintenance and repairs, as well as direct expenses related to the daily maintenance of property, plant and equipment and expenses for ensuring the continuous and appropriate functioning of these assets. Against the background of this definition, which differs slightly from that applied under IFRS followed in the consolidated financial statements and is therefore not fully reflected in the financial reporting, an assessment has been made of the expenditures included within the scope of the EU taxonomy.

In the equation for the proportion of eligible operating expenditures, the denominator consists of operating expenditures attributable to the company's own forest and the forestry activities carried out on these within the operational business. This includes felling, thinning, forest conservation, nature conservation, road maintenance, forest planning and various R&D projects. The forest management costs that arise from, for example, soil preparation, planting and sowing are reported as investments in CapEx and are thus also excluded from OpEx. The proportion eligible for activity 1.3 Forest management that is taxonomy-aligned is 98.8 per cent.

Financial year 2025	**2025**			**Substantial contribution criteria**						**Do No Significant Harm (DNSH) criteria**									
Economic activities	Code	OpEx	Proportion of OpEx, year 2025	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1) or eligible (A.2) operating expenditure, year 2024	Category enabling activity	Category transitional activity
		MSEK	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Forest management	CCM 1.3	1,943	98.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	–	Y	Y	Y	Y	Y	Y	100%	–	–
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,943	98.8%	98.8%	–	–	–	–	–	–	Y	Y	Y	Y	Y	Y	100%		
Of which enabling activities		–	–	–						–	–	–	–	–	–	–	–	E	
Of which transitional activities		–	–	–						–	–	–	–	–	–	–	–		T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Forest management	CCM 1.3	15	0.7%	EL	–	–	–	–	–								0%		
Acquisition and ownership of buildings	CCM 7.7	9	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		24	1.2%	–	–	–	–	–	–								0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		1,967	100%	100%	–	–	–	–	–								100%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		0	0%																
TOTAL		1,967	100%																

E1 – Climate change

SBM-3 Material impacts, risks and opportunities related to climate

Climate change is a material issue for sustainable forestry – on the one hand because of the actual impact of forestry operations in terms of fossil greenhouse gas emissions, and on the other hand because of the forest's ability to absorb carbon dioxide and store carbon. The materiality of this issue is also confirmed by the physical risks and transition risks associated with climate change and the transition.

Sveaskog's operations affect the climate through emissions from its own operations and in the value chain. The business also contributes to combating climate change through the forest's ability to sequester carbon and by enabling renewable electricity production through the company's business models, including those linked to wind power. At the same time, operations are greatly impacted by the effects of climate change, such as changing weather patterns, increased risk of forest damage and changing conditions for regrowth.

The double materiality assessment shows that Sveaskog's material climate-related issues include both positive and negative impacts, as well as risks and opportunities. Sveaskog works systematically to mitigate its climate impact, adapt its operations to a changing climate and manage identified risks and opportunities. This chapter describes the company's material climate-related issues and its efforts to ensure long-term sustainable forestry.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE (SBM-3)

				Position in the value chain			
Material topic	IRO	Description	Type	Upstream	Own operations	Downstream	Time horizon
Climate adaptation	Climate adaptation of forests	Sveaskog has an actual positive impact on climate adaptation through investments in future-proofing forestry, for example by using more tree species to spread risk and adapt to a changing climate.	Actual positive impact	○	●	○	Long
Limiting climate impact	Greenhouse gas emissions	Sveaskog's operations generate greenhouse gas emissions, partly through the use of fossil fuels and the purchase of goods and services. This has an actual negative impact on the climate.	Actual negative impact	●	●	●	Short, medium
	Carbon dioxide uptake and carbon storage	Active forest management contributes to an actual positive impact on the climate, as growing forests absorb carbon dioxide from the atmosphere and sequester carbon. Sveaskog's impact occurs both in its own operations and in the value chain through increased carbon storage in its own forest holdings, continued carbon storage in long-lasting products and the potential to replace products with a higher climate impact.	Actual positive impact	●	●	●	Short, medium, long
Energy supply	Land concessions for renewable energy	Sveaskog contributes to an actual positive impact by leasing land for wind and solar power projects, which increases the availability of fossil-free electricity in society.	Actual positive impact	○	●	●	Short, medium
Climate risk	Operating conditions in a changing climate	Increased precipitation, warmer winters, a lack of frozen ground, longer dry periods, etc. lead to more difficult conditions in operational activities. This means, among other things, an increased risk of driving damage on wetter, softer ground. This also means an increased risk of forest fires and increased risk of damage after extreme weather. This risks leading to reduced timber value, complicates access to suitable sites, downtime and reduced deliveries.	Physical risk	●	●	●	Short, medium, long
	Impact on forest growth	Sveaskog's forests are already affected by damage caused by wildlife grazing, root rot, pine blister rust, pine twisting rust and other pests. These diseases and pest infestations are expected to become more common as climate change progresses. This risks leading to growth losses and forests that need to be remediated or restarted. Growth disruptions to the tops of pine in southern Sweden can cause quality reductions.	Physical risk	●	●	●	Short, medium, long
	Uncertain return on investment in transition plan	Measures within Sveaskog's climate action plan require significant investments without guaranteed return on investment in the short term. This also applies to investments in climate adaptation and related initiatives. In addition, there is uncertainty surrounding policy instruments and long-term incentives.	Transition risk	○	●	○	Short
	Shortage of seed material	Risk of a shortage of relevant seed material as a result of climate change, changing demand and the need for new tree species. At the same time, variations in weather and extreme weather conditions risk impairing seed quality in plant nurseries and negatively affecting seedling logistics and seedling care.	Physical risk	○	●	○	Medium, long

IRO-1 Description of the process for assessing materiality

Sveaskog's assessment of climate-related impacts, risks and opportunities is based on several activities. Among other things, a climate risk analysis was conducted in 2022, which is reviewed and kept up to date in the annual risk assessment process. Risks and opportunities were analysed based on a low-emission scenario (RCP 2.6), a medium-emission scenario (RCP 4.5) and a high-emission scenario (RCP 8.5).

The analysis focused on identifying both physical and transition risks linked to climate change, as well as opportunities. Key variables taken into account in the scenarios used are primarily climate indicators, such as average annual temperature, precipitation, length of the growing season, frozen ground conditions, drought and fire risk. These factors are crucial to understanding the future conditions of the forest and the forest industry and directly affect Sveaskog's operations, including forest health, logistics and risk management.

The analysis is based on regional climate data from Sveaskog's area map. The level of detail varies depending on available data. Technical assumptions are included to illustrate how Sveaskog can adapt to changes and manage the challenges posed by climate change.

The analysis identified physical risks within the company's operating activities as a result of climate change, as well as a number of transition risks, primarily linked to developments in regulations and legislation that could change the conditions for the business in various ways. (E1-20) In addition to the short-, medium-, and long-term perspectives used in the company's overall risk analysis process, climate risks are also assessed towards the middle and end of the century. (E1-21)

Sveaskog's financial statements take into account climate-related risks and their impact on the value of the forest assets. The climate scenarios used are consistent with financial assumptions in that they provide a basis for identifying and quantifying climate-related risks that may affect the value of forest assets and the long-term sustainability of the business.

The results of the climate risk analysis are also presented in section E4 Biodiversity and ecosystems, as climate change affects the conditions for biodiversity.

An assessment from an impact perspective was also added to the climate risk analysis in accordance with the company's double materiality assessment process. In 2022, a screening of the company's fossil greenhouse gas emissions was conducted. It has contributed to the company's understanding of its climate-related impact, both in its own operations and in the value chain. (E1-20)

E1-2 Policies related to climate change mitigation and adaptation

Steering towards more climate-adapted operations and mitigated climate impact

Sveaskog's handling of its climate impact and adaptation of operations to a changing climate is primarily governed by the company's Environmental Policy and Sustainable Forestry Policy. (MDR-P 65) The Guidelines for Sustainable Forestry outline the climate challenges identified by Sveaskog and how the company will broadly adapt its forestry operations to these challenges. There is still no formal policy in place for identified positive impacts on the expansion of renewable energy. (E1-2 24)

Climate change mitigation

Sveaskog's Environmental Policy states that operations shall be conducted in an exemplary way from production, environmental and climate points of view and contribute positively to national and international climate objectives, including the Paris Agreement. The policy has been adopted by the Board of Directors, and the CEO is ultimately responsible for its implementation. The policy applies to the whole Sveaskog organisation, including subsidiaries, and covers all operations conducted. (MDR-P 65) It shall be applied by Sveaskog's Board members, CEO, Group management, employees, consultants and contractors. (E1-2 25)

Climate change adaptation

The Guidelines for Sustainable Forestry further detail the company's commitment to climate change adaptation. Additional governance documents and guidelines regarding climate-adapted forest management are available. Examples are the Sveaskog tree species strategy guideline, Instructions for snow breakage (top breakage) and Engraver beetle instructions. Forest damage is mainly monitored through information gathered by Sveaskog's forest planners from stakeholders and in their daily work. External assistance is also available from the Swedish Forest Agency and universities through forest damage groups and risk maps.

The Guidelines for Sustainable Forestry apply only to Sveaskog's own forests and currently exclude timber purchases or purchases from other forestry companies (so-called central purchases or imported timber).

The Environmental Policy and Policy for Sustainable Forestry also state that the company undertakes to conduct its operations in accordance with the FSC and PEFC forestry certifications and the ISO 14001:2015 environmental management certification. The forestry certifications have been established through dialogue with various stakeholders in the forestry industry. The policies have thus been indirectly anchored with stakeholders. They have taken into account requirements of the owners and have been approved by the Board. They are available to employees on the company's intranet and to contractors in connection with training and introduction to assignments for Sveaskog.

"Skötselskolan" is a key training tool for reaching out to relevant contractors and others who need training on how Sveaskog's forestry operations are to be conducted. (MDR-P 65, E1-2 25)

E1-3 Actions and resources in relation to climate change policies

Key measures for implementing policy objectives

Limiting climate impact

Sveaskog's climate targets for reducing anthropogenic emissions have been specified in a list of key measures that are being implemented or planned for the future in order to achieve a gradual reduction in emissions in line with the timetable; see Table 2. (E1-3 29) They cover all scopes, meaning Sveaskog has direct control over some areas while relying on the value chain, suppliers and customers in others. The table also indicates when the measures are expected to be fully implemented.

Climate change adaptation

Measures related to the Policy for Sustainable Forestry represents a further development of the company's climate adaptation strategy, which is based on the

development of a tree species strategy and a number of concrete practical instructions for operational work.

When Sveaskog's Group management adopted the tree species strategy, it was confirmed that working with more tree species in forestry entails additional costs. Work on developing more tree species in the company's plant nurseries has been ongoing for several years. Investments in new machinery and technology that can facilitate forestry in a future climate are ongoing. In addition to this, Sveaskog invests in knowledge by funding climate adaptation research.

Following its adoption, the tree species strategy has been further developed to implement a structure for the strategy in relevant parts of the organisation. This is achieved through activities decided by Group management, including investigating required skills to implement the strategy (including management of other tree species) throughout the entire forest rotation period and creating conditions to expand access to cultivation material for tree species in line with the strategy.

During the year, an investigation was conducted into climate risks linked to rock falls, landslides, erosion and mudslides. This has led to continued work on mapping how and where the business affects these risks and what measures can be taken to prevent problems. The focus is primarily on forest roads, water drainage and the identification of particularly vulnerable risk areas.

Climate adaptation work covers Sveaskog's own operations. Geographically, it covers the entire company's holdings, and organisationally, it covers the company's own employees and contractors.

Climate adaptation work is an ongoing process. Changing the proportion of tree species in forest holdings will continue for the foreseeable future (one hundred years or more), and the establishment of new seed sources will take place over a 20-year period. New procedures, such as working methods or the purchase of new machinery, can be implemented more quickly. Changes in forest management methods are made on an ongoing basis. However, it will not be possible to evaluate whether the changed methods have the desired effect for another ten years or so. (MDR-A 68)

E1-4 Targets related to climate change mitigation and adaptation

Sveaskog's emission reduction targets and their connection to the company's policies

Climate change mitigation

The purpose of the environmental policy is that "Sveaskog's operations shall be conducted in an exemplary manner from a production, environmental and climate perspective, in line with the State's ownership policy and principles for State-owned companies." Sveaskog seeks to minimise negative environmental impact on land, air, forests and water in its operations.

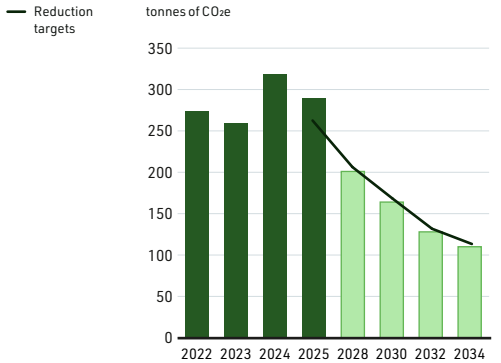
Sveaskog shall, as far as possible, contribute positively to nationally and internationally adopted climate and environmental goals. This is achieved by maintaining the long-term productive capacity of the forest and by preserving and developing biodiversity within the land holdings. Sveaskog's climate target is directly linked to the policy purpose, as it is set in line with the climate target in the Paris Agreement. (E1-16, MDR-T 80) Sveaskog shall reduce its anthropogenic fossil greenhouse gas emissions throughout the value chain by 60 per cent by 2034, compared with the base year 2022. Equivalent to an approximate reduction of 164,000 tonnes of CO_2e. As an interim target, emissions are to be reduced by 40 per cent by 2030. In addition, the company has a long-term target of reducing emissions by 90 per cent by 2045. See Figure 1 for targets and outcomes, and Table 1 for emission reduction targets broken down by scope. An explanation of the scopes is presented on the next page. The results for the year are presented in detail under E1-6.

TABLE 1. EMISSION REDUCTION TARGETS PER SCOPE

	2030	2034	2045
Total emission reduction for the year (%)	40	60	90
Of which in scope 1 (percentage points)	2.0	3.0	3.1
Of which in scope 2 (percentage points)	0.1	0.2	0.2
Of which in scope 3 (percentage points)	37.9	56.8	86.7

Sveaskog's work to limit the company's climate impact is based on the Greenhouse Gas Protocol (GHGp), the most established and accepted framework and methodology for measuring, calculating and setting targets for industrial emissions from businesses and organisations. The target is a gross target, i.e. no greenhouse gas uptake, carbon credits or avoided emissions are included. The target is absolute and measured in carbon dioxide equivalents. The target is measured from 2022 with a baseline value of approximately 274,000 tonnes of CO_2e. The value depends on whether scope 2 is calculated using market- or location-based method. The baseline value is updated regularly in connection with changes in climate calculations and scope. If the change is greater than five per cent, the baseline value is updated in line with Science Based Targets initiative (SBTi) recommendations. For example, when improving data quality or mapping new emission sources. The target is based on SBTi's requirements for reducing anthropogenic emissions in line with the Paris Agreement's goal of limiting global warming to 1.5 degrees. The target includes emissions generated by the company's own operations, including subsidiaries, but also across large parts of the value chain. (E1-4 34, MDR-T 80)

ILLUSTRATION 1. FOSSIL GREENHOUSE GAS REDUCTION



	2022	2023	2024	2025	2028	2030	2032	2034
Greenhouse gas emissions, outcome	274	259	318	289				
Greenhouse gas emissions, target*				256	201	164	128	110

* Base year 2022. Sveaskog has set emission targets for 2030 and 2034, but no annual targets. Target levels for other years in the diagram are linear extrapolations and are intended solely to illustrate a possible development over time. The outcome for 2025, for example, may therefore appear not to achieve an indicative target level, even though no such target has been set. The transition work is based on the target for 2034, and development is not expected to be linear. Several emission reduction initiatives are in the start-up phase, where upscaling is expected to contribute to a gradual reduction in emissions until the target year.

The included GHG Protocol categories and scopes are listed below (MDR-T 80), together with an overall description of the data basis, calculation method and emission factors (EF):

- **Scope 1 (own facilities and vehicles)** – Direct emissions from own facilities and vehicles, including stationary combustion of fuels that give rise to fossil greenhouse gas emissions, and mobile combustion in Sveaskog's own vehicles linked to forestry work. Fuel consumption data is obtained from internal systems.
- **Scope 2 (purchased electricity, district heating, steam and district cooling)** – Indirect emissions from purchased energy for Sveaskog's premises. Information on the amount of energy purchased is obtained from suppliers.

And the following categories within scope 3:

- **3.1 Purchased goods and services** – Emissions from contractors in forestry and from the harvesting of purchased raw materials. Fuel consumption is based on KPIs from Sveaskog's own machinery teams and emission factors for diesel subject to reduction requirements. This category also includes purchases of seedlings, seeds and other materials in the seed and seedling business, where purchase quantities are matched with emission factors for each material or product. Other purchases are obtained from the purchasing system and matched with cost-based, inflation-adjusted emission factors.
- **3.2 Capital goods** – Vehicles and machinery. The number of vehicles and machines, as well as assumptions regarding costs, are matched with a cost-based, inflation-adjusted emission factor.
- **3.3. Fuel and energy-related emissions** – Upstream production of fuel and energy reported in scopes 1 and 2. Corresponding data for scope 1 and 2 are used here and matched with emission factors linked to upstream fuel and energy production.
- **3.4 Upstream transport** – Purchased transport services for forest raw materials from own forests and external purchases. Also shipping of purchased materials for seed and seedling operations. For self-harvested forest raw materials, data on transport work for different types of transport (road, ship, rail) is used together with emission factors per transport work for each type of transport and fuel. For the transport of purchased forest raw materials, transport work data is based on a distance estimate from Sveaskog's own operations, together with the same emission factors as above.
- **3.5 Waste management** – Based on data on weight in different waste fractions and for different waste management methods, together with general emission factors per management method.
- **3.6 Business travel** – Information from travel agencies, business travel service providers, fuel summaries for company cars and costs from the purchasing system. Matched with emission factors linked to the respective activity type.
- **3.7 Commuting** – Data on commuting habits from an internal survey in 2023, scaled to the number of employees for the current financial year. Data on the number of kilometres per mode of transport and fuel type is matched with the relevant emission factors.
- **3.10 Processing of sold products** – Emissions from the process industry where Sveaskog's raw materials are used. Emissions are based on KPIs for greenhouse gas emissions per volume of product handled from the largest customers in each product segment, together with data from Sveaskog on the volume delivered to each customer. For smaller customers, an average value of KPIs for customers who have submitted data is used.
- **3.11 Use of sold products** – Emissions from the use of volume sold for use as biofuel, as well as the amount of peat used in seedlings sold by the seed and seedling business. Volumes are based on Sveaskog's own data and matched with emission factors linked to biofuel combustion and direct emissions from peat decomposition.
- **3.13 Leased assets** – Emissions from purchased energy in properties leased by Sveaskog, as well as direct emissions from the decomposition of peat extracted from land provided on concession by Sveaskog. Emissions are based on estimates of energy consumption in these leased properties and emission factors for purchased energy. Emissions for peat are based on the amount of peat extracted and emission factors linked to direct emissions from peat decomposition.
- **3.15 Investments** – Emissions from corresponding scope 1 and 2 in Sveaskog's partly owned companies that are not already reported in Sveaskog's reporting in scope 1, 2 or scope 3 category 1–14. Data on fuel and purchased energy is collected and matched with emission factors per fuel and energy type. Information from companies' public reporting of greenhouse gas emissions is also used as a basis. Greenhouse gas emissions from the jointly owned companies are scaled according to Sveaskog's ownership share in each company.

The following categories within scope 3 are excluded:

- **3.8 Leased assets** – Since Sveaskog uses operational control for climate calculations, in accordance with GHGp, all leased assets are already reported in scope 1 and 2 as well as scope 3.3. This category is therefore excluded.
- **3.9 Downstream transport** – Refers to transport from Sveaskog's customers and onwards. This category is excluded because the degree of control and influence is low, and calculations would involve rough assumptions.
- **3.12 Waste management of sold products** – This category has been excluded in accordance with GHGp, which states that if waste is recycled or incinerated with energy recovery, greenhouse gas emissions are not reported, as these end up in purchased goods and services for those who buy a recycled product or those who buy energy from an energy-recycled product. Waste that is incinerated without energy recovery can give rise to emissions, but as Sveaskog's products are wood-based, emissions of fossil greenhouse gases are negligible. Any transport linked to the end-of-life management of Sveaskog's sold products is also excluded, as these emissions are considered negligible.
- **3.14 Franchising** – Franchise operations are not conducted within the company, so this category is excluded.

Exclusions are made in line with the exclusion principles in the GHGp (Greenhouse Gas Protocol), with specific reference to the principle of relevance. The emission reduction targets are based on the following greenhouse gases (all in GHGp): CO_2, SF_6, CH_4, N_2O, HFCs, NF_3, PFCs. (E1-4 34)

Methods and assumptions for setting emission reduction targets

The year 2022 has been chosen as the base year for Sveaskog's climate targets because, at the time of setting the targets, it was the most recent year for which climate calculations had been performed and the most

comprehensive report on the company's emissions was available. It is also considered to be the most representative base year in relation to the activities and initiatives Sveaskog is working on to reduce greenhouse gas emissions in its own operations and in the value chain.

Since the target is designed to enable the company to contribute positively to the achievement of the Paris Agreement, it is based on the latest research from the UN Intergovernmental Panel on Climate Change (IPCC) and adapted to the climate scenario known as SSP1-1.9. The IPCC scenario[1)] is often referred to colloquially as a low-emission scenario and is therefore the climate scenario that represents a successful transition to a fossil-free society. As the Paris Agreement was adopted and its targets were set based on scientific research compiled by the UN Intergovernmental Panel on Climate Change (IPCC), Sveaskog's emission reduction targets are based on scientific evidence. (E1-4 34) No changes to the ambition of the target or the underlying measurement methodology, assumptions or scope have been made during the year. However, the absolute emissions for the base year have been updated, as described in E1-6. (MDR-T 80)

Sveaskog's climate adaptation targets and their connection to the company's policies

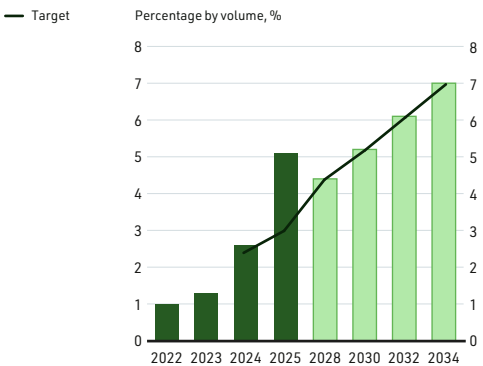
The purpose of the Guidelines for Sustainable Forestry is to ensure that forests are managed in a manner appropriate to their location and using the best available genetic regeneration material for high growth and optimal climate adaptation. The policy also states that "Sveaskog's forests shall be managed in an exemplary manner, from both a production and an environmental and climate perspective, and Sveaskog shall be a leader in developing sustainable forestry. Viable economics are combined with sound nature conservation and responsibility for social and cultural values. Forestry must adapt to, and at the same time counteract, ongoing climate change." The goal of increasing tree species proportion is directly linked to this objective, as greater tree species proportion means spreading the risk associated with the climate changes we will see, thereby making the forest more resilient. The tree species target concerns Sveaskog's own holdings, but the company's plant nurseries also grow trees for an external market that is not directly affected by the company.

The target is relative (percentage-based) and states that Sveaskog shall accelerate climate adaptation in forestry by increasing the planting of tree species other than pine and spruce. By 2034, the share of tree species other than spruce and pine seedlings shall account for seven per cent of the total number of planted seedlings on Sveaskog's own forest land. This can be compared with the reference value for 2022, when this percentage was approximately one per cent, see illustration 2. The target is monitored on a quarterly basis by tracking the number of seedlings and tree species delivered. The higher outcome for 2025 is due to one region gaining access to more birch seedlings. The long-term target is affected by future felling levels and access to suitable seedling material. Against this background, the percentage of tree species other than spruce and pine is expected to decrease during the year in line with the long-term target of 7 per cent, while the development will proceed with some restraint to enable monitoring and evaluation of the tree species that are planted on an ongoing basis. (MDR-T 80)

Methods and assumptions for setting climate adaptation targets

In developing its climate adaptation target and determining the measures Sveaskog needs to take to future-proof its forests, the company has based its approach on a climate risk analysis conducted with the help of the Swedish Meteorological and Hydrological Institute (SMHI). The analysis is based on current scientific research from the UN Intergovernmental Panel on Climate Change (IPCC) and the impact that climate change will have on the company in the near term (5–10 years), mid-century and end of the century. The analysis has also examined how the impact may differ for different risks and opportunities depending on the climate scenario. At an overall level, it is clear that the impact up to the middle of the century will be similar regardless of the climate scenario. However, the impact is predicted to vary in different climate scenarios up to the end of the century. Unlike the goal of reducing emissions, companies need to prepare for a climate scenario in which humanity fails to transition to a fossil-free society. The climate adaptation target is therefore set based on a medium-emission scenario, also known as RCP 4.5. The trees in the forest have a rotation period of 50 to 100 years, so the forest cannot be expected to be fully climate-adapted by the middle or end of the century, but the new generation of trees will hopefully have better risk diversification and conditions. Protected species will probably need even longer transition periods than trees. No changes were made to the target and underlying measurement methodology, assumptions or scope during the year. (MDR-T 80)

ILLUSTRATION 2. PERCENTAGE OF OTHER TREE SPECIES



	2022	2023	2024	2025	2028	2030	2032	2034
Outcome	1.0	1.3	2.6	5.1[1)]				
Target *			2.4	3.0	4.4	5.2	6.1	7.0

[1)] The higher outcome for 2025 is due to opportunities to plant more birch seedlings than planned. The outcome for 2026 is expected to be lower than originally planned. The long-term target will be affected by future felling levels, but the target of 7 per cent seedlings of tree species other than spruce remains unchanged.

* Base year 2022

E1-1 Action plan[1)] for climate change mitigation

[1)] IPCC, 2023: Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, pp. 1-34, doi: 10.59327/IPCC/AR6-9789291691647.001

Sveaskog's action plan to mitigate climate change
Sveaskog has formulated an action plan to gradually reduce emissions in line with the company's climate targets and timetable up to 2034. The action plan includes some 40 activities, both within its own operations and in the value chain. The plan has been validated by both Group management and the Board of Directors. It is continuously reviewed and updated to be kept up-to-date with changes in the world and the company's own operations.

A large proportion of the company's emissions are fuel-related, and some activities are therefore aimed at transitioning to renewable fuels and converting the vehicle and machine fleets. It is noticeable that the focus on phasing out fossil fuels in favour of renewable alternatives is widespread in the market, both in Sweden and within the EU. This is reflected in volatile price trends, primarily as a result of the sharp increase in demand and uncertainties surrounding the market's ability to meet this demand. While waiting for technological developments and the establishment of other alternatives such as electricity and hydrogen on a larger scale, Sveaskog is dependent on the availability of HVO100 in this transition. (E1-116)

Cost estimate and financing of action plan
Working to reduce climate impact often means increased costs in the short term. It is also difficult to ensure that a specific measure will pay off, even in the longer term. The company has made an estimate of the costs that Sveaskog's climate action plan may entail.

The estimate is characterised by a high degree of uncertainty, as the calculations are based on assumptions regarding, among other things, future price ratios between fossil fuels and renewable fuels. These are in turn influenced by geopolitical developments and policy instruments, such as carbon dioxide taxes on fossil diesel in the forestry sector. The longer the time horizon, the greater the risk that actual outcomes will deviate from these estimates. Therefore, the cost estimate is made for five-years at a time. Table 2 shows the measures to be implemented over the next five years and the emission reductions per scope to which they contribute. (E1-434, BP-211, 12)

The measures in the plan all have different investment and financing requirements and are associated with varying potential for emission reductions. Sveaskog is therefore working to estimate the cost per reduction in carbon dioxide emissions (SEK/CO_2e).

Financing of efforts to limit the company's climate impact, or to adapt operations to the changing climate, is partly carried out with the help of green bonds issued by the company through its taxonomy-aligned green framework. Read more in the Green Bonds Annual Report 2025 on Sveaskog's website. Costs for the transition to renewable diesel and forest management measures implemented for climate adaptation are reported as taxonomy-aligned OpEx and CapEx in the taxonomy reporting. (MDR-A69, E1-116, E1-329, E1-434)

Progress of the action plan in 2025
While the action plan is being finalised and decided upon, Sveaskog continues to work on major emission items over which the company has considerable or fairly considerable control. In 2025, the focus has been on transitioning away from fossil fuels in Sveaskog's own machinery teams and road transport. This work is continuing and is planned according to Table 2. (E1-116, MDR-A68) The 2024 Sustainability Report stated that the proportion of pure HVO in Sveaskog's own forestry machines was 64 per cent; at the end of 2025, this proportion was 87 per cent. (E1-329)

Locked-in greenhouse gas emissions
Sveaskog has no significant locked-in greenhouse gas emissions within its operations that could affect its ability to meet the company's climate targets. Potential locked-in emissions could include investments in vehicles and machinery that can only use fossil fuels, as well as investments in expanding or maintaining peat extraction sites. However, since the vehicles and machinery purchased can be powered by biofuels and Sveaskog has decided to phase out land concessions for peat extraction, these are not considered to be locked-in greenhouse gas emissions.

Sveaskog is not excluded from the EU benchmarks for alignment with the Paris Agreement in line with Commission Delegated Regulation (EU) 2020/1818 (the Climate Transition Benchmarks Regulation), Articles 12.1 (d) - (g) and 12.2. (E1-116)

Action plan in relation to strategy and business plan
The emission reduction target was set in 2022, and since then, measures have been specified and incorporated into the business plan and budget. The action plan is embedded in and adapted to the company's overall business strategy and financial planning. Within the framework of its overall financial planning, the company has budgeted the climate measures needed to ensure that emission reductions are in line with the climate target. The financial planning for the next five years, i.e. the

TABLE 2. EXCERPT FROM SVEASKOG'S CLIMATE ACTION PLAN

	Planned implementation rate					Change in emissions by 2034, compared to base year			
Measure	Outcome 2025	2026	2030	2034	2045	Scope 1	Scope 2	Scope 3	All scopes
Phasing out fossil fuels in Sveaskog's own machinery teams	87%	90%	100%	100%	100%	-56%	0%	-0.2%	-2%
Phasing out fossil fuels among contractors	0%	0%	100%	100%	100%	0%	0%	-9%	-8%
Phasing out fossil fuels in purchased road transport	4%	40%	100%	100%	100%	0%	0%	-17%	-16%
Other measures not yet integrated into the business plan						-38%	-61%	-34%	-34%
Total change according to action plan						-94%	-61%	-60%	-60%

Selected measures from the action plan that have been integrated into the five-year business plan. Other measures depend on technological developments or external factors and are planned for a later stage.

[1] Sveaskog has chosen to use the term "action plan", which corresponds to the term "transition plan" in ESRS.

business plan period, is documented in the governance document Strategy and Business Plan with associated appendices. The climate target is one of four strategic targets. The targets are balanced against each other, and the company's strategy has therefore been adapted to be in line with the Paris Agreement. At the end of 2025, Sveaskog adopted a long-term climate target to reduce anthropogenic fossil greenhouse gas emissions by 90 per cent by 2045 from the base year 2022. (E1-1 16)

Resilience of the strategy

Based on the climate risk analysis conducted, Sveaskog's strategy is considered to have a high level of resilience to climate change and is adapted to increase the forest's resistance to a changing climate. The strategic objectives have been balanced against each other to optimise development. According to the target, greenhouse gas emissions should be reduced in line with the Paris Agreement and a low-emission scenario, while the ambitions for increased tree species proportion and thus climate adaptation are based on the forest being future-proofed based on a higher emission scenario. The strategy thus shows that Sveaskog is working to reduce its negative impact in order to enable a future based on a low-emission scenario, while at the same time preparing the forest for a higher-emission scenario. (E1-1 19) The areas of uncertainty in the climate risk analysis consist of the uncertainties inherent in the IPCC's climate scenarios. Another uncertainty is the risk assessments regarding the impact of climate change on operations and the value chain. The risk assessments are estimates based on the information currently available. The assets and business operations exposed to risk have been taken into account to a high degree in the development of strategy, investment decisions and planned mitigation measures.

E1-6 Gross Scopes 1, 2, 3 and total greenhouse gas emissions

Sveaskog's green house gas emissions in 2025

In 2025, Sveaskog's operations generated emissions equivalent to approximately 289,000 tonnes of CO_2e. This is an increase of 5.4 per cent compared to the base year 2022. Table 3 describes the categories included in the calculations and how the emissions are distributed among them. (E1-6 44, 48, 49, 50, 51, 52)

Between 2024 and 2025, total emissions decreased by approximately 9 per cent. This is partly due to changes in volumes, with the amount of wood raw material purchased, transported and sold being slightly lower in 2025 compared to 2024. At the same time, a large proportion of Sveaskog's total emissions are fuel-related, which means that a slightly higher reduction obligation will result in a further reduction in emissions. Sveaskog's own initiatives, including an increased proportion of HVO100 in its own fleets, a higher proportion of HVO100 in specific purchased transport and the phasing out of peat, also have an impact and further reduce emissions compared with 2024.

The outcome, in line with the target of a 60-per-cent reduction in emissions by 2034 compared to 2022, is slightly above the desired projection for 2025. The lowering of the reduction obligation that came into force in January 2024 has contributed to increased emissions after 2023, despite a slight increase from July 2025.

There has also been a reduction in greenhouse gas intensity per net sales. Greenhouse gas intensity is calculated for both market-based and location-based emissions by dividing the total emissions from operations in scope 1-3 by the company's net sales, which corresponds to net sales in the consolidated income statement (MSEK 8,746), as presented on page 119 of the financial statements. (E1-6 55, MDR-T 80)

Sources of uncertainty in estimates and outcomes

Input data for scope-3 greenhouse gas emissions calculations consists of 19 per cent primary data (obtained directly from suppliers or other stakeholders in the value chain) and 81 per cent secondary data. There are two categories in scope 3 in particular that are subject to greater uncertainty. This mainly applies to information where the company relies on data collected from external parties and information based on standard amounts. The two categories are:

- **Purchased goods and services** – expenditure-based data, known as spend data, is used extensively here. This means that conversion factors are used to calculate emissions based on costs for specific product groups. This is an established approach for this category, in the absence of more detailed information on the climate impact of each product from a life cycle perspective.
- **Processing of sold products** – this refers to emissions from the processing of Sveaskog's raw materials in the process industry. The calculations are based on data from the company's largest customers in each segment: sawmills and pulp mills. This data is used as standard amounts to represent the entire segment.

In light of this, special efforts have been made during the year to focus on gaining access to customer-specific data through good dialogue and communication with customers. For other categories in the climate statement, primary data are widely used.

As a measure to reduce uncertainties in the reporting of data for climate calculations, the company has tightened its control process in several respects. First, the collected data is compared with corresponding data from the previous year and an initial reasonableness assessment is made. Both deviations and unchanged levels are commented on and the reason is documented. All collected data is also checked internally by sustainability controller before being processed in the climate calculation model. (GOV-5 36)

The climate statement and associated greenhouse gas intensity data have not been validated by any party other than the company's auditors. (BP-2 10, 11, MDR-M 77)

Changes from the previous year

Since the climate calculations were completed in 2024, several items have been adjusted in pace with improved data quality and changes in operations. Among other things, Sveaskog's divestment of its ownership in Setra Group AB and sale of Hjälmare kanal meant that emissions from this holding were removed retroactively to ensure comparability with the base year. Increased dialogue and data sharing with actors in the value chain has led to updates in calculations related to the purchase of timber and fertilizer and the sale of wood raw materials. Corrections have also been made where errors have been identified in previous input data or calculations, such as an identified double counting of fuel volumes for own teams. Adjustments have been made retroactively for previous years and the base year

TABLE 3. GREENHOUSE GAS EMISSIONS SCOPE 1, 2 AND 3 AND TOTAL GREENHOUSE GAS EMISSIONS [1), 2)]

	Retroactive				Year for milestones and targets			
	Base year 2022	Comparison year 2024	This year 2025	Change from previous year	2030	2034	2045	2034 target / base year
Scope 1 – Greenhouse gas emissions								
Greenhouse gas emissions in scope 1 (tCO_2eq)	8,762	10,628	7,378	-31%	3,277	534	363	-8%
Percentage of greenhouse gas emissions in scope 1 from regulated trading (%)	0	0	0	0	0	0	0	0
Scope 2 – Greenhouse gas emissions								
Location-based greenhouse gas emissions in scope 2 (tCO_2eq)	1,010	1,040	728	-30%	601	397	222	-5%
Market-based greenhouse gas emissions in scope 2 (tCO_2eq)	765	1,204	1,134	-6%	455	300	168	-5%
Significant greenhouse gas emissions in scope 3								
Total indirect greenhouse gas emissions in scope 3 (tCO_2eq)	264,520	306,584	280,316	-9%	160,695	108,782	26,873	-5%
1 Purchased goods and services	90,045	121,723	117,103	-4%	59,069	43,581	17,870	-4%
2 Capital goods	3,295	14,641	13,340	-9%	2,660	2,343	1,744	-2%
3 Fuel and energy-related activities (not included in scope 1 or scope 2)	1,757	2,207	2,060	-7%	1,233	972	102	-4%
4 Upstream transport and distribution	75,043	83,634	71,274	-15%	34,241	13,840	2,326	-7%
5 Waste management	395	20	22	7%	265	200	209	-4%
6 Business travel	539	645	713	11%	204	36	38	-8%
7 Commuting trips	497	1,052	1,102	5%	502	504	526	0%
8 Rented assets	-	-	-	n/a	-	-	-	n/a
9 Transports	-	-	-	n/a	-	-	-	n/a
10 Processing of sold products	79,232	73,205	68,401	-7%	53,237	40,239	0	-4%
11 Use of sold products	4,977	3,797	2,452	-35%	4,619	4,440	3,986	-1%
12 Waste management of sold products	-	-	-	n/a	-	-	-	n/a
13 Leased assets	6,866	4,115	2,723	-34%	4,041	2,628	77	-5%
14 Franchise	-	-	-	n/a	-	-	-	n/a
15 Investments	1,873	1,545	1,124	-27%	624	-	-	-8%
Total greenhouse gas emissions								
Total greenhouse gas emissions – location-based (tCO_2eq)	274,292	318,252	288,421	-9%	164,573	109,713	27,458	-5%
Total greenhouse gas emissions – market-based (tCO_2eq)	274,047	318,416	288,828	-9%	164,427	109,617	27,404	-5%

1) Sveaskog's climate report includes all greenhouse gases covered by the GHG protocol, i.e. carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), sulphur hexafluoride (SF_6), hydrofluorocarbons (HFCs), nitrogen trifluoride (NF_3) and perfluorocarbons (PFCs).

2) Sveaskog uses emission factors from open sources, the majority of which come from national authorities such as the Swedish Energy Agency, the Swedish Environmental Protection Agency, the Forestry Research Institute of Sweden, the Swedish Environmental Research Institute IVL, NTM and DEFRA.

TABLE 4. BIOGENIC CARBON DIOXIDE EMISSIONS

	Comparison year 2024	This year 2025	% 2025/2024
Reported separately from fossil fuels			
1 Biogenic carbon dioxide emissions [1)] from activities in scope 1	13,722	15,585	14%
2 Biogenic carbon dioxide emissions [1)] from activities in scope 2	1,001	542	-46%
3 Biogenic carbon dioxide emissions [1)] from activities in scope 3	298,398	213,713	-28%

1) Biogenic carbon dioxide emissions are reported separately from fossil emissions in line with ESRS recommendation.

TABLE 5. GREENHOUSE GAS INTENSITY

	Comparison year 2024	This year 2025	% 2025/2024
Greenhouse gas intensity per net sales			
Total greenhouse gas emissions – location-based per net sales (tCO_2eq/MSEK)	38.3	33.0	-14%
Total greenhouse gas emissions – market-based per net sales (tCO_2eq/MSEK)	38.3	33.0	-14%

2022 in order to maintain comparability, which is in line with GHGp. (E1-647)

E1-7 Sveaskog's carbon sequestration

Forests play an important role in climate change mitigation as natural carbon sinks since they both absorb carbon dioxide from the atmosphere and store carbon in trees, soil and long-lasting products. In this way, the forest is a key in the work to limit climate change. The calculation of Sveaskog's carbon uptake and storage complies with ISO 13391 (Wood and wood-based products – Dynamic effects on greenhouse gases), a new international standard for quantifying greenhouse gas emissions and uptake linked to wood and wood-based products.

The calculation consists of four components: carbon balance in forests, carbon balance in wood-based products sold, greenhouse gas emissions in the value chain and emissions avoided as a result of products sold (substitution effect). These components are not added together, but describe the total impact of wood and wood-based products in a comparable way within each component. According to ISO 13391, all components can be calculated and reported separately, or only a selection of them. Sveaskog has chosen to include calculations for the carbon balance in forests and in sold products, but to exclude avoided emissions resulting from its products. Greenhouse gas emissions from all operations are reported separately in the climate statement in accordance with the GHGp (Greenhouse Gas Protocol); see section E1-6. (E1-758) The calculations are based on the latest Global Warming Potential values according to the UN Intergovernmental Panel on Climate Change (IPCC) for a period of 100 years.

Below is information about the selection of components that are calculated, as well as how the calculations were performed.

Carbon balance in forests

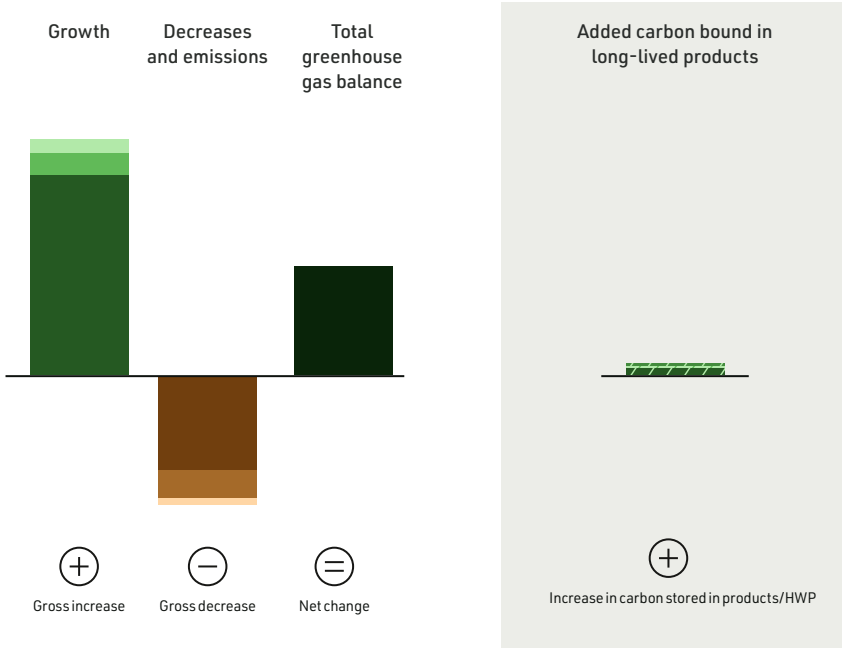
Data used for calculations of the carbon balance in forests combine actual data for Sveaskog's forest holdings with the annual national reporting that the Swedish Environmental Protection Agency compiles for the United Nations Framework Convention on Climate Change (UNFCCC) in the Swedish National Inventory Report (NIR). The largest carbon sink consists of the growth of living biomass and has been estimated using growth data from the National Forest Inventory that is specific to Sveaskog's holdings. However, no specific data has been obtained for carbon stored in dead wood, litter and forest land. Instead, it is assumed that the increase in these carbon stocks per hectare of forest land is the same for Sveaskog's holdings as for the national average. The national method, which follows the IPCC guidelines for national reporting, is well established and, due to the size and spread of Sveaskog's holdings, can be considered representative for the carbon balance of Sveaskog's land holdings.

The National Forest Inventory tracks measured national growth and losses in Swedish forests using measurements from temporary and permanent sample plots that are inventoried at five-year intervals, with the different sample plots covering different periods. Once five years of growth have been measured on an area, the average growth for the period is obtained. The sum of the growth of individual areas can thus vary considerably from year to year, which is why the National Forest Inventory uses a rolling five-year average to present the final estimate of growth. This means that the results lag behind, and the most recent figure for Sveaskog's growth applies to 2019. For this calculation, it is assumed that growth per hectare will remain at the same level as in 2019, which means that the values for recent years will be updated as new data becomes available. Changes in carbon sequestration in the forest should only be measured and compared over longer periods of time and not between two consecutive years. For other data, such as Sveaskog's land areas and felling, actual values from the 2025 financial year are available.

Illustration 1 shows the estimated change in carbon stocks in Sveaskog's holdings in 2025, broken down by source. Gross increase in the carbon content of living biomass (dark green bar on the left) is the result of tree growth both above and below ground. Together with natural decreases (light beige bar) that occurs in connection with, for example, weather damage, forest fires and pest infestations, part of the living biomass's carbon stock is also removed from the forest during felling (dark beige bar), resulting in a net change in carbon stocks.

Some of the carbon bound by living biomass ends up in dead wood, litter or the soil's carbon stocks through natural decomposition. These are also calculated using national average data and reported in the categories for dead wood, litter and soil carbon. The change in soil

ILLUSTRATION 1. ESTIMATED CHANGE IN CARBON STOCKS IN SVEASKOG'S HOLDINGS IN 2025



NET BALANCE IN CARBON STOCKS

9.6 million tonnes of CO_2e

Growth	Million tonnes of CO_2e
Live biomass	17.7
Dead wood and litter	1.9
Soil carbon	1.2
Decreases and emissions	
Felling	-8.2
Natural decreases	-2.5
Emissions of methane and nitrous oxide	-0.4
Total greenhouse gas balance	9.6

0.87 million tonnes of CO_2e

Added carbon bound in long-lived products	
Wood products	0.66
Paper and cardboard	0.19
Wood and particle board	0.02

A portion of the carbon removed from the forest during felling is stored in the products made from the raw material. Using statistics on the lifespan of these products and their waste management methods, the amount of carbon that remains stored can be estimated.

carbon stocks is reported as a net effect, as it is more difficult to break down into gross emissions and uptake of carbon dioxide. However, the change in soil carbon stocks is weighed against emissions of the greenhouse gases methane and nitrous oxide to show the total effect on greenhouse gases in the atmosphere. Methane is part of the carbon cycle, just like carbon dioxide, and is formed in forest land through natural decomposition processes, among other things. However, methane has a greater impact on the greenhouse effect than carbon dioxide, which means that when carbon is absorbed from the atmosphere in the form of carbon dioxide but then released in the form of methane, the resulting emissions are greater than the absorption and emissions of carbon dioxide. (E1-7 58)

Nitrous oxide is not part of the carbon cycle but is formed when nitrogen in the forest reacts with oxygen. Nitrogen, together with other nutrients in forest soil, is essential for biomass to grow and store carbon dioxide. Nitrogen is supplied both through natural processes and fertilisation. Methane and nitrous oxide, converted to carbon dioxide equivalents, are thus included in the forest's total effect on greenhouse gases according to ISO 13391, but are not part of the forest's carbon storage.

Combined, the gross increase minus the gross decrease gives an estimated net change in the carbon stock of Sveaskog's holdings, which in 2025 amounted to 10 million tonnes of CO_2e, corresponding to an increase of approximately 1.3 per cent of the total carbon stock in Sveaskog's holdings compared with 2024. (E1-7 56) Together with emissions of methane and nitrous oxide, this results in a total binding effect on greenhouse gases from the forest carbon balance of 9.6 million tonnes of CO_2e.

Carbon in wood-based products

Sveaskog's contribution to carbon balance in products is defined as the difference between biogenic carbon bound in products supplied to the market during the year and the carbon that has left the market at the end of the products' life cycle. The carbon is only returned to the atmosphere when the products are incinerated or decomposed. Recycled products remain on the market.

Sveaskog has its own figures on the volumes of wood raw material sold to which customers and whether it is sawlogs, pulpwood or various types of biofuels. Biofuels are assumed to be burned shortly after sale and therefore make no contribution to carbon stocks. Some of the sawlogs that go to sawmill customers is also turned into residual streams that are incinerated, some goes to more durable wood products or wood and particle board, and some goes to pulp mills and, together with pulpwood, is turned into various paper products. The proportion of timber used for each end product is estimated using average data for the Swedish wood industry.

Using secondary data in the form of statistics on product lifespans and waste management, the total carbon balance of products sold can then be estimated using Harvested Wood Product (HWP) coefficients. For this purpose, global templates are used, which are the same as those used in Sweden's national reporting. To ensure consistent system boundaries and maintain comparability with the carbon balance in the forest, the effect of storage in products is calculated only for products originating from Sveaskog's own holdings, in line with ISO 13391. Wood that has been purchased and imported is excluded.

This change in the carbon stock of sold products should not be added to the forest's carbon balance, but is presented in Illustration 1 on the same scale for size comparison.

Greenhouse gas emissions in the value chain

Sveaskog's greenhouse gas emissions are calculated in connection with the climate statement and cover both its own operations and the value chain. In reporting according to ISO 13391, greenhouse gas emissions for wood-based products are mainly used to compare the substitution effect that the products have. Since Sveaskog does not include calculations for substitution effects, no separate calculations beyond the climate statement have been made. For these, please refer to section E1-6. The calculations for the value chain also include timber purchased from forests not owned by Sveaskog, and include nitrous oxide emissions from fertilisation, which overlap somewhat with the calculation of the forest carbon balance.

Avoided emissions

Avoided emissions refer to the potential greenhouse gas emissions that are avoided or displaced when wood and wood-based products replace materials or energy sources with a higher climate impact. ISO 13391 includes the substitution effect as an optional component to provide a picture of the total climate impact. Regardless of whether avoided emissions are calculated or not, the four components within ISO 13391 are never added together, but should be viewed as separate.

Calculations of avoided emissions are associated with significant methodological uncertainties. The results only reflect a theoretical current situation, as the calculations do not take into account future changes in market structures, technological developments or changes in global consumption and demand. As society transitions to completely fossil-free value chains, this benefit will gradually decline and eventually reach zero when fossil alternatives are phased out. The substitution benefit should therefore be viewed as an indirect and time-limited climate benefit. Sveaskog has therefore chosen not to include calculations of substitution effects. Despite this, forest raw materials will continue to play a central role in the transition, as a renewable and circular resource with the potential to enable sustainable material flows and long-term societal benefits. (E1-6 56, 58)

Carbon credits

Sveaskog does not use carbon credits in its reporting of greenhouse gas uptake and storage. The uptake and storage of greenhouse gases reported relate exclusively to Sveaskog's own operations and value chain, primarily through the biological carbon sinks of forestry. (E1-6 56)

E1-8 Internal carbon pricing

Sveaskog does not apply any system for internal carbon pricing in connection with decision-making.

E4 – Biodiversity and ecosystems

Sveaskog applies the European Commission's Quick Fix for ESRS E4, which means that the structure of this chapter differs from the other sections.

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

Sveaskog's operations, with its extensive land holdings and core business in forestry, are directly and indirectly linked to impacts on and dependencies on biodiversity and ecosystem services. The company has identified material impacts, risks and opportunities related to biodiversity in both the short and long term, in its operations and in the value chain. Since the direct impact of forestry is a central part of the business, these issues also form a natural focus in the materiality assessment.

Biodiversity and ecosystems in strategy and business model

The company has integrated biodiversity and ecosystem services into its strategy and business model through the strategic goal of Developing biodiversity and ecosystem services.

Physical risks and transition risks

Due to the strong dependence of the business on biodiversity and ecosystem services, there is a clear physical risk associated with the loss or deterioration of them. The business is directly dependent on ecosystem services that provide access to wood raw materials.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO BIODIVERSITY AND ECOSYSTEMS

Category	IRO	Description	Type	Position in the value chain: Upstream	Position in the value chain: Own operations	Position in the value chain: Downstream	Time horizon
Direct impact factors	Climate change and invasive species	A warmer and drier climate increases the risk of the spread and introduction of invasive species and pests. The classification by the Swedish University of Agricultural Sciences (SLU) shows that several pathways of dispersal are linked to forestry. At the same time, control is becoming more difficult as access to plant protection products is restricted.	Potential negative impact Risk	●	●	○	Medium, long
	Direct exploitation	Biomass extraction through retention forest management leads to local habitat loss and can cause fragmentation, which has a negative impact on biodiversity.	Actual negative impact	●	●	○	Short, medium, long
Impacts on the state of species	Population size of species	Sveaskog's core business is conducted in the forest, and the main method used to produce timber, pulpwood, wood chips and biofuel is retention forest management. Of the forest-dwelling species in Sweden, approximately 20 per cent are red-listed and almost 400 species are considered threatened due to retention forest management in the forest.	Actual negative impact	●	●	○	Short, medium, long
Ecosystem services	Nature conservation management, wetlands and running water	Nature conservation management and restoration measures mimic natural disturbances that support biodiversity and ecosystem services such as water purification and habitat quality.	Actual positive impact	○	●	○	Short, medium, long
	Impact on and dependencies on ecosystem services	Sveaskog is highly dependent on and has an impact on several ecosystem services in order to conduct its operations. The type of dependency is both provisioning (soil fertility), regulatory (nutrient flows) and supporting (ability to produce raw materials), as well as cultural services such as access to natural environments for recreation.	Actual negative impact	○	●	○	Short, medium, long
Legal risk	Policy-driven restrictions on forestry	New and stricter biodiversity regulations may entail area limitations or restrictions on forestry operations, which would affect the company's core business.	Transition risk	○	●	○	Short
Systemic risk	Ecosystem collapse	If critical thresholds in nature are exceeded, ecosystems risk collapsing – with severe consequences for livelihoods, biodiversity and climate resilience.	Physical risk	●	●	○	Long
Opportunity	Offering sustainable forest services	There is business potential in offering external actors advice and services in forest management and natural values assessment with a positive impact on biodiversity.	Opportunity	●	○	○	Short, medium

The business model and strategy are generally considered to have good resilience to physical risks and transition risks related to biodiversity and ecosystems linked to the company's own operations.

Legislation on species protection, both nationally and within the EU, has in recent years led to some uncertainty regarding the interpretation of proposals concerning several forest-dwelling species that are at risk of being negatively affected by forestry. Legal cases have changed practice at relatively short intervals, and it has been challenging for operators to navigate. There is a transition risk involved in this, as it requires new working methods and increased knowledge for several different roles within the company. Sveaskog has a sound internal organisation and structure for managing and responding to these fluctuations and making the adjustments necessary to continue its operations.

Political decisions aimed at achieving national and international biodiversity targets, as well as the ongoing implementation of EU legislation, may affect Sveaskog's ability to conduct its core business. Within the framework of the company's business plan and policies, Sveaskog has higher ambitions with regard to areas of great importance for biodiversity than required by legislation and certifications (FSC, PEFC). This gives the company good resilience against this type of transition risk. Participation in dialogue and collaboration processes with authorities, universities and other bodies that deal with issues related to the identified transition risks gives the company an opportunity to be responsive and proactive.

The increased physical risk associated with the impact of invasive species on biodiversity is expected to be met with a higher level of ambition among the relevant authorities – which in turn poses a transition risk for the company. Regional efforts to combat and counteract invasive species are under way. Mapping invasive species within the company's own land holdings is the beginning of a more systematic effort to manage invasive species, which will also lead to greater resilience in this area.

Systemic risks

For Sveaskog, systemic risks linked to the loss of biodiversity and ecosystem services have major impacts on the business due to the company's dependence on them. A collapse of important ecosystem services, such as water purification and climate regulation, would lead to extensive damage to both the forest and nearby infrastructure and create long-term, extensive disruptions to production, and thereby also have a major impact further in the value chain. In addition, a global reduction in biodiversity can affect the supply of forest products, which in turn creates disruptions in supply chains and price volatility. Due to these dependencies, a business model that is fully resilient to systemic risks related to biodiversity is not feasible in practice. The company's strategy therefore focuses on taking immediate steps to reduce the risk of a future system collapse, with the aim of creating long-term stability and resilience.

Policies for biodiversity and ecosystems

Sveaskog has a number of governance documents and policies to ensure that biodiversity and ecosystems are taken into account and considered throughout its operations.

- **Sveaskog's Code of Conduct** – stipulates, among other things, that both Sveaskog and the company's timber suppliers must be certified according to FSC and PEFC. All guidelines and instructions are therefore developed based on the premise that Sveaskog's own operations, suppliers and business partners must comply with the requirements set by the certifications.
- **Policy for Sustainable Forestry** – describes Sveaskog's overall approach and view of forest management, the environment and climate, and defines what sustainable forestry means to Sveaskog. The Policy for Sustainable Forestry addresses material impact factors linked to climate change, direct exploitation, impact on the extent and condition of ecosystems, and the impact on and dependence

TABLE 1. MANAGEMENT OF SVEASKOG'S IMPACTS, RISKS AND OPPORTUNITIES

Measure	Policy for sustainable forestry	Guidelines for sustainable forestry	Guidelines for forest management and environmental consideration when purchasing timber in Sweden	Tree species strategy	Guidelines for handling conservation values in connection with the sale of forest properties	Instructions for registering and checking certificates when purchasing timber	Planning instructions	Instructions for natural values assessments (own forest and timber purchases)	Instructions for nature conservation management
Climate change and invasive species	●	●		●					
Direct exploitation	●	●	●		●	●	●	●	
Population size of species	●				●		●	●	●
Nature conservation management, wetlands and running water	●							●	●
Impact on and dependencies on ecosystem services	●	●	●	●	●		●	●	●

Presentation of the link between Sveaskog's identified material impacts and the policies, guidelines and instructions that address each issue. The management of significant risks and opportunities is captured in the strategy and business plan process.

on ecosystem services. The Policy for Sustainable Forestry applies to Sveaskog AB and its subsidiaries and covers all operations conducted by Sveaskog. It shall be applied by Board members, the CEO, Group management, all employees, consultants and contractors. The Policy for Sustainable Forestry has been decided by the Board of Directors, and the CEO is ultimately responsible for its implementation. The policy is available on Sveaskog's website for all stakeholders to read.

- **Guidelines for Sustainable Forestry** – supplement the policy and specify how its positions are to be implemented in practice. The guidelines cover Sveaskog's production forests and do not apply to set-aside areas.
- **Guidelines for forest management and environmental consideration when purchasing timber** – developed to ensure environmental consideration is also taken when purchasing timber externally. These guidelines clarify requirements on consideration of nature in various types of timber purchases, requirements on dialogue and consultation in connection with timber purchases, and which purchases the company directly refrains from.
- **Guidelines for managing conservation value in property sales** – ensures that known conservation values are also taken into account in divestments.

The guidelines are decided by the CEO, who, together with the authors of each document, is responsible for its development, implementation and annual review.

In 2025, Sveaskog began developing guidelines aimed at summarising and clarifying how the company's nature conservation work contributes to minimising the material impact on biodiversity in the forest landscape resulting from loss, degradation and fragmentation of valuable habitats, the absence of natural disturbance regimes and the accelerating threats of climate change and invasive species.

In addition to overall policy documents and guidelines, most instructions on how to conduct core operations are also of major significance to the company's material impact on biodiversity. This includes instructions for natural values assessment, species protection and nature conservation management, as well as instructions for spot checks. These are intended, among other things, to monitor how well the implementation of measures complies with instructions. These have been developed and approved by the Head of Nature Conservation and the Head of Forestry, who are also responsible for implementing them.

Sveaskog's policies in relation to identified impacts through direct exploitation and the condition of species and ecosystems

The company's core business has a material impact on biodiversity through what is referred to within ESRS as direct exploitation, i.e. the forestry industry's use of the forest as a raw material. The core operating activities also cause impacts on the scale and status of species and ecosystems. To manage this impact, the company's Policy for Sustainable Forestry stipulates that forests of high conservation value are preserved voluntarily or formally, and that general or enhanced environmental consideration is given to managed forests.

A natural values assessment must always be carried out before final thinning, final felling and road construction. If the assessment is that a forest stand is of high conservation value and is of great importance for biodiversity, the area is exempted from forestry as a voluntary set-aside. Sveaskog's policies do not set any ceilings on the size of areas or the proportion of the holdings that may be excluded from forestry operations. Forests of high conservation value should simply not be felled. These are more far-reaching measures for biodiversity than those required by current legislation and certifications (FSC, PEFC). The natural values assessment includes a description of how red-listed species should be handled in connection with forestry measures, and Instructions for handling protected species ensure that Sveaskog complies with the legal requirements of the Species Protection Ordinance.

In stands that are not of sufficiently high conservation value to be set aside, there are instructions on how to manage both existing environmental conservation value and species, for example through increased consideration or through management methods for combined objectives. Through its ecoparks, among other initiatives, Sveaskog counteracts the impacts on biodiversity resulting from the fragmentation of ecosystems. Ecoparks are designated landscapes with high nature conservation ambitions. They cover at least 1,000 hectares, of which at least 50 per cent consists of nature conservation areas. Sveaskog has 37 ecoparks, all of which are covered by nature conservation agreements with the Swedish Forest Agency. The working procedures for ecoparks are described in the Instructions for Ecoparks.

Sveaskog's policies in relation to identified dependencies, physical risks and transition risks for biodiversity and ecosystems

Many of the material physical risks associated with dependencies and biodiversity are linked to climate change. Sveaskog's tree species strategy describes how ecological and commercial risks can be spread by investing in more tree species in Sveaskog's production forests. To counteract the spread of invasive species and pests, Sveaskog selects tree species with regard to risk dispersion. Forest management is adapted to each growing site according to current climate forecasts, and ecological connectivity should be sought when selecting tree species. This is described in more detail on page 70 in the section on climate adaptation.

The fact that Sveaskog excludes areas of great importance for biodiversity from forestry to a greater extent than required by both legislation and certifications provides good opportunities to meet transition risks in the form of new directives and changes in legislation related to the status of species and ecosystems.

Within designated nature conservation areas, the goal is to increase ecological value in the long term through active nature conservation management and restoration, or through free development. Overall, this has a positive impact on biodiversity and the extent of ecosystems.

The significant physical risk posed by the impact of invasive species on biodiversity is not addressed in any of Sveaskog's policies. There is currently a regionally adapted approach to invasive species, which will be formalised in the future.

Sveaskog's forest stands set aside for nature conservation are managed to preserve and develop biodiversity and ecosystem services. This is addressed in the aforementioned policies, which state that measures in forest stands set aside for nature conservation are only carried out for the purpose of promoting conservation values. This means that timber extraction in connection with nature conservation management may only be carried out if it is justified by the preservation of the biotope

type. The nature conservation management methods that Sveaskog applies across its entire portfolio, and the significance this has for biodiversity, are monitored at the landscape level in five selected ecoparks with associated reference areas within the Effekt 20 project. In accordance with current policy, the follow-up project will run for a period of 20 years. The implementation of nature conservation management is also monitored through annual spot checks.

The societal effects of the company's impacts on biodiversity and ecosystems are not addressed in the policies.

Actions and resources related to biodiversity and ecosystems

The company implements ongoing actions to preserve and develop biodiversity and ecosystems within its land holdings. The actions relate to direct activities on Sveaskog's holdings and are not based on compensation. Key actions are:

- **Natural values assessment** – carried out prior to (final) thinning, regeneration felling and road construction to identify high conservation values. Sveaskog has developed its own methodology and system support for this. Stands classified as having high conservation values are exempt from forestry. Species findings (signal species, red-listed species, protected species) are reported on an ongoing basis to the public register in ArtDatabanken. Sveaskog sets aside all forest stands of high natural values that are identified through natural values assessments. The assessments are followed up with annual spot checks to calibrate the assessors and ensure quality in implementation.

Sveaskog bases its work on the forest sector's and the Swedish Forest Agency's joint definitions of good environmental consideration. Regular collaboration with the Swedish Forest Agency takes place in order to broadly follow the agency's policy and strategic decisions (supervision of known conservation values) when developing and updating Sveaskog's natural values assessment. Dialogue meetings and excursions with nature conservation organisations have strengthened the work on developing and refining natural values assessments. Several nature conservation organisations have been given access to and asked to comment on Sveaskog's natural values assessment. Overall, the attitude toward the quality and objectives of the methodology is positive.

- **Environmental consideration in forestry** – During the reporting year, felling measures were carried out on approximately 14,200 hectares, and in connection with these, an average of around 15 per cent of the area was left as environmental consideration areas. This goes beyond what legislation and certifications require. Sveaskog uses the natural values assessment and the forestry sector's targets for good environmental consideration to identify which measures are appropriate as environmental considerations within each stand. This may involve, for example, measures to preserve sensitive biotopes and, where necessary, establish protection zones around them, protect and create dead wood, leave trees of conservation value standing, preserve cultural environments or habitats for protected species, and create functional buffer zones along watercourses.
- **Nature conservation management and restoration** – most of Sveaskog's designated forest stands set aside for nature conservation consist of natural habitats where conservation values are preserved and developed by allowing the forest to develop freely. In other types of natural environments, where active measures are required to preserve and develop biodiversity, the aim is to either reintroduce or mimic the natural processes that have characterised the natural environment and its species diversity. This could be, for example, fire, grazing or the flow of water in the landscape. Measures to preserve and develop already high conservation values are referred to as management for nature conservation. Measures to restore conservation values in the long term are referred to as restoration. Examples of where Sveaskog carries out restoration measures include certain stands within ecoparks or through the re-wetting of previously drained wetlands. It is in connection with the natural values assessment that it is determined whether a stand needs active measures to preserve its conservation values.
- **Survey of invasive species** – work has begun on mapping invasive species on the company's land holdings as a first step toward a coordinated approach. The mapping of invasive species is a first step toward working centrally with invasive species at Sveaskog. Initially, this applies to the company's holdings. In 2025, a system support was developed to collect and report data on findings of invasive species on Sveaskog's land holdings. The system support will begin to be applied in 2026.
- **Training initiatives** – mandatory training in species knowledge is provided on an ongoing basis for employees in relevant roles.

All of the key measures above are carried out continuously as part of the company's regular operations and are reported annually.

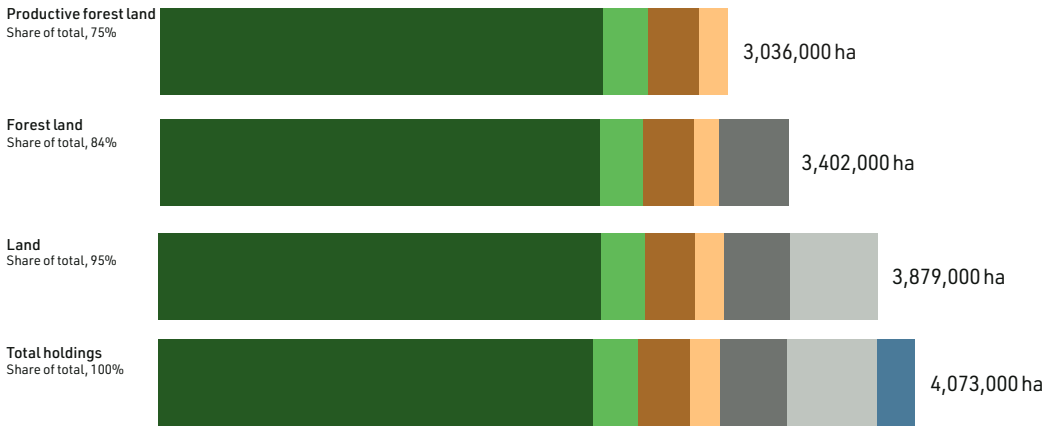
Many of the measures implemented are evidence-based, and Sveaskog relies on research when developing working methods and methodologies.

Restored wetlands

Re-creating ecosystems and natural environments not only provides space for species but also improves the conditions for so-called ecosystem services. For example, recreated wetlands keep the water in the landscape longer, making it more resilient to forest fire, providing better water treatment and reducing the risk of major flooding in heavy rain. At the same time, it is important to highlight the problems associated with restoration, as it is often complex to restore ecosystems to their original state. Many factors, such as changing climatic conditions and human impact, can make it difficult to fully restore natural processes and functions.

ILLUSTRATION 1. SVEASKOG'S LAND HOLDINGS

The following illustration and table provide a detailed account of Sveaskog's land holdings, including adaptations to preserve and develop conservation values in Sveaskog's forests and ensure a balance between production and nature conservation.



		Share of			
Categories	Area, ha	Productive forest land	Forest land	Land	Total holdings
Area cultivated	2,335,000	77%	69%	60%	57%
Formal set-asides	279,000	9%	7%	7%	7%
Voluntary set-asides	274,000	9%	8%	7%	7%
Consideration areas	149,000	5%	4%	4%	4%
Unproductive forest land	366,000	–	11%	9%	9%
Other land	477,000	–	–	12%	12%
Water	194,000	–	–	–	5%

Targets and metrics for material impacts, risks and opportunities related to biodiversity and ecosystems

Sveaskog's strategic targets for biodiversity

Sveaskog's overall strategic target of developing biodiversity and ecosystem services is specified through interim targets set for 2034.

Target 1: An additional 2 per cent of Sveaskog's land holdings shall be used to preserve and create habitats.

Shaping a forest landscape with developed biodiversity is a long-term endeavour that is part of Sveaskog's strategy and policy for sustainable forestry. Although forestry has developed in line with increased environmental ambitions, Sveaskog has so far mainly made major investments in the development of biodiversity. This has been achieved by exempting various types of land from forestry. In order to develop biodiversity of the holding, the company mainly sees a need to increase the variation in the production landscape and at the same time increase the ecological value of areas already set aside. Active management for nature conservation contributes by breaking up uniformity, creating greater variation both between and within partitions, and restoring natural processes across the entire landscape. Targets for creating and preserving habitats can help reduce the risk of changes in the spread of biotopes in the landscape as a result of climate change, as well as the negative impact on the condition of species and ecosystems.

Target 2: Sveaskog shall monitor a number of species that are sensitive to forestry operations on its land holdings.

The second interim target is based on monitoring a number of species that are sensitive to forestry and beginning to map invasive species on the company's land holdings. The goal of mapping invasive species is a first step in addressing the significant risk that invasive species and pests (as a result of climate change) pose to biodiversity. It is also a first step in managing the transition risk that comes with the authorities' ambition to work with invasive species, which is expected to increase in the future. These targets have not yet been formalised and made measurable.

Sveaskog's targets and metrics for nature conservation management

There are annual targets for nature conservation management measures within Sveaskog's regular operations, see Table 2.

Environmental information

TABLE 2. METRICS AND TARGETS FOR NATURE CONSERVATION MANAGEMENT

Nature conservation management measures	Target 2025	Outcome 2025	Outcome 2024	Description and connection to IRO
Felling [ha]	750	745		Felling and pre-commercial thinning include mechanical, mechanised manual or manual measures to, for example, create gaps or create dead wood and clear out spruce undergrowth in hardwood stocks. Fire-like measures such as point burning and spontaneous fires are reported here as Other nature conservation management. The annual targets for nature conservation management are set to achieve the five-year target set by Sveaskog for the period 2021-2026. The targets are distributed internally across Sveaskog's regions and refer to the area of stands that have been managed using one or more measures to develop and preserve biodiversity.
Pre-commercial thinning [ha]	500	440		
Burning [ha]	220	151		
Other nature conservation management [ha]	335	783		
Total [ha]	**1,805**	**2,119**	**1,530**[1)]	
Number of restored wetlands	24	74	51	Wetlands are valuable habitats that promote biodiversity and help to moderate water flows through the landscape. Watercourse restoration aims to restore streams, creeks and rivers that were previously cleared for log-floating or hydropower, which had significant negative effects on ecological values. The measures apply to all of Sveaskog's operations. The target levels are set to achieve the five-year target that Sveaskog has set for the period 2021-2026. The targets are distributed internally among Sveaskog's regions. There are some uncertainties associated with using numbers as a metric of measures implemented, partly because areas/habitats can be quite difficult to define for watercourses and wetlands. The higher outcome for the year compared with the targets is partly due to the fact that we implemented more measures than planned, and partly due to the fact that we had several collaborative projects with other actors who also contributed with measures.
Number of ongoing water restorations	6	9	6	
Number of completed water restorations	3	5	4	
Number of spot checks carried out of nature conservation management measures	1 per provider per region	54 inspections of 37 providers	Not followed up in 2024	The follow-up targets apply to nature conservation management measures carried out across Sveaskog's entire holdings. The targets have an upstream effect, as the targets for the spot checks are set based on the number of providers, and many providers are engaged contractors. This is the first year that Sveaskog has set quantity targets for these kinds of spot checks, and the targets may be adjusted.
Number of spot checks performed of natural values assessments (absolute number)	22 per region	An average of 18.4 spot checks per region	Not followed up in 2024	Follow-up of natural values assessments is carried out across the entire operation, and all five regions have the same targets. The annual target is fixed regardless of the number of natural values assessments carried out that year, but if necessary, follow-ups can be directed to specific areas or issues within the target. Two spot checks shall be made for natural values assessment prior to road construction.
Environmental consideration index [%]	99	96.3	96.2	The target for the consideration index is fixed and has remained at the same level since 2013. The consideration inventory applies to regeneration felling on Sveaskog's holdings and thus covers Sveaskog's operations and the contractors who carry out forestry measures on behalf of the company.

1) The reported figures for 2025 have been presented with a more detailed breakdown than previously. To ensure clarity, the outcome for 2024 is therefore only reported at a summary level.

Follow-up

Effekt20

The nature conservation management methods used by Sveaskog across its entire portfolio, and the significance this has for biodiversity, are monitored at the landscape level in five selected ecoparks with associated reference areas within the Effekt20 project. In accordance with current policy, the follow-up project will run for a period of 20 years.

Environmental consideration inventory and index

The consideration inventory is part of the Environmental Code's rules for self-monitoring (Environmental Code, Chapter 26, Section 19). A consideration index of 100 per cent means that planning and felling measures have had absolutely zero impact on any conservation values. The results of the consideration inventory are converted into a consideration index. The target for the consideration index is set so that the company complies with the general consideration rules in the Environmental Code.

Collaboration with stakeholders

The work to achieve nature conservation management goals is often carried out in collaboration with various stakeholders, including authorities with nature conservation responsibilities, local environmental and nature conservation organisations, and groups formed for specific species-oriented measures. This collaboration often leads to prioritisation of which measures should be implemented and where, even if the stakeholders have not been involved in setting the targets.

E5 – Resource use and circular economy

SBM-3 Material impacts, risks and opportunities related to resource use and circular economy

Sveaskog's operations are based on long-term sustainable forestry, with the vision of being the world leader in sustainable value creation in the forest. From a circular economy perspective, this means maximising the value of forest raw materials, both in traditional products such as sawn timber and pulp, but also in other innovative areas of use.

A central part of the business model is to offer a renewable alternative to fossil resources as demand increases. This is a fundamental driving force behind Sveaskog's role in the transition to a bio-based economy. Forest raw materials are an important building block in the transition to a fossil-free circular economy. It is a long-term endeavour.

The circular perspective also permeates the value chain of the company's customers. In the sawmill industry, customers strive to utilise as much of the log as possible. Investments in modern technology and digital measuring tools make it possible to optimise the handling, sawing and cutting of each log. Anything that cannot be used for sawn timber is instead converted into by-products such as chips, shavings or bark – materials that are used, for example, as board materials or bioenergy.

Only a very small proportion of the raw material becomes waste, for example when a log is contaminated with metal objects such as nails or buckshot. (SBM-3 48)

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO RESOURCE USE AND THE CIRCULAR ECONOMY (SBM-3)

Category	IRO	Description	Type	Position in the value chain: Upstream	Position in the value chain: Own operations	Position in the value chain: Downstream	Time horizon
Contribution to circular economy	Increased demand for bio-based and circular products and inputs	Sveaskog sees an actual opportunity in the growing demand for sustainable, bio-based products, residual flows and services from the forest – not only for sawn timber and pulp, but also for secondary uses such as biochar in fossil-free steel production, chemicals for fossil-free paints and biofuels. However, this demand depends on future climate policy, geopolitical developments and willingness to pay for green premiums.	Opportunity	○	●	●	Short, medium, long

IRO-1 Description of the process for assessing materiality

When identifying material impacts, risks and opportunities in resource use and the circular economy, Sveaskog based its assessment on its role in the forest value chain. The assessment covered both the company's own operations and relevant parts of the value chain in earlier and later stages. It focused on resource inflows in the form of products and materials, as well as resource outflows in the form of raw materials delivered to the company's customers. The aim was to identify how Sveaskog's operations enable circular flows downstream, including the management of residual products and waste. The assessment is based on market analyses and future prospects for green premiums. (E5 11)

E5-1 Policies related to resource use and circular economy

Sveaskog does not have a separate policy solely for circular economy, but the company's Code of Conduct, Guidelines for Sustainable Forestry, and Strategy and Business Plan in practice reflect an ambition for efficient resource management and contributions to the circular economy. The Code of Conduct is described in more detail in section G1 Business conduct. The code stipulates, among other things, that both Sveaskog and the company's timber suppliers must be certified according to the FSC and/or PEFC forestry standards. The Guidelines for Sustainable Forestry ensure that raw materials are harvested in a sustainable manner. This policy is described in more detail in section E4 Biodiversity and ecosystems. The Strategy and Business Plan, which are decided by Group management and the Board of Directors, state that the company strives to promote the use of raw materials in long-lasting products. At the same time, emphasis is placed on the importance of maintaining a balance in order to meet the need for raw materials in industries that are currently finding it more difficult to adapt.

For renewable raw materials to contribute to the circular economy, they must replace another alternative rather than contributing to increased use. This is described in more detail in the calculation and reporting of Sveaskog's carbon storage on pages 73-75. (E5-1 15)

E5-2 Actions and resources related to resource use and circular economy

Efforts to support a circular development are ongoing and continuous, and include:

- **Active dialogue with actors downstream in the value chain** – on the further processing of residual products, such as sawdust, wood chips, biochar and bark.

- **Collaboration with academia and industry** – to develop applications for forest biomass downstream in the value chain, as alternatives to fossil-based inputs.
- **Nature conservation management in own operations** – and ecosystem services that enhance the value of forest resources even beyond traditional raw material yields.

The company works primarily through partnerships, dialogue and resource sharing, rather than through its own production investments. Collaboration with academia and industry often takes place through various research and development projects that are wholly or partly financed by the company's green bonds. For more information about Sveaskog's green bonds in 2025, please refer to the Green Bonds Annual Report.

Further contributions to the circular economy arise through the company's role as an enabler for other actors to conduct circular operations based on raw materials from the forest and land holdings. (MDR-A 68)

E5-3 Targets related to resource use and circular economy

Sveaskog does not have quantified targets that directly express circularity in the traditional sense, but the company has targets that contribute to circular ambitions, all of which support the above-mentioned policies. The targets support circular efforts within the parts of the value chain that Sveaskog has control over, from its own operations to downstream use and product life cycles:

- **Increased proportion of raw material for long-lasting wood products**, the carbon is bound in the products throughout their entire lifespan.
- **Enabling innovation**, supporting the development of new uses for forest biomass in green industry.
- **Promoting the reuse of land and resources**, especially in combination with nature conservation efforts. (MDR-T 79)

E5-5 Resource outflows

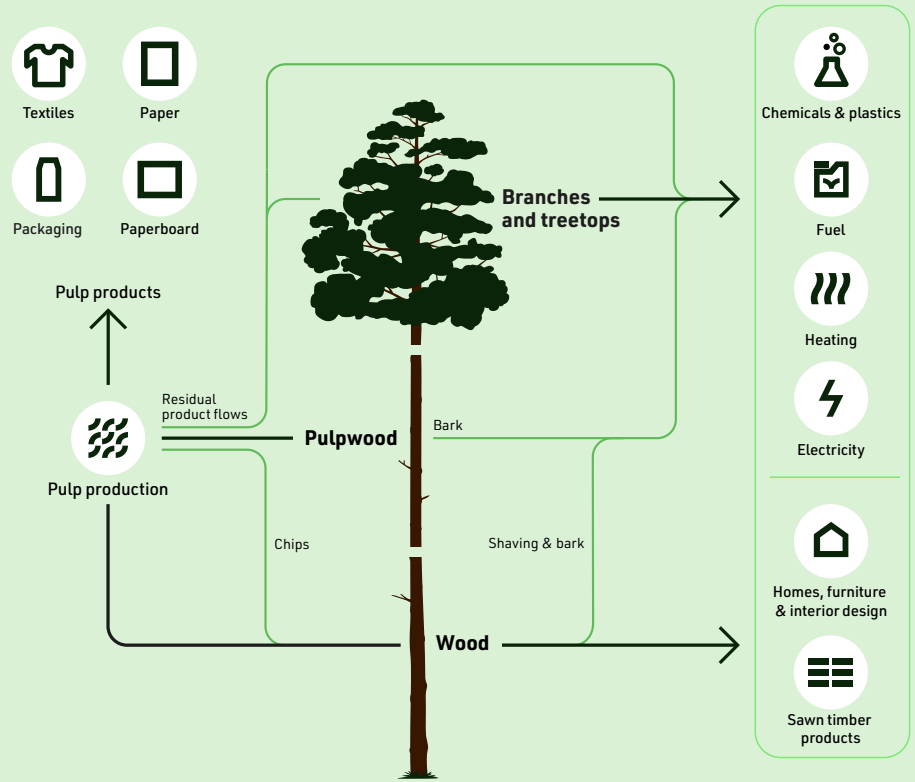
Sveaskog's core business and product range, as well as its main inflows and outflows, are reported under the heading Sveaskog's business model on page 17. (E5-5 35)

As Sveaskog is a raw material supplier, the company's own resource inflows are limited. Sveaskog's outputs, on the other hand, are significant and consist mainly of bio-based, renewable raw materials that remain part of the biological cycle. Forest raw material:

- Are used in sawmills and further processed into products with a long service life, such as construction materials. Approximately 37 per cent of total volume.
- Are used in pulp mills and further processed into products that can replace fossil-based alternatives, such as single-use plastics. Approximately 59 per cent of total volume.
- Are used in energy production, for example as biofuel or for district heating. Approximately 3 per cent of total volume.
- Are converted into new bio-based inputs, such as biochemicals, biochar and biofuels.

These outputs support circular value chains where the products can replace fossil-based alternatives. Sveaskog also strives to ensure that residual products from forestry are given a new life in other applications wherever possible. These figures have not been validated by any party other than Sveaskog's auditors. (MDR-M 77)

THE WHOLE TREE IS USED FOR VARIOUS PURPOSES



Social information

Sveaskog wants to offer a safe, secure, and fair working environment that caters to the needs of both employees and workers in the value chain. A skills supply plan and training initiatives ensure that the right skills are in place for the future.

Sveaskog is certified under FSC and PEFC, and partners working on behalf of Sveaskog must conduct their operations in accordance with these certification requirements. The certifications also establish common starting points in joint planning with Sami villages and contacts with local communities where operations are conducted.

Read more

→ S1 – Own workforce
→ S2 – Workers in the value chain
→ S3 – Affected communities

S1 – Own workforce

SBM-3 Material impacts, risks and opportunities related to own workforce

Sveaskog's view of its employees as a key asset is confirmed by the company's materiality assessment. As a State-owned company, Sveaskog follows the State's ownership policy, which requires active work on gender equality, diversity and sustainable working conditions. (SBM-2) The workforce mainly consists of permanent employees in Sweden, supplemented by seasonal workers primarily in forest management and seed and seedling production. The business largely relies on forestry services performed by external contractors, whose employees are an important part of the value chain. Material impacts, risks and opportunities related to them are presented in section S2. (S1 14)

Identified impacts, risks and opportunities related to the own workforce are based on industry conditions, as forestry work involves physical challenges such as heavy lifting, exposure to weather conditions and often working alone. Sveaskog works systematically with occupational health and safety, with a particular focus on risks associated with forestry work. (S1 15) These aspects are taken into account in strategic planning and addressed through skills development, occupational health and safety work and initiatives promoting diversity and leadership. This encompasses both current conditions and the changes resulting from the green transition, such as the need for new skills, developed working methods and a long-term skills supply. (SBM-3 48)

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO OWN WORKFORCE (SBM-3)

Category	IRO	Description	Type	Position in the value chain: Upstream	Own operations	Down-stream	Time horizon
Working conditions	Secure employment	Since most Sveaskog employees have permanent employment, the company contributes to financial security, reduced stress and strengthened social inclusion. Seasonal employees are also covered by the same collective agreements and legislation.	Actual positive impact	○	●	○	Short, medium, long
	Social dialogue	All employees in Sweden are covered by collective agreements, which enable good relations between employers and employees and promote stability.	Actual positive impact	○	●	○	Short, medium, long
Work environment, occupational health and safety	Deficient work environment and safety	Forestry and seed and seedling operations involve physically demanding tasks and risks such as falls, crushing injuries and working alone. This can pose risks if occupational health and safety requirements are not complied with. Additional stress factors may arise in connection with the debate on hunting, nature conservation, reindeer husbandry, wind power development and use of the forest.	Potential negative impact	○	●	○	Short, medium, long
Equal treatment and opportunities	Training and skills development	Sveaskog promotes skills development through internal training initiatives and customised programmes to strengthen employee knowledge and safety.	Actual positive impact	○	●	○	Short, medium
	Violence and harassment	There is a risk of offensive special treatment, which can have a negative impact on occupational health and safety if steps are not taken.	Potential negative impact	○	●	○	Short, medium, long
	Diversity and inclusion	The forest industry is traditionally male-dominated. By actively working to increase diversity, Sveaskog has the potential to make a positive impact.	Potential positive impact	○	●	○	Short, medium, long
Skills supply	Availability of labour and skills	Sveaskog sees a decline in the availability of labour. Increasing competition from both the forestry sector and other industries, combined with demographic changes and uncertain geopolitical developments, has had a negative impact on supply, particularly with regard to foreign seasonal labour. These challenges make recruitment difficult and can lead to delays in operating activities. A lack of opportunities for internal skills development can also increase employee turnover and impair long-term knowledge building.	Risk	○	●	○	Short, medium

S1-1 Policies related to own workforce

Sveaskog has produced several policy documents to manage identified impacts and the risks and opportunities relating to its own employees.

The Code of Conduct – expresses how each individual employee should behave in their role and in relation to other employees and external business contacts. The code is described in more detail in section G1 Business conduct. (S1-1 20, 21, 22)

Employee Policy – is intended to describe the company's approach to employee relations and leadership. The policy applies to the Board of Directors, company management, all employees and consultants.

Occupational Safety and Health Policy – describes the overall principles for how working conditions should be at Sveaskog to ensure and maintain a good working environment where ill health and accidents are prevented. The policy is included in Sveaskog's Work Environment Manual, which provides support and guidance to the business to facilitate daily occupational safety and health efforts. The Work Environment Manual describes how systematic occupational safety and health efforts are conducted in collaboration

between employers, employees and safety representatives. This section also describes the company's safety committees, which operate at both the central and local level. (S1-1 23)

Equal Treatment Plan – decided by the CEO after consultation with trade unions covered by collective agreements and updated annually. The plan describes the company's work in identifying risks of discrimination or obstacles to equal treatment, as well as the promotional and preventive measures taken in the following areas:

- Working conditions.
- Recruitment and promotion.
- Training and other skills development.
- The possibility of combining work and parenting.
- Procedures for dealing with harassment and reprisals.
- Measures to improve gender balance and diversity.

The plan covers all grounds for discrimination. (S1-1 24)

Skills Supply Plan – has been developed based on the results of an analysis of the demand for skills and their availability. It describes how Sveaskog intends to utilise, develop, phase out and manage the skills of existing employees and the organisation in line with the future needs of the business. In addition, it describes the skills that need to be brought into the organisation to ensure the competitiveness of its operations.

All policies are supplemented with guidelines and instructions on how employees should work to comply with them. Policies are developed and adapted to cover the whole Group, including all subsidiaries. The policies take into account the interests of employees and workers in the value chain, including contractors. The requirements on external parties upstream and downstream in the value chain are further clarified through more detailed Service Declarations that are formulated for suppliers and contractors. More information about other parts of the value chain is provided in section S2 Workers in the value chain.

Sveaskog's Code of Conduct is available on the company's external website. Other policies and guidelines mentioned above are available to all employees on the company's intranet. (MDR-P 65)

Diversity and inclusion

Sveaskog strives for a more even gender distribution and to have more employees with a foreign background. Below are some of the steps being taken to achieve this:

- The introductory grant is a financial contribution from the CEO to units that provide introductory training to people of underrepresented genders/with foreign backgrounds in positions where Sveaskog needs to broaden its recruitment base (e.g. women as machine operators). This could involve, for example, the CEO covering part of the salary costs during the probationary period.
- In order to broaden the recruitment base, long-term planning for upcoming retirements is encouraged, as this increases the chance that someone with less experience can be hired if the training period is longer.
- Positive special treatment in favour of the underrepresented gender means that the company takes gender into account provided that the candidates have equivalent qualifications.
- Avoiding use of gendered language and setting unnecessary and exclusionary requirements on education and experience in job advertisements.
- Advertising in channels where the company reaches new target groups.
- The Questionnaire Function in the recruitment system, where candidates answer relevant questions to supplement their cover letter. The aim is to clarify expectations regarding what information candidates should provide.
- Mentoring for people with foreign backgrounds and post-secondary education through the programme "Mitt livs chans".

The procedures for promoting equal treatment are based on a process consisting of the following steps:

1) Identification of risks of discrimination and obstacles to equal treatment through:
   - Employee survey.
   - Review of practices, policies, guidelines and instructions.
   - Systematic occupational safety and health efforts.
   - Cooperation between the employer and the trade unions.
2) Analysis of causes of identified risks.
3) Implementing the preventive and promotional measures that can reasonably be required.
4) Evaluation and monitoring.

Data on gender distribution and the proportion of employees with a foreign background covers both permanent and temporary employees and is monitored by the CEO in connection with business follow-ups. (S1-1 24)

S1-2 Procedures for contacts with the company's own workforce and employee representatives regarding the impact on them

Dialogue between employers and employees takes place in various forms throughout the year, partly through employee development talks, partly through an annual employee survey and possibly other targeted surveys. These procedures do not entail any significant capital or operating expenditure beyond the resources already integrated into the budgets of the relevant entities.

Employee development talks

The employee development talk takes place annually between the manager and the employee, with continuous follow-up of the talk, agreed goals and activities. The employee development talk is an important opportunity for managers to identify their employees' training needs in their position and any wishes for further development. More informal reviews are conducted regularly by managers to gain an understanding of perceived workload, job satisfaction and well-being.

Employee survey

The employee survey is sent out to all employees via an external system provider. The survey is anonymous and the results are compiled in a report that is presented per unit, provided that at least five responses have been received. Each unit reviews the results and decides whether any action is needed. The survey serves as a tool for the company to follow up on employee perceptions and, if necessary, adapt its work with culture and leadership.

Managers are responsible for communicating and discussing the results with their employees and taking any necessary action based on the results. Feedback to employees is provided in a relevant manner within the parts of the business that are affected, depending on the measures that need to be implemented.

Sveaskog changed its system supplier and concept for employee surveys in 2025. Therefore, only the annual survey on experiences of offensive special treatment and discrimination was conducted, but no regular employee survey. The most recent ordinary employee survey was conducted in 2024.

Collaboration

Sveaskog complies with applicable labour legislation (Act 1976:580 on Co-determination in the Workplace, MBL) and collective agreements, and regularly collaborates with union representatives at the company through information and negotiations. Special instructions describe how collaboration should work at Sveaskog. They stipulate that collaboration between Sveaskog and the trade unions shall be characterised by openness, simplicity, orderliness and mutual respect for the different roles of the parties. The instructions describe the organisation and management of Sections 11 and 19 of the Swedish Co-determination in the Workplace Act between Sveaskog and the local collective agreement trade unions: the Swedish Union of Forestry, Wood and Graphical Workers (GS), Ledarna (organisation for managers in Sweden), SI/Naturvetarna (Akademikerföreningen) (Union for University Graduate) and Unionen (union for white collar employees). Furthermore, Sveaskog regularly collaborates with employee-appointed work environment representatives and safety representatives in local and central safety committees.

Board representation

In a company with a collective agreement that employs 25 or more workers, the employees have the right to request seats on the company's Board of Directors, normally two regular members and two alternates (Act on Board Representation (LSA 1987:1245)). Employees are represented on Sveaskog's Board by four employee representatives appointed by the trade unions Ledarna, GS and Akademikerföreningen.

Within the company, it is the role of the HR Department to support, develop and manage HR-related issues in the business. This includes mapping and analysing the impacts, risks and opportunities in the area. The HR Director acts as a link between strategic and operational work and ensures that the results are taken into account in Sveaskog's decisions and choices. (S1-2 27, S1-4 43)

Membership in employer organisations and collective agreements

Through its membership in Gröna arbetsgivare (Swedish Federation of Green Employers), Sveaskog Förvaltnings AB is bound by two central collective agreements: the Collective Agreement for Forestry Employees between Gröna arbetsgivare and Naturvetarna, Sveriges Ingenjörer (Engineers of Sweden), Ledarna and Unionen, and the Forestry Agreement between Gröna arbetsgivare and GS. A collective agreement is a written agreement between a trade union and an employers' organisation and is the result of negotiations between the parties to the agreement. The collective agreement regulates, among other things, salaries, forms of employment, terms in the event of illness, holidays, other leave, working hours and insurance coverage. A collective agreement means that the employer and its employees agree on the terms that apply. This provides greater security for the employees.

Once a collective agreement has been signed, the union and employer are bound by what is known as a peace obligation. This means that industrial peace prevails and that the parties may not take or participate in industrial action such as strikes, blockades or lockouts for as long as the agreement is in force. Employees of the subsidiary SIA Sveaskog Baltfor are not covered by collective agreements, but instead follow national legislation in Latvia.

The company evaluates the effectiveness of its contacts with its own workforce through ongoing dialogue at local and central cooperation meetings with the trade unions. (S1-2 27)

Contractors with employees who perform assignments for Sveaskog must be affiliated with a collective agreement through membership in a Swedish employers' organisation or an affiliated agreement. Information about contractors and their employees is presented further in section S2 Workers in the value chain.

Sveaskog's measures to enable the reporting of discrimination and offensive special treatment

Sveaskog does not accept discrimination or any form of offensive special treatment or that employees who have reported, called attention to or participated in an investigation regarding this are subjected to reprisals.

Offensive special treatment

Offensive special treatment refers to acts that are directed at one or more employees that can lead to ill health of those targeted or to their alienation from the community of the workplace. The company investigates experiences of offensive special treatment on an annual basis. See this year's results under S1-17. This information provides an important basis for systematic occupational safety and health efforts.

This could include, for example:

- Harassment related to grounds for discrimination (gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age).
- Sexual harassment.
- Defamation or disparagement of a colleague or their family.
- Deliberately withholding work-related information or providing incorrect information.
- Deliberately sabotaging or hindering the performance of work.
- Ostracisation, unfair treatment, neglect.
- Persecution in various forms, threats and the creation of fear.
- Deliberate insults, overly critical or negative responses or attitudes (mockery, unfriendliness, etc.).

The measurement is carried out at the same time each year. When compared with previous measurements, it provides an indication of whether this is a growing or declining work environment problem. The measurement also provides a basis for planning and prioritising various types of work environment measures. (S1-2 28)

S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

Sveaskog has procedures in place to enable the reporting of suspected irregularities within the Group, with the aim of identifying these and taking appropriate action. An external contractor provides a comprehensive whistleblower function for Sveaskog and its subsidiaries. The service allows for anonymous reporting and independent handling, investigation and follow-up. The whistleblower function is described in more detail in section G1 Business conduct.

An app (the IA app) is used for matters that are not classified as whistleblowing cases. When an employee identifies a risk or is involved in an incident or accident, it is reported in the app. The employee's manager receives a notification that an incident has been reported. The incident is then investigated, an action plan is drawn up to address the risks, and follow-up measures are taken to ensure that the measures have had the desired effect. In the event of more systematic incidents, more company-wide measures may be necessary. In addition to this, open dialogue between managers and employees is encouraged. The HR Department is available if support is needed.

New employees receive information about the functions during on-boarding, either through direct information from their manager or through links to relevant governance documents and systems. (S1-3 32)

Trust in reporting channels and protection against reprisals for employee representatives

Sveaskog currently has no way of investigating whether its own employees are aware of or trust the structures and procedures for reporting problems.

Sveaskog complies with the Swedish Trade Union Representatives Act (1974:358), which stipulates, among other things, that a union representative:

- must not be prevented from carrying out their duties.
- shall have access to all workplaces of the employer covered by the assignment. For regional union representatives, this may also involve workplaces of employers other than their own.
- may use premises or other space at the workplace to carry out their union duties.
- shall not suffer worse conditions or working conditions because of their assignment, and shall retain their employment benefits.
- are entitled to the leave required by the assignment. The scope and timing of leave shall be determined through local negotiations.
- shall be granted leave with retained employment benefits if the union activities concern their own workplace.
- have priority for continued employment in the event of a shortage of work. (S1-3 33)

S1-4 Actions to manage material impacts, risks and opportunities related to own workforce

Measures to reduce negative impacts and prevent risks largely involve training initiatives. This applies to issues relating to diversity, inclusion and gender equality, as well as skills development.

The Equal Treatment Plan, described under S1-1, contains a number of prevention and promotion measures, including in the following areas: working conditions, recruitment and promotion, training and skills development, work-life balance, handling of harassment and reprisals, diversity and inclusion. Measures related to skills supply and development during the year include, for example, Sveaskog's basic forestry course, aimed at employees without a background in forestry. Additional initiatives include leadership programmes for new managers.

Sveaskog also offers trainee programmes to spark interest among recent graduates in learning more about Sveaskog's operations. In August, three trainees started the eight-month programme.

During the year, the management team conducted a number of practical crisis management exercises to feel more confident in their ability to act appropriately in the event of a crisis.

The company's annual employee survey shows how employees feel about a range of different issues and how this develops over time. The survey is Sveaskog's most important tool for understanding whether the actions taken by the company to improve employee satisfaction are contributing to improvement. How the results of the survey are processed is described under S1-2. In order to establish a process that promotes continuous dialogue and development, a new tool for quarterly employee surveys will be implemented in 2026.

Key measures in 2025

- Active participation in a working group for gender equality in the workplace within the framework of the Forest Sector's Gender Equality Council.
- Identified risks of discrimination are reported as risk observations via the IA app and discussed at work environment committees to facilitate preventive work.
- An annual survey measuring employees' experiences of offensive special treatment and discrimination linked to all grounds for discrimination. This survey is separate from the regular employee survey. In the dialogue about the results, employees have undergone a short training course (Normskav) and completed related discussion exercises.
- Continued training of new employees in gender equality, diversity and inclusion in connection with the joint introduction day.
- Based on annual health checks, relevant health initiatives have been implemented for both physical and mental health.
- In the event of violations by external contacts, continuous risk assessment, training and, if necessary, support conversations are provided. Incidents are reported via the IA app and also to the police. (S1-4 38)

The measures are mainly aimed at the company's own employees or job seekers, and to some extent contractors. The measures are implemented on an ongoing basis. Those that are not carried out continuously must, according to the Equal Treatment Plan, be completed by the end of the year. (MDR-A 68)

These measures do not entail any significant capital or operating expenditure beyond the resources already integrated into the budgets of the relevant entities. (S1-4 43)

Measures for managing significant positive or negative impacts

The measures in the Equal Treatment Plan are followed up annually. Employee surveys are conducted annually,

and each manager is responsible for following up on the results. A survey on offensive special treatment is conducted annually and followed up by HR. Each manager is responsible for discussing the results with their work group. Health examinations are conducted annually and followed up by HR, which can propose targeted measures if necessary. Safety inspections should be carried out continuously, and the nature of the business determines how often this should be done. During the spring, safety inspections of the physical work environment are carried out under the responsibility of the respective office manager, and during the autumn, safety inspections of the organisational and social work environment are carried out through the company's employee survey. Office managers are responsible for conducting safety inspections at their respective offices based on the physical work environment. In other parts of the business, it is the responsibility of managers to initiate safety inspections. Any reports in SKIA (web-based system for reporting deviations in the work environment) and the IA app are followed up by the respective manager.

In the event of an actual negative impact, all employees are covered by collectively agreed insurance policies that provide compensation for work-related injuries, sick pay for long-term absence and compensation to relatives in the event of death. (S1-438)

According to the Discrimination Act, the work of identifying and addressing risks of discrimination and obstacles to equal treatment covers all grounds for discrimination. The law places demands on Sveaskog as an employer and requires broad commitment and participation among both employees and managers.

Sveaskog's systematic occupational safety and health efforts are based on an annual cycle with a number of recurring activities, including analysis of sick leave, review of reported occupational injuries and incidents, and safety inspections for both the physical and psychosocial work environment. Employee development talks are held regularly and supplemented with annual employee surveys. Training in occupational safety and health, CPR, fire safety and emergency preparedness is provided and updated as needed. Guidelines and procedures are reviewed annually, and local and central-level work environment committees meet regularly to follow up and make improvements. (S1-439)

Sveaskog has a positive impact in terms of social dialogue and working conditions, as all employees in Sweden are covered by collective agreements. The company continues to engage in constructive social dialogue with union representatives through local and central cooperation and work environment committees. The company also actively participates in the work of developing and formulating the terms and conditions of the central collective agreements by participating in the negotiation process in the Swedish Federation of Green Employers, Gröna arbetsgivare.

Sveaskog also has a potentially positive impact on diversity in the industry. The forest industry is a male-dominated industry with significant potential for improvement in terms of both gender balance and the proportion of employees with a foreign background. By actively working to increase diversity and equality, Sveaskog can help counteract the negative effects of structural injustices and create a more inclusive work environment. Sveaskog offers gender equality training to its contractors, among other things, in order to influence the industry in the right direction. The training is web-based and aims to increase knowledge about norms, gender and workplace culture, as well as strengthen efforts to create a more inclusive work environment in the forest industry, with a focus on jargon, power techniques and practical working methods, among other things. However, in 2025, Sveaskog paused the offer because contractors had access to the training in other ways.

Measures for managing material risks and opportunities

Sveaskog has identified the availability of labour and skills as a financial risk for the company. To address this, the company is actively working on skills supply issues through succession planning and employer branding initiatives. The latter will be followed up by measuring the number of applicants for advertised positions and the impact of social media posts.

Skills supply plans are drawn up in all regions and Group functions to identify short- and long-term needs for measures and support linked to recruitment and skills development in order to secure skills. Succession planning is carried out for management roles and critical specialist roles. The plans are monitored by the CEO and HR Director.

The development of working methods, ownership and allocation of resources for activities in the area of skills supply is ongoing at various levels within the organisation. For example, Sveaskog accepts interns and thesis students and participates in events at relevant schools and educational institutions. There is still a need for clearer goal management and follow-up in this area. The issues are followed up by the Group's management team. In 2025, the company conducted an industry comparison to ensure that its terms and benefits are competitive in the market. (S1-440)

S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Table 1 presents Sveaskog's targets for managing parts of the company's identified material areas.

The targets have been set based on an analysis of the current situation and the company's history, and indicate the desired direction. The targets only include Sveaskog Förvaltnings AB and do not include the Baltic subsidiary SIA Sveaskog Baltfor.

Unfortunately, this year's target for the proportion of employees with a foreign background has not been achieved. Sveaskog continues to work on activities such as "Mitt livs chans", in order to achieve future targets.

TABLE 1. SOCIAL TARGETS

Material topic	Metric	Unit	Target 2025	Outcome 2025	Target 2027
Diversity and inclusion	Percentage of women[1)]	%	31.0	30.9	32.0
Diversity and inclusion	Percentage of employees with a foreign background[2)]	%	8.0	7.8	8.5

1) The target for the percentage of women is based on FTE (full-time equivalents), unlike the reported figures for the number of employees in S1-6 and S1-7.
2) Definition SCB: foreign-born or domestic-born with two parents born abroad.

Stakeholders have not been involved in setting indicators. However, the company maintains an ongoing dialogue with union representatives through local and central cooperation. They share the company's commitment to achieving a more balanced gender distribution, increased diversity and inclusion, and greater job satisfaction. (MDR-T 80)

Target development

Target levels are discussed by Group management. The levels are determined in connection with management decisions regarding the business plan, which is approved by the company's Board of Directors. Monitoring of target fulfilment is carried out in the company's business management system. Target fulfilment is highlighted at various local and central collaboration meetings with the unions. (S1-5 47)

S1-6 | S1-7 Characteristics of the undertaking's employees and characteristics of non-employee workers in the undertaking's own workforce

Table 2 presents the number of employees within the Group broken down by gender and type of employment, as well as by organisational affiliation. The breakdown by gender is based on the employee's personal identification number, which is why no other categories than male and female are included. All figures refer to the number of employees, not full-time equivalents (FTE). For permanent employees, information is provided as of 31 December. For temporary employees, the number of employees during the year is stated. In cases where a fixed-term employment contract is converted into a permanent employment contract, only the permanent employment contract is included in the statistics. (S1-7 50)

The data on Sveaskog's employees shows that 263 are fixed-term employees. This is partly because the business is seasonal, partly because the work of nurseries on seed and seedling production depends on variations in the growing season, and partly because forest management generally increases in scope during the summer months. (MDR-M 77)

The number of consultants refers to both consultants and temporary agency staff. Consultants refer to expert advisers or resources engaged for a temporary assignment, either through their own company or as employees of an external company. Temporary agency staff are workers who are employed by temporary staffing agencies for the purpose of being hired out to client companies to work under the control and direction of the client company. The data is registered and retrieved from the HR system. The number of consultants corresponds to the number of individuals and refers to those who have had an active contract at some point during the year. (S1-7 55) The contracts may vary regarding degree of employment and extent in time. At Sveaskog, the majority of consultants perform some form of IT-related assignment. (S1-7 56, MDR-M 77)

Table 3 presents the total number of people who left the Sveaskog Group, as well as employee turnover, in 2025.

TABLE 2. DISTRIBUTION OF EMPLOYEES WITHIN THE GROUP

	Women	Men	Total
Full-time (number)	346	743	1,089
Part-time (number)	1	3	4
Permanent (number)	265	565	830
Temporary (number)	82	181	263
Collective	91	337	428
White-collar workers	256	409	665
Percentage of women/men	32%	68%	100%
Number of consultants	-	-	329
Of which operating activities			
Permanent	98	332	430
Temporary	33	123	156
Percentage of women/men	22%	78%	100%
Of which Group functions			
Permanent	108	108	216
Temporary	9	14	23
Percentage of women/men	49%	51%	100%
Of which Seed and seedling operations			
Permanent	52	87	139
Temporary	40	44	84
Percentage of women/men	41%	59%	100%
Of which SIA Sveaskog Baltfor (Latvia)			
Permanent	7	38	45
Temporary	0	0	0
Percentage of women/men	16%	84%	100%

TABLE 3. EMPLOYEE TURNOVER WITHIN THE GROUP

2025	Started	Finished
Total	65	72
Number of women	30	20
Number of men	35	52
Total per age group		
Under 30 years	15	4
Between 30 and 50 years	42	37
Over 50 years	8	31
Total by business area		
Operating activities	25	42
Group functions	30	15
Seed and seedling operations	10	13
SIA Sveaskog Baltfor	0	2

Employee turnover[1] over time, %	2022	2023	2024	2025
Total	8.2	9.8	7.1	8.7

[1] Employee turnover is calculated by dividing the number that has left with the total number of permanent employees.

Accounting principles: Information about own workforce

The figures refer to the number of persons at the end of the reporting year, 31 December 2025, unless otherwise stated. The figures refer to employees throughout the Group, including the subsidiary SIA Sveaskog Baltfor in Latvia, unless otherwise stated. Besides the employees in Latvia, all employees are located in Sweden. Employee turnover figures take into account employment that began and ended during the entire financial year. (S1-7 55)

The presentation of this information differs from the ESRS sample templates, as the company has chosen more concise tables to create a clearer and more transparent presentation. All applicable disclosure requirements under CSRD and ESRS have been taken into account and fulfilled.

The financial statements (Note 8, page 131) contain information on the average number of employees, i.e. an average during the year (full-time equivalents). This differs from the information on the number of employees in the Sustainability Report. (S1-6 50)

S1-8 Collective bargaining coverage and social dialogue

In Sweden, all employees (100 per cent) are covered by collective agreements. Employees of the subsidiary SIA Sveaskog Baltfor based in Riga, Latvia are not covered by collective agreements. The share of the Group's employees covered by collective agreements is 96 per cent. (S1-8 60)

All employees of Sveaskog Förvaltnings AB (100 per cent) are represented by employee representatives on the Board of Directors. There is no equivalent in SIA Sveaskog Baltfor in Latvia.

(S1-8 63)

S1-9 | S1-16 Diversity and compensation metrics

Diversity metrics

As part of Sveaskog's efforts to improve diversity and inclusion, the company monitors a number of metrics. These are primarily based on gender distribution and employees with a foreign background.

Tables 4 and 5 show Sveaskog's metrics for measuring diversity. (S1-9 66) With regard to gender distribution, the goal is to have an even distribution across all parts of the company. In Group functions, the share of permanent women employees was 50 per cent in 2025. Since 2023, Sveaskog's Board of Directors and Group management have a completely balanced gender distribution.

TABLE 4. PERCENTAGE OF EMPLOYEES WITH A FOREIGN BACKGROUND[1,2]

%	2024	2023	2022	2025
Employees	7.4	6.9	6.9	7.8

1) Definition SCB: foreign-born or domestic-born with two parents born abroad.
2) Only pertains to Sveaskog Förvaltnings AB as data is not available for SIA Sveaskog Baltfor.

Accounting principles: Diversity metrics

When reporting the distribution of employees by age group, percentages are reported based on the number of individuals, not full-time equivalents. (MDR-M 77) For 2025, the number of individuals is also reported.

TABLE 5. DIVERSITY OF MANAGEMENT AND EMPLOYEES IN THE GROUP

	2022	2023	2024	2025	
	Share, %	Share, %	Share, %	Share, %	Count
Board of Directors					
Women	–	50	50	50	4
Men	–	50	50	50	4
Under 30 years	0	0	0	0	0
Between 30 and 50 years	0	0	13	13	1
Over 50 years	100	100	88	88	7
Group management					
Women	64	50	50	50	5
Men	36	50	50	50	5
Under 30 years	0	0	0	0	0
Between 30 and 50 years	18	20	20	10	1
Over 50 years	82	80	80	90	9
Management positions					
Women	30	31	35	37	43
Men	70	69	65	63	73
White-collar workers					
Women	34	37	38	38	256
Men	66	63	62	62	409
Under 30 years	10	8	8	8	50
Between 30 and 50 years	54	53	58	59	390
Over 50 years	36	39	34	34	225
Collective employees					
Women	14	22	20	21	91
Men	86	78	80	79	337
Under 30 years	33	29	30	31	134
Between 30 and 50 years	28	30	32	29	124
Over 50 years	39	41	38	40	170

Compensation metrics

Previously, women's median salary was reported in relation to men's, but this year the reporting has been adapted to the ESRS metrics and the pay gap is presented instead, see Table 6. The table also shows information on the total compensation ratio, a new item for this year's reporting. This corresponds to the CEO's compensation compared with the median compensation among the rest of the employees.

The pay gap within SFAB can mainly be explained by the fact that a larger percentage of men hold positions with variable salary components, such as machine operators with bonus pay, and access to company cars within the operating activities.

The higher pay gap at SIA Sveaskog Baltfor is mainly attributable to differences in job structure and gender distribution. A majority of management positions are held by men, while the percentage of women in the organisation is limited. The outcome is also affected by the fact that a small number of employees with lower salaries have a relatively large impact on the average, given the size of the organisation and the current salary structure.

The compensation ratio for SFAB is higher than for SIA Sveaskog Baltfor, which is considered reasonable given that SFAB is a larger company with higher revenues and more employees. (MDR-M 77)

TABLE 6. COMPENSATION METRICS

Metric	2025
Pay gap, women / men (Group total), %	0.9
Pay gap, women / men (Sveaskog Förvaltnings AB), %	1.4
Pay gap, women / men (SIA Sveaskog Baltfor), %	17.8
Annual total compensation ratio (Sveaskog Förvaltnings AB)	10.8
Annual total compensation ratio (SIA Sveaskog Baltfor)	4.5

Accounting principles: Compensation metrics

The gender pay gap is based on the average (gross) hourly wage for men minus the corresponding average wage for women, divided by the average (gross) wage for men, according to ESRS S1. The calculation includes permanent employees as of 31 December. For temporary employees, the number of employees during the year is stated. In cases where a fixed-term employment contract is converted into a permanent employment contract, only the permanent employment contract is included in the statistics. Permanent employees who left during the year are excluded. Employees who worked during the year but with zero registered working hours have also been excluded, as hourly wages cannot be calculated without information about working hours. This may, for example, refer to employees who have been on parental leave during the period and received parental pay or had a company car, but did not actually work any hours.

The annual total compensation includes salaries and other remuneration, including benefits. The compensation ratios are reported both at Group level and broken down by company, for Sveaskog Förvaltnings AB in Sweden and for SIA Sveaskog Baltfor in Latvia. The data used to compile the metric is taken from each company's payroll system. (S1-16 97, MDR-M 77)

S1-11 Social protection

Protection during special life events – Sveaskog's security for employees

Sveaskog Förvaltnings AB offers its employees broad protection for various life events through collectively agreed insurance policies and supplementary compensation:

- **Illness**: Both collective employees (blue-collar workers) and white-collar workers receive sick pay for the first 14 days. Compensation is then paid by the Swedish Social Insurance Agency and supplementary insurance schemes (AGS for collective employees, ITP disability pension for white-collar workers), which can provide up to 90 per cent of the salary. Premium waiver insurance ensures continued occupational pension payments during sick leave.
- **Unemployment**: Employees whose employment has been terminated can receive support for transition through TSL (collective employees) or TRR (white-collar workers), including help finding a new job, studying or starting a business. Employees over the age of 40 may also receive financial compensation (AGB or AGE).
- **Occupational injury**: Everyone is covered by occupational injury insurance (TFA), which provides compensation for approved occupational injuries. In the event of death before retirement, compensation is paid to the surviving dependants through Occupational Group Life Insurance (TGL).
- **Parental leave**: Collective employees receive parental allowance supplements (FPT) and white-collar workers receive parental pay – both supplements provide approximately 90 per cent of the salary when claiming full compensation from the Social Insurance Agency.
- **Pension**: All employees are covered by occupational pensions – SAF-LO for collective employees and ITP for white-collar workers. The employer pays pension premiums on an ongoing basis, with levels and rules varying depending on employment and age. (S1-11 74)

S1-13 Training and skills development metrics

Sveaskog offers employees opportunities for further training and skills development. In 2025, the HR Department identified needs and concepts for skills development for existing employees. A needs assessment was carried out at all units, resulting in an overall picture of priority training needs. In order to meet the need for skills development and increase the capacity to quickly reach the right target group with the right training when the need arises, Sveaskog decided in 2025 to implement a common digital learning platform and began work on this. Sveaskog's learning portal increases access to training and gives employees better opportunities to take part in training courses when it suits them. The learning portal further strengthens digital maturity and builds culture and knowledge across the country.

Sveaskog employees have a major responsibility to come up with ideas and suggestions for their own professional development. This can involve both external training courses and internal activities. Examples of such internal activities include changed tasks, seminars, project work, mentoring and study visits. The need for skills development is discussed with the immediate manager during the employee development talk. This need is assessed in relation to current tasks and planned changes in tasks or procedures. Employees in the forestry sector are expected to complete a number of mandatory training courses each year within the framework of, among other things, the Forest Management School. Sveaskog trains its own employees, contractors and contractor employees through the Forest Management School (Skötselskolan).

Table 7 presents the average number of training hours distributed by gender. (S1-13 83) In 2025, reminders

and information campaigns were carried out to improve the manual registration of completed training hours. (BP-2 11)

TABLE 7. TRAINING HOURS FOR THE GROUP

Training hours for the Group	2023	2024	2025
Average men	43	35	35
Average women	45	33	40

Accounting principles: Training and skills development

The figures for 2023 in Table 7 refer only to Sveaskog Förvaltnings AB. From 2024, employees of SIA Sveaskog Baltfor are included. The figures for 2024 were updated in this year's report as a result of a double count being identified in last year's report. The number of training hours is monitored partly through registration in the company's various time reporting systems (PU+ for collective employees and Medvind for white-collar employees), and partly directly from SIA Sveaskog Baltfor, which collects the data from the respective managers by email. For certain employee groups, a standard rate is applied for calculating training hours. The aim is to ensure more accurate and comparable reporting between different parts of the organisation, as the registration methods differ. The metric is not validated by any third party other than the company's auditors. (MDR-M 77)

In 2025, Sveaskog changed its system supplier and concept for its employee surveys. No employee survey was conducted in 2025, but will instead be conducted in early 2026. As a result, there is no information available on the percentage of employee development talks (also known as performance evaluations) conducted in the last 12 months at the time of publication of this report. (S1-13 83)

S1-14 Health and safety metrics

Sveaskog Förvaltnings AB conducts systematic occupational safety and health efforts (SAM) adapted to the various parts of the organisation and the practical conditions of the business. The web-based reporting system SKIA supports this. SKIA is the forest industry's occupational safety and health information system and is provided by AFA insurance. It is used to report, follow up and address incidents (including risk observations, near misses, accidents, environmental events and offensive treatment/discrimination) via a digital app. All employees of Sveaskog Förvaltnings AB (100 per cent) have access to the system and are covered by systematic occupational safety and health efforts.

In 2025, a total of five work-related accidents resulting in sick leave were recorded. The frequency of these accidents was 3.5. The frequency is reported as the number of cases per million hours worked, which corresponds to approximately 500 full-time employees over the course of a year. This is to enable comparison between different companies. The calculation includes hours worked by permanent employees as of 31 December and fixed-term employees during the year. Permanent employees who left during the year are excluded. In cases where a fixed-term employment contract has been converted into a permanent employment contract, only the permanent employment contract is included in the statistics. No fatal work-related accidents occurred among employees within the Sveaskog Group or among contractors while performing work on the company's land during 2025. (S1-14 88, MDR-M 77)

Currently, no figures are available for registered work-related ill health, as the company has no way of recording this. Whether the reason for an absence is due to work-related ill health or some other form of ill health is not currently recorded in the system and can only be determined if managers or HR staff have direct knowledge of the case in question. There are therefore no recorded statistics on this. (S1-14 88)

Forest Management School
The Forest Management School (Skötselskolan), a web-based training programme, is a joint initiative of eight companies and associations in the forestry industry and the Swedish Forestry Professional Council (SYN). Sveaskog trains its own employees, contractors and contractor employees through the Forest Management School. Some parts of the training are common to all, while others are specific to Sveaskog's working methods, guidelines and instructions.

S1-17 Incidents, complaints and severe human rights impacts

Sveaskog annually measures both actual reported cases and the presence of perceived offensive special treatment and discrimination.

In 2025, three complaints were received (compared to eight in 2024), none of which were submitted via SKIA and three were submitted by other means (e.g. via the manager, HR or union/work environment representative). (MDR-M 77) No cases were reported via the National Contact Points for OECD Multinational Enterprises.

In the annual survey on offensive special treatment and discrimination, the percentage of employees who felt they had been subjected to offensive special treatment by an internal colleague or manager was 7.4 per cent. The survey only covers Sveaskog Förvaltnings AB. No fines, penalties or other compensation has been paid for the incidents and complaints reported above. (S1-17 103)

Sveaskog and its employees have not been linked to any serious human rights incidents during the year. Consequently, the company has not paid any fines, penalties or other compensation during the year for damages incurred in these contexts. (S1-17 104)

S2 – Workers in the value chain

Sveaskog applies the European Commission's Quick Fix for ESRS S2, which means that the structure of this chapter differs from the other sections.

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

Sveaskog's operations are largely based on forestry services being performed by external contractors. The employees of these contractors therefore form an important part of the value chain and are directly affected by how Sveaskog sets requirements, conducts follow-ups and provides support. This renders issues relating to working conditions and labour law for these workers material, both from a risk and impact perspective. These issues are closely linked to the long-term viability of Sveaskog's business model and the company's ability to secure a supply of skilled labour and delivery capacity throughout the value chain.

Sveaskog is certified under FSC and PEFC and requires that partners working on behalf of the company conduct their operations in accordance with these certification requirements. The company's work instructions are designed to ensure this. This ensures that stakeholders' perspectives are taken into account, as the certifications are developed with the involvement of representatives from nature conservation organisations and the participation of forestry stakeholders. In most cases, Sveaskog only approves one tier of subcontracting, and the requirements are the same for subcontractors.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO WORKERS IN THE VALUE CHAIN

Category	IRO	Description	Type	Position in the value chain: Upstream	Position in the value chain: Own operations	Position in the value chain: Downstream	Time horizon
Working conditions	Secure employment	Sveaskog's order volumes and geographical presence create employment for contractors throughout the country. Through locally based assignments, the business contributes to a stable labour market in many rural areas.	Actual positive impact	●	○	○	Short, medium, long
	Working hours	For field personnel working in forestry and felling, working hours are difficult to monitor, which can lead to risks of overtime and insufficient rest.	Potential negative impact	●	○	○	Short, medium
Work environment and safety	Physically demanding work and lack of control	Work in forestry is often physically demanding and involves safety risks such as falls, crushing injuries and working alone. Risks arise in particular if contractors do not fully comply with Sveaskog's requirements regarding occupational health and safety. Additional challenges include a lack of staff facilities during fieldwork and weather-related interruptions that affect working conditions and finances.	Potential negative impact Risk	●	○	○	Short, medium, long
Equal treatment	Training and skills development	Sveaskog sets training requirements and offers special training packages to contractors, which improves the work environment and quality.	Actual positive impact	●	○	○	Short, medium
Work-related rights	Adequate housing	Contractors' seasonal employees may need temporary accommodation. The quality and standard of these can vary. Deficient access to hygiene and accommodation with a good standard of living can affect health and well-being. The company faces a reputation risk if it becomes apparent that contractors have not provided an acceptable standard of living for their employees.	Potential negative impact Risk	●	○	○	Short, medium
Labour market	Access to labour and contractors	Sveaskog sees a decline in the availability of labour and increased competition from the industry and other sectors. This has made it increasingly difficult to recruit our own staff and contractors in the forestry and transport sectors. The availability of foreign labour has been negatively affected by an uncertain global environment. These challenges make recruitment difficult and can lead to delays in operating activities.	Risk	●	○	○	Short, medium

Policies related to workers in the value chain

To manage Sveaskog's material impact on workers in the value chain and the associated risks and opportunities, a number of governance documents have been adopted. In addition to Sveaskog's Code of Conduct, which describes how Sveaskog's own employees should act and is presented in more detail in section G1 Business conduct, there are also Service Declarations for Contractors. In addition, there are other governance documents that describe how Sveaskog should act as a business partner, how purchasing should be conducted, what requirements are imposed on contractors, and how these are followed up.

Guidelines for purchasing at Sveaskog – cover the entire company with the aim of ensuring a commercial and sustainable purchasing process. They provide a general description of how purchases should be handled, which is then described in more detail in instructions for different areas. The guidelines state that Sveaskog shall integrate issues such as diversity, working conditions and human rights into its purchasing and procurement processes. These guidelines link to the company's identified positive impact by promoting the stimulation of local and regional markets in procurement. For the company's identified negative impacts, the guidelines state that contractors must be informed of, accept and sign Sveaskog's Service Declaration with the requirements pursuant thereto.

Service Declarations for Contractors – summarise Sveaskog's requirements for external business relationships with workers upstream in the value chain and have been developed specifically for different types of contractors (forestry contractors, transport, construction and civil engineering). These clarify requirements regarding working conditions, work environment, equal treatment, education and housing. The Service Declarations include requirements related to the company's identified material impact on Working Conditions, Occupational Health and Safety, Work-Related Rights and Equal Treatment. Contractors with employees are required to be members of a Swedish employers' organisation or have an affiliated agreement.

The contractor's field personnel involved in forestry operations shall regularly undergo training at the Forest Management School. Furthermore, Sveaskog requires contractors to conduct thorough annual safety reviews with their employees and subcontractors regarding known risks, such as fire safety.

Companies that work with forestry contracts for Sveaskog must themselves be PEFC certified. This entails a requirement to promote a good and safe work environment and a requirement on good living conditions for the season in the accommodation offered or assigned, where applicable. Umbrella organisations for certification shall monitor compliance with the requirements.

Instructions for the procurement of contractors – regulate how procurement should be carried out so that new, local and smaller players also have the opportunity to participate in procurement. Assignments should be adapted in size so that local companies can also participate on market terms. These instructions relate to identified impacts on Working Conditions and the Labour Market.

Instructions for monitoring contractors – specify procedures for field, company and accommodation follow-ups to ensure compliance with the Service Declarations. In case of deviations, an action plan is put in place. The follow-ups are aimed at both contractor owners and workers in the field. The results are documented and form the basis for continued dialogue and further development of future follow-ups.

Sveaskog's purchasing manager leads and develops Sveaskog's purchasing process and is responsible for the governance documents described above.

Making policies available

Service Declarations are communicated to business partners in connection with procurement or contract discussions and are also available in Swedish and English on Sveaskog's website. The Service Declaration shall be signed by a representative of the counterparty and appended to the contracts. For forestry, transport, construction and civil engineering contractors, signing the Service Declaration is a prerequisite for assignments with Sveaskog.

Actions to manage material impacts, risks and opportunities related to workers in the value chain

Sveaskog has an established approach for managing material negative impacts, addressing material risks and pursuing opportunities related to workers in the value chain. The measures are ongoing and are based on requirements set out in Service Declarations and supplemented by follow-ups, deviation management, training initiatives and external expertise.

Field follow-ups

Field follow-ups are conducted with contractors in forest management and felling, spread out over the year. These are carried out by Sveaskog employees. Dialogue is conducted directly with employees in the field based on a questionnaire focusing on working conditions, such as working hours, compensation and occupational health and safety. The measure checks compliance with the requirements in Sveaskog's Service Declaration.

Company follow-ups

Company follow-ups are carried out with contractors in various categories (felling, forest management, transport and civil engineering) throughout the country. They are carried out with the help of an external consulting firm with expertise in social and environmental sustainability and include reviewing documentation and interviewing contractor owners about occupational safety and health efforts, agreements, training and safety. Results are documented and action plans are drawn up in the event of deviations.

Accommodation follow-ups

From 2025, inspections will be carried out on the temporary accommodation that forestry contractors in some cases provide for their employees. The visits are carried out by an external party together with the contractor. The aim is to verify good living conditions, including sanitation and safety.

Additional measures for positive impact

Training initiatives

The Forest Management School's module "Being an employee" is aimed at contractors' employees and aims to increase knowledge about employment conditions, occupational health and safety, and rights. The training is conducted before the contractors begin their work.

Another example of training is "Effective Planning and Logging", which is mandatory for all machine operators and others involved in regeneration felling and thinning, both internal employees and contractors' employees. The aim is to reduce driving damage, improve the work environment for employees, and reduce wear and tear on machinery. The training must be conducted every two years and when major updates are made. At Sveaskog, the working method taught is referred to as MMM (the Swedish abbreviation for "Land, Machinery and People"). Sveaskog personnel monitor the working methods in the field.

Facilitating financing

The company provides financing solutions through Sveaskog Finans AB to support contractors in investing in new forestry machinery.

Prevention work and skills supply

A material risk in the value chain is a shortage of labour and skills. To address this, Sveaskog is working to ensure a long-term sustainable supply of skilled labour through collaboration with schools, universities and steering groups for higher education in forestry and adult education. The company also participates in cross-industry initiatives, including through membership in the Swedish Federation of Green Employers and

regional skills supply councils. To support contractors, new recruitment support is offered to recent graduates and people who have changed industries.

Sveaskog also conducts brand surveys every two years, with contractors as one of the target groups. The surveys are conducted by an external consulting firm, and the latest survey, conducted in 2024, included new questions related to sustainable development.

Remedy

Procedures for remedy in the event of confirmed negative impacts on workers in the value chain have not yet been formalised. Assessments are made on a case-by-case basis as to whether support or resources can be offered to the workers concerned.

Metrics and targets for how material impacts, risks and opportunities are managed

The company uses both quantitative and qualitative metrics to assess and follow up on the actions taken to manage identified material impacts, risks and opportunities related to workers in the value chain.

The key metrics, what they track and related targets are presented in Table 1. In 2025, field follow-ups were conducted with 107 of a total of 233 contractors, corresponding to 46 per cent of the contractor base. The target for the year was not fully achieved, but the outcome is considered to be within the normal variation that can occur over time, as the previous year ended at 54 per cent. The identified deviations mainly concerned the lack of approved staff huts within the approved distance. There were also deviations regarding the Forest Management School, safety instructions and high-visibility clothing.

Company follow-ups were conducted in accordance with the targets set for the year with contractors in forest management, felling and civil engineering. The follow-ups show a need for stronger compliance with training requirements and improved documentation where necessary.

Accommodation inspections were carried out in accordance with set targets in several regions. They could not be fully implemented in accordance with this year's targets due to difficulties in coordinating them in a logistically efficient manner during the current control period. Deviations were noted, among other things, regarding the absence or malfunctioning of fire alarms, as well as some observations regarding access to individual bedrooms and storage of personal belongings.

Deviations are followed up within the framework of Sveaskog's action and follow-up process with the aim of reducing risks in the value chain.

The collected data is aggregated and analysed annually to evaluate whether governance documents, such as Service Declarations and instructions for procurement and follow-up, are being complied with and are working in practice. Data is also used to identify trends and areas for improvement.

The targets are reviewed annually and their relevance is ensured through dialogue with internal functions, external experts and stakeholders in the value chain.

TABLE 1. FOLLOW-UP INSPECTIONS

Follow up	Description of scope	Target	Outcome 2025
Number of field follow-ups	Questions about working conditions for contractors' employees in forest management and felling.	Follow-up of at least 50 per cent of contractors in forest management and felling per year.	46%
Number of company follow-ups	Review of contractors' employment conditions, occupational health and safety work, training and safety procedures.	Approximately 10 to 15 company follow-ups per year.	8
Number of accommodation inspections	Inspection of accommodation provided by forestry contractors for seasonal workers.	At least two follow-ups per region per year.	6

"Being an employee" is part of the Forest Management School, which is aimed at entrepreneurs' employees and seeks to increase knowledge about employment conditions, occupational health and safety, and rights. The training must be completed before the contractors begin their work.

S3 – Affected communities

Sveaskog applies the European Commission's Quick Fix for ESRS S3, which means that the structure of this chapter differs from the other sections.

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

Sveaskog defines affected communities as local communities where operations are conducted, as well as Sami villages that engage in reindeer husbandry on the company's land. The Sami villages are a particularly important group, as around 70 per cent of Sveaskog's land holdings are shared with the reindeer industry.

In land-based industries such as forestry, the impact on communities varies in both scope and intensity depending on the nature of the activity and its geographical location. The Sami villages are particularly affected by cumulative pressure – that is, when several actors simultaneously lay claim to land and natural resources within the same area.

Sveaskog's operations give rise to both positive and negative impacts, as well as risks linked to interaction with the communities concerned. On the positive side, the company's procurement of forestry services helps to promote local contracting operations, which can strengthen small businesses in rural areas. At the same time, there are risks of conflicts of interest, particularly in relation to local communities and reindeer husbandry, for example in matters concerning land use and coexistence.

In all cases, the material impact is linked to the structure and business model of the operation, rather than to individual events.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO AFFECTED COMMUNITIES

Category	IRO	Description	Type	Position in the value chain: Upstream	Position in the value chain: Own operations	Position in the value chain: Downstream	Time horizon
Communities' economic, social and cultural rights	Employment effects	Sveaskog's operations contribute to employment in forestry and related services in rural areas, which strengthens local communities economically and socially. The effect is considered to be particularly significant in sparsely populated areas with a limited labour market.	Potential positive impact	●	○	○	Short, medium, long
	Land-related impact	Forestry regeneration measures can temporarily reduce recreational value for local residents and the general public, affecting access to nature experiences. Hunters and hunting parties are also affected by wildlife management measures aimed at reducing grazing damage, for example through the regulation of wildlife populations.	Potential negative impact	●	○	○	Short
Indigenous Peoples' rights	Impact on reindeer husbandry	Sveaskog's land use causes conflicts with Sami interests. Examples of areas of conflict include access to winter grazing lands for reindeer husbandry, the exercise of hunting and fishing rights, and the protection of reindeer husbandry rights against other land claims and land use.	Actual negative impact	●	○	○	Short, medium, long
	Coexistence with reindeer industry	Sveaskog follows the consultation process in accordance with FSC and also takes voluntary actions to minimise negative impacts on reindeer husbandry, such as postponing or refraining from felling. This results in increased costs and reduced revenues. At the same time, cumulative pressure on the land is increasing as more actors lay claim to land and resources, and the absence of a clear regulatory framework following the dissolution of the Reindeer Grazing Land Committee continues to create uncertainty.	Risk	●	●	○	Short, medium, long
Land use	Land concessions	Sveaskog grants land concessions for various purposes, including agriculture, peat, gravel and rock quarries, wind power and telecom equipment, as well as hunting and fishing rights. Although this is linked to positive effects (e.g. land use for renewable energy, see E1 Climate change), it also entails risks. The risks are mainly linked to FSC compliance, brand risks and electricity price development. The general public also has strong opinions on the issue, both in terms of experiential value and consideration of local communities.	Risk	●	●	○	Short, medium
Governance and management	Loss of certification	A lack of quality in forest management and nature consideration, as well as shortcomings in work and monitoring of social responsibility may result in the loss of certification, which would entail a reputation risk and have a significant negative impact on the timber business.	Risk	●	●	●	Short

Policies related to affected communities
To manage Sveaskog's impact on affected communities and the associated risks, the company applies a number of governance documents. These describe the working methods used to limit negative impacts on affected communities as far as possible. In addition to the Code of Conduct, which is described in more detail in ESRS G1 Business conduct, there are the:

Policy for Sustainable Forestry – a central governance document that expresses the company's responsibility to balance various societal interests in the management of forests. The policy clarifies that the company's main objective is long-term sustainable and diversified forestry that takes into account conservation values, social values and economic viability. It applies to the entire business and provides guidance on how decisions are made in forest planning and production processes. The policy refers to third-party standards such as FSC and PEFC. The policy is adopted by the Board of Directors, and the CEO is ultimately responsible for its implementation. It is available on Sveaskog's external website.

Guidelines for Sustainable Forestry – supplement the policy and provide further guidance on specific areas of consideration, such as outdoor recreation and the interests of the reindeer husbandry industry. The guidelines refer, among other things, to the forest sector's objectives for good environmental consideration and to the FSC's principles on Indigenous Peoples' rights and relations with local communities.

Principles of dialogue and cooperation – applied in particular to activities in areas shared with reindeer husbandry. The company strives for coexistence where reindeer husbandry and forestry can be conducted in parallel without conflict. Sveaskog's view is that many forestry measures can take place without negatively impacting the reindeer industry and that there are forestry measures that benefit the reindeer industry. Joint planning (as described in Sveaskog's instructions for the joint planning process) and instructions for consideration and cooperation in areas with social values ensure that affected communities have the opportunity to express their views on current issues. Comments on Sveaskog's operations are received through dialogues, collaboration forums and comments submitted on the company's website, among other channels. Sveaskog strives for open dialogue and a good working relationship with Sami villages and aims to be accommodating and adaptable. For example, it could be of great value to the Sami villages if joint planning were adapted so that it did not coincide with intensive periods in reindeer husbandry, such as calf marking or slaughter.

Certifications and compliance – The company is certified according to the Forest Stewardship Council® (FSC) and the Programme for the Endorsement of Forest Certification (PEFC), and is a member of the UN Global Compact. These certification systems ensure that the rights of Indigenous Peoples are respected, in particular their right to free, previously obtained and well-informed consent (FPIC).

Compliance with governance documents is monitored through external audits, complaint handling and internal controls. Additional compliance monitoring is carried out through spot checks, checks of Service Declarations in the field, business development discussions and company follow-ups.

Contacts with affected communities
By regularly notifying the Swedish Forest Agency of its plans for forestry measures that require notification, Sveaskog makes information available on matters such as final felling measures and road construction, and the communities concerned have the opportunity to express their views. Sveaskog holds regular information meetings with local communities in areas of forestry close to urban areas and plans jointly with Sami villages.

In areas shared with reindeer husbandry, Sveaskog and the relevant Sami villages work according to an established process for joint planning of forestry measures. Sveaskog uses a web-based platform to present its forestry plans to the Sami villages. This information becomes available early in the planning stage and means a long-term perspective for both the company and the Sami village. Within Sveaskog's organisation, there are consultation officers who, with the help of area managers (with additional local roots), maintain a continuous dialogue with the Sami villages. Ultimately, it is the CEO who is responsible for ensuring that these contacts take place. The CEO sometimes participates personally and helps to highlight the importance of constructive dialogue between Sveaskog and the Sami villages. The contacts are made with various constellations of representatives from the Sami villages depending on the context, usually directly with their chairperson or forest manager, but also with other individuals, groups or other organised associations.

Contact with Sami villages takes place continuously, and every year they are invited to participate in joint planning. In addition to the measures subject to consultation, Sveaskog also consults with Sami villages prior to other measures. This may concern both major and minor issues, such as where roads should be ploughed in winter or discussions about or involvement in research projects. This is in order to be a "good neighbour", just as in all forms of contact with the communities concerned.

The joint planning process
The joint planning process, the form of dialogue prescribed by the FSC, must take place between the forestry industry and Sami villages before forest management measures are implemented. Joint planning takes place for all regeneration felling, soil preparation and selection of tree species for reforestation in the area that Sveaskog and reindeer husbandry jointly use. Fertilisation, road construction and burning are also covered by joint planning. The joint planning process is designed to meet the requirements of FPIC, Free, Prior and Informed Consent. All joint planning takes place well in advance of the measure being implemented. Simply put, the process means that the Sami villages must have the opportunity at an early stage to gain insight into the measures planned by the landowner and also have the opportunity to give or withhold consent to whether and how the measures can be implemented. Sami villages and landowners have a shared responsibility to seek solutions that enable forest management measures to be implemented.

Channels through which affected communities can raise concerns

Sveaskog's employees, mainly in the operating activities, are continuously handling external issues and comments from local communities and the local business community through a direct and open dialogue, or through the possibility of commenting through the company's website: sveaskog.se (this comment handling and Sveaskog's whistleblower function are described in greater detail in the section G1 Business conduct). Questions and comments most often concern planned felling measures. Depending on the nature of the matter, direct dialogue is often enough, but if this is not enough to reach consensus, the local community and local business community are offered the opportunity for a formal consultation. Complaints prior to a planned felling measure can also be submitted to a third-party certification body. A reconciliation of comments received is made before action begins. The comment channel is also open to consumers and end users, but most comments come from local communities where Sveaskog operates.

Actions to manage material impact and risks related to affected communities

Sveaskog works continuously to limit and prevent negative impacts on local residents and other affected stakeholders in society. A key part of this work is maintaining a good dialogue with local organisations, residents and, not least, the reindeer husbandry industry, with the aim of building mutual understanding and trust in the business.

The company works systematically to adapt forestry to the interests and needs of the communities affected. This work is based on the company's governance documents, FSC and PEFC certifications, and established dialogue processes with stakeholders. The goal is to reduce negative impacts and strengthen trust between the company and the communities affected by its operations.

Examples of adaptations for coexistence with reindeer husbandry

- **Adapted pre-harvests cleaning and site preparation** to facilitate the spread of hanging moss in new stands.
- **Soil preparation adapted to ground lichen coverage** to promote reindeer access to ground lichen grazing.
- **Selections of reforestation method and tree species** that improve the opportunities for reindeer husbandry to utilise the land.
- **Adapted pre-commercial thinning and thinning** that improves accessibility and grazing conditions.
- **Alternative methods in particularly important areas** for more sustainable forestry compared to traditional retention forest management.
- **Restrictive fertilisation after consultation with the affected Sami village**, with adjustments to timing and location.

Dialogue and prevention measures

The company limits negative impacts by maintaining regular dialogue with local communities, nearby residents and the reindeer husbandry industry. Prior to felling, stakeholders are given the opportunity to express their views, which helps to reduce risks and perceived disturbances.

In addition to being Sweden's largest forest owner, Sveaskog is also Sweden's second largest private road operator and has chosen to keep its road network open to the greatest extent possible. An open road network provides the public with opportunities for recreation and access to nature. Sveaskog also grants land use for hunting, which enhances access to nature and recreational values in local communities.

When adapting forest management plans, local stakeholders are contacted before the measure is implemented, or comments are received through various channels. Comments are received via, for example, comment forms on the website or direct contact with local Sveaskog representatives. When granting various land concessions, for example for wind power establishments, Sveaskog complies with the regulations set out in FSC certification. Sveaskog reports on all current energy projects on its website and is involved early on in the process of various dialogues with the communities affected.

In 2025, a new energy project was launched in which Sveaskog is playing a more active role. This approach provides greater insight into the project's development and the opportunity to influence how adjustments and considerations are made for the communities affected. The project is in line with the long-term objectives for other land use and, in particular, energy projects on Sveaskog's land.

When planning forestry measures, several different values are taken into account in the planning of consideration. For example, a buffer zone left within a felling area can both promote biodiversity and contribute to the visitor experience. The purpose is often multifaceted and encompasses both environmental and social aspects.

Follow-up of measures

All forestry measures are monitored through several levels of control – before, during and after implementation – with self-monitoring, internal review and external audits within the framework of certification systems. Follow-up of measures with Sami villages takes place annually. The need for further measures is identified through dialogue with affected communities, systematic impact assessments and requirements in FSC and PEFC certifications.

Metrics and targets for how material impacts, risks and opportunities are managed

The company's long-term goal is to promote coexistence between forestry and other societal interests, as stipulated in the company's strategy and governance documents. Both overall objectives and quantitative indicators are used to manage and monitor work that has a material impact on the affected communities. The overall objectives include:

- Jointly planning all relevant forestry measures on jointly managed land in dialogue with the Sami villages concerned.
- Developing the consultation and dialogue process to limit and prevent negative impacts on local communities and build mutual understanding of Sveaskog's operations and their impact on local communities.

Table 1 shows the metrics used to monitor the targets, among other things.

TABLE 1. MEASURES ADAPTED TO REINDEER HUSBANDRY

Follow up	Outcome 2025	Comment
Joint planning adjustments	3,480 ha	There is an unknown number of unreported hectares of joint planning adjustments. This is partly because the adaptations may have more than one purpose (e.g. promoting biodiversity and adapting to reindeer husbandry), in which case they are not registered as adaptation measures, and partly because considerations that are planned in daily action planning are not registered as joint planning measures in the system. The number of registered reindeer husbandry adjustments was lower in 2025 compared with the previous year, mainly for two reasons. Firstly, several of the areas identified by the Sami villages are now being taken care of, and secondly, the work has led to regular measures also being adapted to some extent based on what is known to be appreciated or not appreciated by the reindeer husbandry industry. For example, certain parts of the forest are cleaned more thoroughly to promote ground lichen.
Customised pre-commercial thinning	1,510 ha	
Customised thinning	100 ha	
Joint planning projects completed	160	Number of joint planning sessions with Sami villages.

Sveaskog works systematically to adapt forestry to the interests and needs of the communities affected. This work is based on the company's governance documents, FSC and PEFC certifications, and established dialogue processes with stakeholders.

Governance information

The Board of Directors is responsible for deciding on the company's overall strategic direction, which also includes deciding on business conduct policies and corporate culture.

Sveaskog's work refers to international guidelines and principles and clarifies how the company intends to conduct responsible enterprise towards its employees and other actors in the value chain. This includes supplier relationships, payment practices and preventive measures against bribery and corruption.

Read more

→ Business conduct policies
→ Supplier relationships
→ Anti-corruption
→ Political engagement
→ Payment practices

G1 – Business conduct

IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

When assessing the questions in G1 relating to business conduct, criteria relevant to Sveaskog's context are taken into account. An example of these criteria is Sveaskog's location, where its own forest holdings are concentrated exclusively in Sweden. Sector-specific conditions related to business conduct in environmental issues, land use, impact on relevant stakeholders and compliance with laws and certifications (e.g. FSC) are also taken into account. Additional criteria taken into account are the company's value chain structure and dependencies on various business relationships.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES RELATED TO BUSINESS CONDUCT (SBM-3)

Material topic	IRO	Description	Type	Position in the value chain: Upstream	Position in the value chain: Own operations	Position in the value chain: Downstream	Time horizon
Corporate culture	Good corporate culture	Sveaskog has an actual positive impact on corporate culture by ensuring that the core values of responsibility, courage and curiosity permeate all aspects of its operations. This is operationalised through inclusive leadership, active employee participation, and prioritised dialogue with stakeholders in the value chain – including Indigenous Peoples.	Actual positive impact	●	●	●	Short, medium, long
Whistleblower function	Protection for whistleblowers	Sveaskog's whistleblower function offers a secure and anonymous channel for reporting via an independent third party, which contributes to an actual positive impact. However, there is a potential negative impact if the function is perceived as inaccessible or is not used in practice. The service is also open to external parties in the value chain.	Actual positive impact Potential negative impact	●	●	●	Short, medium
Business ethics	Bribery and corruption	The lack of clear guidelines and training initiatives on anti-corruption increases the risk of bribery and corruption. Such a development could damage Sveaskog's reputation and trust among external and internal stakeholders.	Risk	●	●	●	Short, medium
Legal risk	Restrictions on forestry as a result of political decisions	New or amended directives from national authorities and the EU, as well as interpretations of these, may limit the scope and structure of forestry, which affects both operations and stakeholders in the value chain.	Transition risk	●	●	●	Short, medium, long
Brand and reputation	Opinion about Sveaskog	Critical opinion regarding Sveaskog's forest management, land use or role in society may negatively impact the company's reputation. This can lead to deteriorating customer relationships, reduced demand and difficulties in new collaborations.	Risk	●	●	●	Short, medium
Purchasing and supply chains	Timber of unwanted origin	When purchasing timber from external actors, both domestic and international, there is a risk of links to illegal harvesting, felling of high conservation values, corruption or poor working conditions. Such connections could seriously damage Sveaskog's credibility.	Risk	●	○	○	Short, medium
Market position and business development	Clearer role for transparency and market pricing	By clearly positioning itself as a transparent and responsible player, Sveaskog has the opportunity to strengthen its brand. This, in turn, can attract business partners with a strong focus on business ethics, sustainability, and long-term value creation.	Opportunity	●	●	●	Short, medium

G1-1 Business conduct policies and corporate culture

Sveaskog's long-term strategic focus is specified by targets for sustainable value creation. The means of achieving the long-term strategic goals are the company's success factors, which show what the company needs to work on over the next five years. Two of these success factors directly reflect the company's corporate culture, both internally and in relation to external stakeholders. The success factor *One* Sveaskog focuses on strengthening the common identity, supporting employees and striving for as uniform a working method as possible regardless of geographical or organisational affiliation. The success factor Prioritising partnerships, collaborations and dialogue focuses on deeper relationships with customers, contractors, authorities and other important stakeholders, such as the reindeer industry, non-profit associations and local communities, in order to build trust. Together, Sveaskog's success factors reflect the company's corporate culture and ambition to be an industry leader in the development of methods and technologies for sustainable value creation in the forest. (G1-1 9)

Business conduct in governing documentation
Sveaskog's Code of Conduct combined with Guidelines on bribes, gifts and representation, defines how employees are expected to act: in an exemplary manner in the area of sustainable business and in other respects in such a way that the company enjoys public trust and

employees represent it with good business ethics. The Code of Conduct and guidelines have been approved by the CEO, who also has ultimate responsibility for their implementation. The guidelines are considered to comply with the United Nations Convention against Corruption. (G1-1 10, MDR-P 65)

Code of Conduct

The company's Code of Conduct covers the entire Group and sets out fundamental values and principles for how the business should be conducted. The purpose of the Code is to ensure that business is conducted in an ethical and socially responsible manner. It clarifies human rights commitments based on the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work and the OECD Guidelines for Multinational Enterprises. The Code of Conduct also expressly prohibits human trafficking, forced labour and child labour. Sveaskog urges anyone who believes that companies within the Group, its employees, customers and/or suppliers are guilty of violating the company's Code of Conduct, to report such violations, for example via Sveaskog's whistleblower function, or by contacting the Group functions referred to in the relevant section of the Code of Conduct. The Code of Conduct has been developed by a working group led by the HR Director. The content of the Code is communicated internally to employees through regular training sessions and is made available to external parties via the company's website. (MDR-P 65)

All of Sveaskog's policies, including other governance documents, are available to all employees on the intranet. Sveaskog's policies and the company's Guidelines on bribes, gifts and entertainment are also available in English. In connection with major updates to central policies, training is usually provided in a digital format for employees in order to communicate the content to the business. (G1-3 20)

Mechanisms for detecting, assessing and handling improper acts

Sveaskog has various mechanisms for detecting and reporting acts that violate or are suspected of violating the company's Code of Conduct and other internal rules. These mechanisms consist partly of an external whistleblower function, accessible via the website, which is aimed at employees, job applicants, interns, customers, consultants, suppliers, partners and others who come into contact with Sveaskog in the course of their work. Other possible channels include Sveaskog's contact form on its website, a complaints mechanism that meets the requirements of FSC certification. This is also available via the website and can be used by both internal and external parties. In addition to the form, it is also possible to make reports by email. (G1-1 10) Comments are handled through a case management system, where the processing time is generally two weeks, but the time may be affected by the nature of the case and the need for field visits.

Whistleblower function

Sveaskog has established a whistleblower function in accordance with the Act (2021:890) on the Protection of Persons Reporting Irregularities. All cases reported through this function are received and handled by an external company. Reports made via the whistleblower function are encrypted and anonymous, even to the external company. The person who made the report can follow the handling of the case while remaining anonymous. Information in a report that could directly or indirectly identify the whistleblower is anonymised through confidentiality and professional secrecy. This function and the process for reporting irregularities and protecting whistleblowers are described in detail in a whistleblower policy adopted by the Board of Directors. Information about the whistleblower function is provided in various contexts, including during the onboarding of new employees. Over the next year, the aim is to evaluate the content and continuity of training on whistleblowing, both for those who receive reports and for those to whom the service is directed. (G1-1 10)

Whistleblower cases are investigated and handled by a steering group consisting of the Chief Legal Officer, Communications Director, HR Director and an HR Business Partner with specific experience in working with reports of misconduct. The steering group's main task is to act as the competent unit for reviewing incoming cases and, in consultation with the external company, deciding on measures to be taken within the framework of handling each reporting case. The members of the steering group shall act independently and autonomously. If a report concerns someone in the steering group or if there is any other reason to suspect that someone is biased, that person shall be excluded from handling the case in question. Completed whistleblower cases are reported to the Board's Audit Committee on a regular basis. (G1-3 18)

G1-2 Management of relationships with suppliers

According to the governance document Guidelines for purchasing at Sveaskog, a supplier or contractor who has fulfilled their obligations shall be paid within 30 days. The guideline is described in more detail in section S2 Workers in the value chain.

The instructions Handling of supplier invoices describe Sveaskog's invoice handling procedures. According to the instructions, all invoices must be collected in the financial system, where the invoice reference person ensures that the invoices contain correct and sufficient information and can therefore be authorised. As soon as the invoice has been authorised, reviewed and approved, the system ensures that the invoice is paid by the due date. For timber transactions, known as timber purchases, financial and invoice management is handled by the timber accounting function through a separate system. (G1-2 14)

According to Guidelines for purchasing, Sveaskog shall be a responsible and reliable business partner by coordinating purchases, complying with agreements entered into, developing business models that are profitable for both parties, being transparent about the requirements imposed on suppliers or contractors, and otherwise acting in a professional manner that contributes to healthy competition on equal terms. According to the same guidelines, Sveaskog shall promote long-term sustainable development by integrating issues relating to the environment, business ethics, anti-corruption, diversity, working conditions and human rights into its purchasing and procurement activities. (G1-2 15, MDR-P 65)

G1-3 Prevention and detection of corruption and bribery

In addition to the whistleblower function and its handling of reported cases, other procedures are in place to prevent irregularities. This involves, for example, ensuring the correct handling of payments and invoices. A key element in this work is the four-eyes principle for the authorisation procedure. The procedure requires at least two people to check the invoice details and content with regard to, among other things, legal information, that the amount and tax rate are correct, and that the invoice corresponds to the order or contract. This prevents any operational errors and enables the detection of potential irregularities. (G1-3 18)

Sveaskog conducts anti-corruption training for all employees in the Group. These training courses have been conducted at physical meetings or through digital training courses. As of 31 December 2025, 43 per cent of Sveaskog's employees had completed the year's digital anti-corruption training. The company has not conducted any special training courses on corruption and bribery for Group management and the Board of Directors. (G1-3 21)

Investigation of incidents relating to business ethics, including corruption and bribery offences

Apart from reports from whistleblowers, Sveaskog currently has no documented routines or procedures for investigating incidents relating to business ethics, including corruption and bribery, in a rapid, independent and objective manner.

Sveaskog's ambition is to conduct a mapping of corruption risks during the coming year. The purpose of such a mapping is to assess in which parts of the Group the risks of corruption are greatest and to ensure that, where appropriate, specific procedures are adopted to prevent, detect, and deal with suspected corruption, and to propose measures that should be taken to limit these corruption risks. (G1-1 10, G1-3 21, MDR-A 68)

G1-4 Incidents of corruption or bribery

Sveaskog will take action if the company becomes aware of conduct that can be considered corruption or bribery. Sveaskog ensures that the suspected incidents are properly investigated and, where appropriate, reported to the police. Sveaskog also ensures that, where appropriate, labour law measures are taken against any employee suspected of corruption or bribery.

No convictions for violations of anti-corruption and anti-bribery laws were reported during the period under review. The number of convictions and fines for violations of laws against corruption and bribery in 2025 is therefore zero (0). The disclosures cover cases where the company or actors in the company's value chain have been involved only if the company or its own employees have been directly involved.

In a previously reported case, the prosecutor brought charges before the Örebro District Court on 14 November 2025, against a former employee and a person close to the former employee. It can be assumed that the case will be decided by the district court during the first half of 2026. The defendants are suspected of having appropriated property at the company's expense during the period 2017–2022. (G1-4 24, 25)

G1-5 Political influence and lobbying activities

Sveaskog does not engage in active lobbying through any form of contribution, either financial or in kind, but does share its knowledge and experience of forestry issues in various contexts, including with decision-makers and politicians. Sveaskog's Director of Forest Policy plays a central role in the company's monitoring of forest policy. This comprises two parts: the national perspective and the EU perspective. Internally within Sveaskog, these issues are largely handled by the Group function Sustainable Business Development, which serves as a forum for discussing how current policy affects the company's operations and what opportunities exist to submit comments through referral responses and similar procedures. The Director of Forest Policy coordinates this work and reports directly to the Head of the unit, who is part of Group management, and through continuous direct contact with the CEO.

Sveaskog is not registered in the EU Transparency Register. No one appointed as a member of the administrative, management or supervisory bodies during the reporting period has held a comparable position at a public authority during the past two years. (G1-5 29, 30)

G1-6 Payment practices

Sveaskog applies standard payment terms of 30 days for suppliers of goods and services and contractors. The company's average time to pay an invoice from the date on which the payment period begins was 32 days in 2025. In 2025, the percentage of payments where the 30-day payment period was adhered to was 49 per cent. The outcome for 2025 is affected, among other things, by due dates falling on weekends or non-banking days, which means that payment is made on the following banking day. A payment that is recorded as later than 30 days according to the calculation model does not necessarily mean that the payment was delayed in practice, but may refer to a minor time lag linked to calendar and processing factors. In addition, administrative processing factors may cause payment to be made slightly later than the agreed payment date.

As of 31 December 2025, Sveaskog had no cases pending with the Swedish Enforcement Authority regarding late payments to suppliers. (G1-6 33, MDR-M 77)

IRO-2 ESRS Content Index

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ESRS 2	GOV-1	Governance of sustainability issues	53, 43-44, 46-49	Incorporation by reference, see the Corporate Governance Report.
ESRS 2	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	53	
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ESRS Standard	Disclosure requirements	Title	Page reference	Note
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S1	S1-16	Diversity and compensation metrics	91-92	
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S1	MDR-M	Minimum disclosure requirements – Metrics	90-93	

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ESRS Standard	Disclosure requirements	Title	Page reference	Note
S2	MDR-P	Minimum disclosure requirements – Policies	94-95	Sveaskog applies the Quick Fixes permitted within the ESRS framework for ESRS S2. The structure of this chapter therefore differs slightly from that of the other sections.
S2	MDR-A	Minimum disclosure requirements – Actions	95-96	
S2	MDR-T	Minimum disclosure requirements – Targets	96	
S2	MDR-M	Minimum disclosure requirements – Metrics	96	
S3	MDR-P	Minimum disclosure requirements – Policies	98	Sveaskog applies the Quick Fixes permitted within the ESRS framework for ESRS S3. The structure of this chapter therefore differs slightly from that of the other sections.
S3	MDR-A	Minimum disclosure requirements – Actions	99	
S3	MDR-T	Minimum disclosure requirements – Targets	100	
S3	MDR-M	Minimum disclosure requirements – Metrics	100	
G1	SBM-3	Material impacts, risks and opportunities	59, 102	
G1	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	102	
G1	GOV-1	Governance of sustainability issues	53, 43-44, 46-49	Incorporation by reference, see the Corporate Governance Report.
G1	G1-1	Business conduct policies and corporate culture	102-103	
G1	MDR-P	Minimum disclosure requirements – Policies	102-103	
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G1	G1-5	Political influence and lobbying activities	104	
G1	G1-6	Payment practices	104	
G1	MDR-A	Minimum disclosure requirements – Actions	104	
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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

The table below shows which data points within each ESRS disclosure are based on other EU legislation, with references to the relevant pages in this Sustainability Report and an assessment of whether or not they are material. (IRO-2 56)

Disclosure requirement and related data point	Sustainable Finance Disclosure Regulation reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ non-material	Page number
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	53
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	53
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 of Table #3 of Annex 1				Material	54
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicator number 4 of Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1 and Table 2	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 of Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 of Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	71-72
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1	Delegated Regulation (EU) 2020/1818, Article 12(1) (d) to (g) and Article 12(2)		Material	71
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 of Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3	Delegated Regulation (EU) 2020/1818, Article 6		Material	68-70
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex I				Not material	
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex I				Not material	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex I				Not material	
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	72-73
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicator number 3 of Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	73

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Disclosure requirement and related data point	Sustainable Finance Disclosure Regulation reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ non-material	Page number
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Material	73-75
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II, Delegated Regulation (EU) 2020/1816, Annex II			Phase-in applied
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).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5.				Phase-in applied
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2.				Phase-in applied
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II			Phase-in applied
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex I; Indicator number 2 Table #2 of Annex I; Indicator number 1 Table #2 of Annex I; Indicator number 3 Table #2 of Annex I				Not material	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 of Table #2 of Annex I				Not material	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 of Table #2 of Annex I				Not material	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 of Table #2 of Annex I				Not material	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 of Table #2 of Annex I				Not material	
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	Indicator number 6.1 of Table #2 of Annex I				Not material	
ESRS 2 – SBM 3 – E4 paragraph 16 (a) i	Indicator number 7 of Table #1 of Annex I					Quick Fix applied
ESRS 2 – SBM 3 – E4 paragraph 16 (b)	Indicator number 10 of Table #2 of Annex I					Quick Fix applied
ESRS 2 – SBM 3 – E4 paragraph 16 (c)	Indicator number 14 of Table #2 of Annex I					Quick Fix applied
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11 of Table #2 of Annex I					Quick Fix applied
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 of Table #2 of Annex I					Quick Fix applied
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 of Table #2 of Annex I					Quick Fix applied
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 of Table #2 of Annex I				Not material	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 of Table #1 of Annex I				Not material	
ESRS 2 – SBM3 – S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 of Table #3 of Annex I				Not material	
ESRS 2 – SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 of Table #3 of Annex I				Not material	
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Material	103
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	103
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 of Table #3 of Annex I				Material	103

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Disclosure requirement and related data point	Sustainable Finance Disclosure Regulation reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material/ non-material	Page number
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	Indicator number 1 of Table #3 of Annex I				Material	85-86
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 of Table #3 of Annex I				Material	88, 103
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 of Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	93
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 of Table #3 of Annex I					Phase-in applied
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 of Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	92
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 of Table #3 of Annex I				Material	92
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 of Table #3 of Annex I				Material	93
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 and Indicator number 14 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	93
ESRS 2 – SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I					Quick Fix applied
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1					Quick Fix applied
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators number 11 and n. 4 Table #3 of Annex I					Quick Fix applied
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 of Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Art 12 (1)			Quick Fix applied
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II			Quick Fix applied
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14 of Table #3 of Annex I					Quick Fix applied
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex I and Indicator number 11 Table #1 of Annex I					Quick Fix applied
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 of Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Art 12 (1)			Quick Fix applied
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 of Table #3 of Annex I					Quick Fix applied
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 of Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not material	
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 of Table #3 of Annex I				Not material	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 of Table #3 of Annex I				Not material	
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6 of Table #3 of Annex I				Not material	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 of Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	104
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16 of Table #3 of Annex I				Material	104

Disclosures outside ESRS

In addition to the information provided in the Sustainability Report in accordance with CSRD and ESRS, the company has chosen to present certain supplementary information. This information has not been deemed material according to the company's double materiality analysis and is therefore not covered by the mandatory disclosure requirements. The information is provided in order to ensure continuity in reporting over time and to meet the information needs of certain stakeholders.

Non-material information: Energy consumption and energy mix

Sveaskog's energy consumption in 2025

In 2025, Sveaskog's energy consumption totalled 71,608 MWh, where the share of renewable sources of total energy consumption amounted to 75 per cent.

Table 1 presents energy consumption by energy from fossil and renewable energy sources, respectively. Energy intensity per net sales is reported in Table 2. To calculate energy intensity, the ratio of total energy consumption in MWh according to Table 1 (numerator) and the item in the financial statements on page 119 corresponding to net sales (denominator) is calculated.

The outcome for energy has been adjusted for 2024. This is because double counting of fuel volumes for the company's own machinery teams was corrected. This affected the proportion of fossil-free and renewable sources, as well as total energy consumption for 2024, which in turn affected energy intensity per net sales.

Total energy consumption decreased slightly for 2025 compared to 2024. At the same time, Sveaskog's investment in renewable fuels in its own machinery teams has led to a reduction in the amount of energy from fossil sources in 2025 and an increase in the amount of energy from renewable sources. Since the energy summary covers activities corresponding to scope 1 and 2 when calculating anthropogenic greenhouse gas emissions, a change in the fuel mix for our own teams has a major impact on the energy summary.

TABLE 1. ENERGY CONSUMPTION AND ENERGY MIX

Energy consumption for Sveaskog in 2025, broken down into renewable and fossil sources and nuclear energy

Energy consumption from fossil sources – sectors with high climate impact	Comparison year 2024	This year 2025
(1) Fuel consumption from coal and coal-based products (MWh)	–	-
(2) Fuel consumption from crude oil and oil products (MWh)	16,000	9,330
(3) Fuel consumption from natural gas (MWh)	11	0
(4) Fuel consumption from other fossil sources (MWh)	–	-
(5) Consumption of purchased electricity, heating, steam, cooling from fossil sources (MWh)	2,115	2,163
(6) Total fossil energy consumption (MWh) (sum of lines 1-5 above)	18,126	11,492
Share of fossil sources in total energy consumption (%)	25%	16%
(7) Consumption of nuclear energy (MWh)	6,578	6,258
Share of nuclear energy in total energy consumption (%)	9%	9%
(8) Fuel consumption from renewable sources, including biomass (MWh)	41,547	48,126
(9) Consumption of purchased electricity, heating, steam, cooling from renewable sources (MWh)	6,081	5,732
(10) Consumption of self-produced renewable energy (excluding fuel) (MWh)	–	-
(11) Total consumption of renewable energy (MWh) (sum of lines 8-10 above)	47,628	53,858
Share of renewable sources in total energy consumption (%)	66%	75%
Total energy consumption (MWh) (sum of lines 6 and 11 above)	72,333	71,608

TABLE 2. ENERGY INTENSITY PER NET SALES

MWh/MSEK	Comparison year 2024	This year 2025	Change from previous year
Total energy consumption per net sales from activities in sectors with high climate impact	8.7	8.2	-6%

Financial information

Financial performance →
Remuneration of senior executives →
Appropriation of earnings →
Multi-year summary →
Consolidated financial statements →
Parent company financial statements →
Notes →
Alternative KPIs and definitions →
Declaration and signatures →
Auditor's report →

Financial performance

Net sales
Net sales increased by 5 per cent to MSEK 8,746 (8,304). Prices of wood raw materials increased by an average of 11 per cent, while total delivery volumes decreased by 6 per cent.Other sales were unchanged and are mainly attributable to concessions, seedlings and other sales. Sales of wood raw materials amounted to 7,756 thousand cubic metres (m^3sub)[1] (8,231).

Earnings
Operating profit increased by 10 per cent and amounted to MSEK 2,275 (2,060). Higher timber prices were offset by increased forestry costs, changes in provisions and reclassification of costs associated with the sale of subsidiaries.

Capital gains from the sale of property amounted to MSEK 48 (6). Share of profits in associates amounted to MSEK 59 (-46). The net change in the carrying amount of biological assets amounted to MSEK 12,223 (7,942), primarily due to higher average prices for timber in the valuation model. After changes in value in biological assets, the operating profit amounted to MSEK 14,370 (9,962). Net financial items during the period amounted to an expense of MSEK 207 (180). Profit before tax amounted to MSEK 14,163 (9,782). Tax amounted to MSEK -2,966 (-2,013). Profit for the year from continuing operations increased to MSEK 11,197 (7,769) and profit for the year after operations held for sale increased to MSEK 11,197 (7,711).

Balance sheet and cash flow
Cash flow from operating activities during the period was MSEK 1,416 (1,339). Investments in non-current assets, mainly forest properties and forest machines, amounted to MSEK 607 (563) while investments in shares amounted to MSEK 2 (10). Sales of non-current assets, mainly forest properties, amounted to MSEK 414 (117). Dividends from associates were received in an amount of MSEK 28 (15), sales of shares were received in an amount of MSEK 360 (91) and interest-bearing receivables increased by MSEK 3 (71). A cash dividend of MSEK 1,203 (1,207) was paid to the owner. Sveaskog's net interest-bearing debt at 31 December was MSEK 8,183 (8,584). -At the end of the period, the loan portfolio consisted mainly of loans issued under Sveaskog's MTN programme and a Swedish commercial paper programme. The loan volume under the Swedish commercial paper programme amounted to MSEK 1,175 (1,425), which is refinanced on an ongoing basis. The outstanding volume under the MTN programme at 31 December was MSEK 7,550 (6,950), of which MSEK 7,150 (6,550) refers to green bonds. The lowest average net fixed interest period during the year was around 26 months (21). The net debt/equity ratio was 0.09 (0.10). The interest coverage ratio was 7.2 (7.0) and the gross borrowing cost was 3.09 (3.38) per cent.

Parent company
Sveaskog AB (Publ.), which is wholly owned by the Swedish State, owns and manages forest properties and shares in subsidiaries and is responsible for Group-wide financing. For Sveaskog AB (publ.), operating income for the period January–December totalled MSEK 47 (83), of which MSEK 0 (39) was accounted for by capital gains from sales of forest land. The loss after financial items amounted to MSEK 341 (443). The parent company's costs consist mainly of interest expenses.

The company has no employees. Operating activities are carried out primarily in the subsidiary Sveaskog Förvaltnings AB.

Sunpine AB
Sveaskog owns 25.1 per cent of the shares of the biorefinery Sunpine AB. The share of profit/loss in the associate is recognised in the consolidated income statement. Net sales for the January–December period were MSEK 2,949 (2,678). The operating profit amounted to MSEK 256 (loss: 14). The improvement in earnings is primarily due to increased demand for biofuels combined with lower raw material costs. Sveaskog's share of the company's earnings amounted to MSEK 51 (-1).

ShoreLink AB
Sveaskog owns 24.1 per cent of the shares of the logistics and transport firm ShoreLink AB. The Group's income statement for January–December 2025 reports the share of the associate's profit/loss for the period December 2024 to November 2025, while the figures for the previous year cover the period from December 2023 to November 2024. Net sales for this period amounted to MSEK 382 (389) and the operating profit for the same period amounted to MSEK 32 (49). Sveaskog's share of the company's profit or loss amounted to MSEK 8 (10).

Research and development
Research and development is a key to achieving the strategic objectives. Sveaskog participates strategically in research collaborations and initiatives and provides land for experimental activities throughout Sweden. Projects to achieve growing and future-adapted forests and to increase biodiversity in both managed and set aside forests are important focus areas. Co-existence with the reindeer industry and the local community is important to us, and we are therefore strengthening our research portfolio in these areas. New technology and digitalisation offer us great opportunities to reduce our climate impact, and help us increase efficiency and gentleness.

[1] m^3sub stands for "solid cubic metres under bark" and is used to measure the volume of forest products such as timber, pulpwood and bioenergy.

CONDENSED INCOME STATEMENT

MSEK	Full year 2025	Full year 2024
Net sales	8,746	8,304
Operating profit from continuing operations	2,275	2,060
Share of profit/loss in associates	59	-46
Change in value in biological assets	12,223	7,942
Operating profit	14,370	9,962
Profit/loss before tax	14,163	9,782
Profit/loss from continuing operations	11,197	7,769
Profit/loss from operations held for sale	0	-58
Profit for the year	**11,197**	**7,711**

CONDENSED CASH FLOW STATEMENT

MSEK	Full year 2025	Full year 2024
Cash flow from operating activities before changes in working capital	1,948	1,575
Cash flow from operating activities	1,416	1,339
Cash flow from investing activities	190	-421
Cash flow from financing activities	−1,709	-559
Cash flow for the year	**-103**	**359**

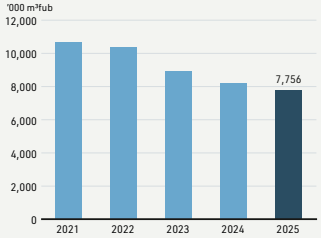
CHANGE IN OPERATING PROFIT, MSEK

MSEK	
2024	**2,060**
Price, own wood raw materials	703
Volume and stock changes, own wood raw materials	-19
Unit cost felling	-15
Forest management and nature conservation	-39
Roads	-47
Provisions	-121
Other	-247
2025	**2,275**

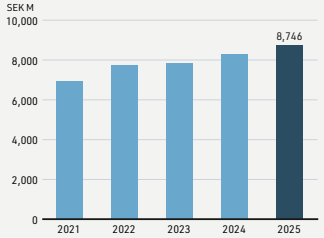
CHANGE IN NET SALES

MSEK	
2024	**8,304**
Price, wood raw materials	911
Delivery volume, wood raw materials	-475
Concessions, seedlings and other sales	6
2025	**8,746**

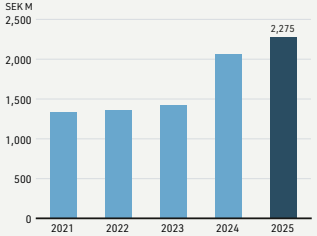
TOTAL DELIVERY VOLUME



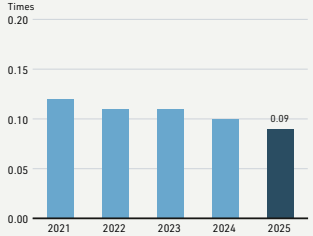
NET SALES



OPERATING PROFIT FROM CONTINUING OPERATIONS

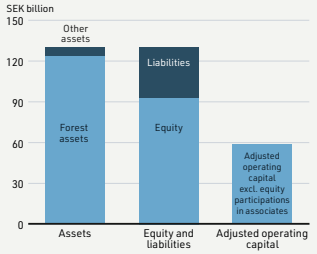


NET DEBT/EQUITY RATIO



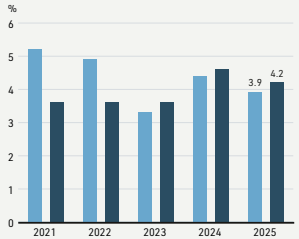
Target see page 9.

ASSETS, EQUITY AND LIABILITIES



Most of the assets consist of forest assets that are valued at fair value according to international financial reporting standards (IFRS).

RETURN ON ADJUSTED OPERATING CAPITAL



- Return on adjusted operating capital (excluding deferred tax)
- Return on adjusted operating capital (excluding deferred tax and equity participation in associates)

Target see page 21.

Remuneration for senior executives

PROPOSALS FOR THE 2026 ANNUAL GENERAL MEETING FROM THE BOARD OF DIRECTORS OF SVEASKOG AB

Guidelines for terms of employment for senior executives
These guidelines cover senior executives. Senior executives are members of the Board of Directors, the CEO and other members of company management and are designed in accordance with the Government's principles for remuneration and other terms of employment for senior executives in State-owned companies. The guidelines shall be applied to remuneration agreed upon, and changes made to already agreed remuneration, after the adoption of the guidelines by the Annual General Meeting on 22 April 2026. The guidelines do not include remuneration decided by the General Meeting.

The company also applies the rules in the Swedish Companies Act and the Annual Accounts Act that apply to public companies and stock market companies regarding the recognition of remuneration of senior executives.

Remuneration of senior executives in 2025 is presented in Note 8 of the 2025 annual report.

The guidelines promote the company's long-term strategic focus, interests and sustainability
Being seen as the role model for responsible forest ownership is a huge task. Our ambitions and targets must therefore be set high. Our vision is to be the world leader in sustainable value creation in the forest. In order to achieve this, we strive for the best balance in ecological, economic and social values. This can be achieved through our unique competence, size and capacity. In order to ensure that our sustainable value creation is world-leading, we not only compare ourselves with other Swedish forest owners, but have our sights set on the world.

The journey that Sveaskog wants to make is to increase profitability through how the company operates in the market, in the collaborations that the company has with other actors and in the business that is connected to land ownership. The new climate benefit objective also shows the direction that the company can only be profitable in the long term if it has a full grasp of how climate change is altering the conditions for the business. For Sveaskog, this now involves four prioritised strategic goals for sustainable value creation that reflect the long-term challenges facing the company.
These goals are:

- Increased forest growth
- Increased climate benefit
- Development of biodiversity and ecosystem services
- Increased long-term returns from forests and land

We have identified six key success factors that we need to have in place to achieve the four strategic goals and, ultimately, our vision.
These success factors are:

- Developing sustainable and varied use of forest and land
- Prioritising partnerships, cooperation and dialogue
- Actively working for new business and higher revenues
- Having high efficiency and being at the forefront of technology, methods and approaches
- One Sveaskog
- Secure skills and job satisfaction

For further information on the company's long-term strategic direction, see https://www.sveaskog.se.

A successful implementation of the company's long-term strategic direction and safeguarding the company's interests, including its sustainability, requires the company to be able to recruit and retain qualified employees. This requires the company to be able to offer market-based remuneration. These guidelines enable senior executives to be offered a competitive and yet moderate total remuneration.

Salary and other remuneration of the CEO and other senior executives
The remuneration shall be competitive, capped, suitable and non-market-leading in relation to comparable companies. The remuneration of senior executives shall consist of the following components: fixed cash salary, benefits and occupational pension benefits. Variable salary, for example in the form of an incentive programme, should not occur for senior executives. The total remuneration shall correspond to the individual's performance, responsibility and experience. The total remuneration shall be well-balanced, characterised by moderation and market conditions and contribute to good ethics and corporate culture. This shall also guide the total remuneration of other employees. The salary shall be revised each year.

The offered salary exchange shall be cost neutral for the company.

Premiums for old-age and survivors' pensions shall be defined contribution and shall not exceed 30 per cent of the fixed salary, unless these benefits comply with the applied collective pension plan, i.e. the ITP plan. In such a case, the contribution is determined by the terms of the collective pension scheme. Any expansion of the collective pension plan above the salary level covered by the plan shall be defined contribution with a fee of a maximum of 30 per cent of the excess salary. The retirement age shall not be less than 65 years.

Benefits may consist of health insurance, a car benefit or an annual public transport pass. Such benefits may not exceed 5 per cent of the fixed annual cash salary. Compensation for incapacity to work due to illness must comply with the conditions of sick pay and disability pension in collective agreements. Any extension of collective health insurance above the wage level covered by collective agreements shall correspond to market practice.

It should be avoided that a Board member or deputy is hired as a consultant in the company and thus receive consulting fees in addition to the Board fee. If this happens nonetheless, the assignment shall be examined by the Board of Directors in each case, be clearly separable from the ordinary Board assignment, be limited in time and be regulated in a written agreement between the company and the Board member. The remuneration for such assignments shall be in accordance with these guidelines.

Upon termination by the company, the notice period shall not exceed six months. In employment contracts concluded after 22 December 2016, the severance pay may not exceed 12 monthly salaries.

Severance pay shall be paid on a monthly basis and shall cover only the fixed salary without supplement for pension and other benefits. In the event of new employment, other paid assignments or income from business activities, the severance pay from Sveaskog shall be reduced by an amount equivalent to the new income during the period when termination pay and severance pay are paid. Severance pay is never paid beyond the age of 65. In the event of the employee's resignation, no severance pay shall be paid.

Salaries and terms of employment of other employees
Preparation of terms of employment is handled as follows. In preparing and applying these guidelines, the Remuneration Committee and the Board take into account the remuneration and terms of employment of the company's other employees, which in turn are affected by general market conditions and internal factors affecting the company's goal attainment. The Remuneration Committee regularly consults the CEO and the HR Director to keep themselves informed of the other employees' salaries and other terms.

As regards the CEO, the Board of Directors shall decide on a fixed salary and other terms of employment. The decision shall be recorded in the minutes. For other senior executives, the CEO decides on terms of employment in consultation with the Remu-

neration Committee, which shall follow the guidelines decided by the General Meeting. The CEO shall annually inform the Board of Directors of the current remuneration and terms of employment of the other senior executives.
Before deciding on the remuneration of an individual senior executive, there must be written documentation showing the company's total costs. The decision shall be recorded in the minutes.

The Board of Directors shall ensure that the remuneration complies with these and the Government's guidelines by comparing terms for equivalent State-owned and private companies comparable to the company in terms of size, complexity and sales. Follow-ups shall also be carried out on a regular basis through the wage comparison of independent market-based salary consultants.

Decision-making process for defining, revising and implementing the guidelines
The Board of Directors has set up a Remuneration Committee. The members of the Remuneration Committee are independent of the company and the management. The committee's tasks include preparing the Board's decisions on proposed guidelines for the remuneration of senior executives. The Board of Directors shall annually prepare proposals for new guidelines and submit the proposal for a resolution at the Annual General Meeting.

The Remuneration Committee shall follow and evaluate the application of guidelines for the remuneration of senior executives as well as regarding remuneration structures and remuneration levels in the company.

The CEO or other persons in company management are not present at the Remuneration Committee and the Board's treatment of and decisions on remuneration-related matters, in so far as they are concerned by the issues.

Deviation from the guidelines
The Board of Directors may decide to temporarily deviate from the guidelines in part or in whole if in an individual case there are special reasons to do so and a deviation is necessary to meet the company's long-term interests, including its sustainability, or to ensure the company's financial viability. It is part of the Remuneration Committee's tasks to prepare the Board's decision on remuneration issues, which also includes the preparation of decisions to depart from the guidelines, which are subsequently decided by the Board. In such a case, the Board of Directors shall report the deviation and the reasons for it.

Subsidiaries
These guidelines shall also apply in all subsidiaries and be approved by the Annual General Meeting of the respective subsidiaries.

Appropriation of earnings

Sveaskog AB (publ)

The Board's opinion in accordance with Chapter 18, Section 4 of the Swedish Companies Act
Following the Board's proposed appropriation of earnings, the Board of Sveaskog AB (publ) hereby issues the following opinion.

According to current financial targets, the regular dividend shall over the long term represent 70–100 per cent of consolidated earnings after tax excluding non-cash changes in the value of Sveaskog's own forests after tax and the share of profit or loss from associated companies, as well as 100 per cent of the dividends received by the company in the previous year from the associated companies. The dividend is paid on condition that the post-dividend capital structure target falls within the target range and taking into account the Group's strategy and investment needs.

The Board of Directors proposes that the dividend for 2025 in total be set at SEK 1,338,000,000, equivalent to SEK 11.30 per share. The dividend, which represents 100 per cent of the dividend base, is proposed to be executed by cash dividend.

Provided that the 2026 Annual General Meeting resolves in accordance with the Board's proposed appropriation of earnings, SEK 10,780,963,646 will be carried forward. Full coverage is available for the company's restricted equity after the proposed dividend.

The nature and scope of the business are presented in the Articles of Association and the annual financial statements submitted. The activities of the company and the Group do not entail risks other than those that occur or can be assumed to occur in the industry or the risks associated with the pursuit of business activities. The company's and the Group's cyclical dependency does not differ from what otherwise exists in the industry. The Board of Directors considers that, after the proposed dividend, the company will have sufficient restricted equity in relation to the size of the business.
The Board of Directors has taken into account the consolidation needs of the company and the Group through a comprehensive assessment of the company's and the Group's financial position and the ability to meet its commitments in the long term. The company's financial situation is presented in the annual report. This shows that the Group's net debt/equity ratio is 0.09. Sveaskog's set target for the net debt/equity ratio is 0.05-0.30. Accordingly, the Group's financial position is strong.

The proposed dividend does not compromise the company's ability to make the investments deemed necessary. The company has financial resources to cope with unexpected events and temporary variations in payment flows to a reasonable extent. The company's financial position does not give rise to any other assessment than that the company can continue to operate and that the company is expected to fulfil its obligations in the short and long term.

The Board of Directors has taken into account the company's and the Group's position in other respects. In doing so, the Board of Directors has taken into account all known circumstances that may have an impact on the company's financial position and have not been taken into account in the assessment of the company's consolidation needs and liquidity. The conditions taken into account by the Board include events and circumstances reported by the company in the administration report, including those relating to dates after the financial year 2025.

In reference to the above, the Board of Directors considers that the dividend is justifiable in view of the requirements that the nature, scope and risks of the operations impose on the size of the company's and the Group's equity, as well as the consolidation needs, liquidity and position of the company and the Group in general.

Proposed appropriation of earnings, SEK
Unappropriated earnings at the disposal of the Annual General Meeting:

SEK	
Retained earnings	11,784,935,620
Profit for the year	334,028,026
Total	**12,118,963,646**

The Board of Directors proposes that the profits be appropriated as follows:

SEK	
Paid to the shareholder in dividend	1,338,000,000
Carried forward to the next year	10,780,963,646
Total	**12,118,963,646**

Multi-year summary[1)]

Group	2025	2024	2023	2022	2021
Income statements, MSEK					
Net sales	8,746	8,304	7,863	7,760	6,920
Other operating income	101	104	93	91	140
Operating expenses	-6,367	-6,169	-6,366	-6,332	-5,572
Depreciation/amortisation and impairment	-205	-179	-161	-153	-147
Operating profit from continuing operations	2,275	2,060	1,429	1,366	1,341
Capital gains on property sales	48	6	30	26	30
Impairment attributable to associates	-235	–	–	–	–
Share of profit/loss in associates	59	-46	-60	574	667
Operating profit before change in value in biological assets	2,147	2,020	1,399	1,966	2,038
Change in value in biological assets	12,223	7,942	3,376	499	-196
Operating profit	14,370	9,962	4,775	2,465	1,842
Net financial income/expense	-207	-180	-226	-126	-133
Profit/loss before tax	14,163	9,782	4,549	2,339	1,709
Tax	-2,966	-2,013	-933	-360	-215
Profit/loss from continuing operations	**11,197**	**7,769**	**3,616**	**1,979**	**1,494**
Profit/loss from operations held for sale/dividend	–	-58	-54	–	–
Profit for the year	**11,197**	**7,711**	**3,562**	**1,979**	**1,494**
Statement of comprehensive income, MSEK					
Profit for the year	11,197	7,711	3,562	1,979	1,494
Total other comprehensive income after tax for continuing operations	-6,269	8,925	6,120	2,997	2,379
Total other comprehensive income after tax for operations held for sale/dividend	–	-27	72	–	–
Total comprehensive income for the year	**4,928**	**16,609**	**9,754**	**4,976**	**3,873**
Balance sheets, MSEK					
Non-current assets, non-interest-bearing	124,931	121,252	102,604	91,411	87,751
Non-current receivables, interest-bearing	146	143	72	15	5
Inventories	843	759	693	649	690
Current receivables, non-interest bearing	2,833	2,186	2,052	1,879	1,821
Cash and cash equivalents and interest-bearing receivables	794	897	538	799	1,171
Assets held for sale/dividend	775	848	–	627	–
Total assets	**130,322**	**126,085**	**105,959**	**95,380**	**91,438**
Equity	92,936	89,210	73,808	66,192	62,516
Non-interest-bearing liabilities	28,303	27,250	23,288	20,941	20,308
Interest-bearing liabilities	8,928	9,624	8,863	8,247	8,614
Liabilities attributable to assets held for sale/dividend	155	1	–	–	–
Total equity and liabilities	**130,322**	**126,085**	**105,959**	**95,380**	**91,438**

Group	2025	2024	2023	2022	2021
Adjusted operating capital (excluding deferred tax)	58,979	49,094	42,179	39,850	38,621
Adjusted operating capital excluding equity participation in associates (and deferred tax)	58,540	48,686	40,849	38,189	37,220
Cash flow					
Cash flow from operating activities	1,416	1,339	987	1,065	1,033
Cash flow from investing activities	190	-421	-315	143	-21
Cash flow from financing activities	−1,709	-559	-933	-1,580	-1,072
Cash flow for the year	**-103**	**359**	**-261**	**-372**	**-60**
Net interest-bearing debt	8,183	8,584	8,253	7,433	7,438
KPIs					
Net debt/equity ratio, times	0.09	0.10	0.11	0.11	0.12
Return on adjusted operating capital (excl. deferred tax), %[2)]	3.9	4.4	3.3	4.9	5.2
Return on adjusted operating capital (excl. deferred tax and equity participation in associates), %[2)]	4.2	4.6	3.6	3.6	3.6
Operating margin, %	164	120	61	32	27
Gross margin, %	166	123	64	31	19
Return on equity, %	12.3	9.5	5.1	3.1	2.4
Capital turnover rate, times	0.09	0.09	0.10	0.11	0.10
Interest coverage ratio, times	7.2	7.0	5.3	14.5	15.1
Equity ratio,%	71	71	70	69	68
Dividend					
Approved dividend total, MSEK[3) 4)]	1,338[4)]	1,203	1,207	1,511[3)]	1,300
Investments, MSEK					
Business acquisitions and investments in shares	2	10	7	0	6
Other investments	607	563	634	298	230
Staff					
Number of employees	830	826	804	739	711
Average number of employees	880	850	880	810	825
Expensed salaries and other remuneration, MSEK	516	492	456	412	409

1) Sveaskog presents the company's alternative performance measures in accordance with the decisions of the European Securities and Markets Authority (ESMA) on pages 144–146.
2) Sveaskog has new financial targets since August 2022. Adjusted operating capital excludes the land value and the deferred tax payable on it.
3) The dividend for 2023 includes the consolidated value of Ersättningsmark i Sverige 2 AB.
4) For 2025, the proposed dividend is indicated.

Consolidated financial statements

Consolidated income statement

MSEK	Note	2025	2024
Net sales	4, 7	8,746	8,304
Other operating income	5	101	104
Raw materials and consumables		-2,750	-2,803
Change in inventories		288	247
Other external expenses	6, 7	-3,169	-2,854
Staff costs	8	-736	-759
Depreciation/amortisation and impairment	7, 9	-205	-179
Operating profit from continuing operations		**2,275**	**2,060**
Capital gains on property sales	14	48	6
Impairment attributable to associated companies		-235	–
Share of profit/loss in associates	16	59	-46
Operating profit before change in value in biological assets		**2,147**	**2,020**
Change in value in biological assets	14	12,223	7,942
Operating profit		**14,370**	**9,962**
Financial income	10	96	126
Financial expenses	10	-303	-306
Net financial income/expense		**-207**	**-180**
Profit/loss before tax		**14,163**	**9,782**
Tax	11	-2,966	-2,013
Profit/loss from continuing operations		11,197	7,769
Profit/loss from operations held for sale		0	-58
PROFIT FOR THE YEAR		**11,197**	**7,711**
Earnings per share			
– before dilution, SEK		94.59	65.12
– after dilution, SEK		94.59	65.12

Statement of comprehensive income

MSEK	2025	2024
Profit for the year	**11,197**	**7,711**
Other comprehensive income		
Components that will not be reversed in profit or loss		
Change in value in land assets	-7,928	11,332
Tax on change in value in land assets	1,633	-2,354
Actuarial gains/losses relating to pensions	46	-44
Tax on actuarial gains/losses	-10	9
Components that may be reversed in profit or loss		
Translation differences	-4	2
Other comprehensive income from associates	–	-22
Tax on other comprehensive income from associates	–	6
Change in fair value of cash flow hedges for the year	-7	-5
Changes in the fair value of cash flow hedges transferred to profit or loss for the year	0	0
Tax attributable to cash flow hedges	1	1
Total other comprehensive income for the year for remaining operations, net after tax	**-6,269**	**8,925**
Change in value in land assets held for sale/dividend	–	-34
Tax on change in value in land assets held for sale	–	7
Other comprehensive income from operations held for sale/dividend	**–**	**-27**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**4,928**	**16,609**

Consolidated balance sheet

MSEK	Note	31 Dec 2025	31 Dec. 2024
ASSETS			
Non-current assets			
Intangible assets	13	155	152
Forest assets	14	123,253	119,689
– of which land assets		*52,523*	*60,869*
– of which biological assets		*70,730*	*58,820*
Other property, plant and equipment	15	868	802
Right-of-use assets	7	188	172
Participations in associates	16	439	408
Other non-current securities holdings	16	28	26
Non-current receivables	17	146	144
Deferred tax assets	11	0	2
Total non-current assets		**125,077**	**121,395**
Current assets			
Inventories	18	843	759
Tax assets	11	1	96
Trade receivables	19	1,748	1,579
Other receivables	20	1,084	511
Cash and cash equivalents	22	794	897
Assets held for sale[1)]	14, 15, 29	775	848
Total current assets		**5,245**	**4,690**
TOTAL ASSETS		**130,322**	**126,085**

[1)] Assets held for sale refer to property sales expected to be completed during the first half of 2026 and, for the previous year, Hjälmare Kanal AB and Setra Group AB.

MSEK	Note	31 Dec 2025	31 Dec. 2024
EQUITY AND LIABILITIES			
Equity	21		
Share capital		118	118
Reserves		39,328	45,782
Retained earnings including profit for the year		53,490	43,310
Total equity		**92,936**	**89,210**
Non-current liabilities			
Interest-bearing non-current liabilities	22, 28	6,442	6,344
Lease liabilities, non-current	7, 22, 28	107	133
Pension provisions	23	192	258
Other provisions for pensions and similar commitments	23	–	3
Non-current liabilities		5	5
Other provisions	26	147	157
Deferred tax liabilities	11	26,224	25,411
Total non-current liabilities		**33,117**	**32,311**
Current liabilities			
Interest-bearing current liabilities	22, 23, 28	2,267	2,811
Leasing liabilities, current	22, 28	88	44
Tax liabilities		228	265
Trade payables	24	1,081	1,050
Other liabilities	25	346	336
Provisions, current component	23, 26	104	57
Liabilities attributable to assets held for sale/dividend[2)]	29	155	1
Total current liabilities		**4,269**	**4,564**
Total liabilities		**37,386**	**36,875**
TOTAL LIABILITIES AND EQUITY		**130,322**	**126,085**

[2)] Liabilities held for sale refer to taxes on property sales expected to be completed during the first half of 2026 and, for the previous year, Hjälmare Kanal AB.

Consolidated statement of changes in equity

Equity attributable to parent company shareholders

MSEK	Share capital	Revaluation reserve	Hedging reserve	Translation reserve	Retained earnings	Total
Opening equity, 1 January 2024	**118**	**36,812**	**35**	**2**	**36,841**	**73,808**
Profit for the year	–	–	–	–	7,711	7,711
Other comprehensive income for remaining operations		8,978	-26	8	-35	8,925
Impairment other comprehensive income from operations held for sale	–	-27	–	–	–	-27
Dividend paid according to resolution of Annual General Meeting on 24 April 2024	–	–	–	–	-1,207	-1,207
Closing equity, 31 December 2024	**118**	**45,763**	**9**	**10**	**43,310**	**89,210**
Profit for the year	–	–	–	–	11,197	11,197
Other comprehensive income for remaining operations		-6,445	-5	-4	186	-6,268
Dividend paid according to resolution of Annual General Meeting on 23 April 2025	–	–	–	–	-1,203	-1,203
CLOSING EQUITY, 31 December 2025	**118**	**39,318**	**4**	**6**	**53,490**	**92,936**

Consolidated cash flow statement

MSEK	Note	2025	2024
Operating activities			
Operating profit		14,370	9,962
Non-cash items	12	-11,843	-7,933
Interest received, etc.		35	39
Interest paid		-304	-297
Tax paid		-310	-196
Cash flow from operating activities before changes in working capital		**1,948**	**1,575**
Change in working capital			
– Operating receivables		-602	-130
– Inventories		-20	-32
– Operating liabilities, etc.		90	-74
Cash flow from operating activities		**1,416**	**1,339**
Investing activities			
Investments in non-current assets		-607	-563
Investments in shares and participations		-2	-10
Dividends from associates		28	15
Sale of non-current assets		414	117
Sale of shares and participations		360	91
Change in interest-bearing receivables		-3	-71
Cash flow from investing activities		**190**	**-421**
Financing activities			
Change in equity			
– Dividend		-1,203	-1,207
Change in interest-bearing liabilities			
– Borrowings		5,275	6,700
– Repayment of loans		-5,781	-6,052
Cash flow from financing activities	22	**–1,709**	**-559**
CASH FLOW FOR THE YEAR		**-103**	**359**
Cash and cash equivalents at the beginning of the year	22	897	538
Cash and cash equivalents at year-end	22	794	897

Parent company financial statements

Parent company income statement

MSEK	Note	2025	2024
Operating income			
Net sales	4, 7	47	42
Other operating income	5	–	41
Total income		**47**	**83**
Operating expenses			
Other external expenses	6, 7	0	-2
Staff costs	8	-3	-1
Depreciation according to plan	9	0	0
Total expenses		**-3**	**-3**
Operating profit		**44**	**80**
Profit or loss from financial items	10		
Other financial income		22	46
Other financial expenses		-407	-569
Net financial income/expense		**-385**	**-523**
Profit/loss before appropriations and tax		**-341**	**-443**
Group contributions received		907	930
Provisions to untaxed reserves		-117	-179
Profit/loss before tax		**449**	**308**
Tax	11	-115	-111
PROFIT FOR THE YEAR[1)]		**334**	**197**
Proposed dividend per share including dividend of subsidiary at Extraordinary General Meeting, SEK (2024 set dividend per share)		11.30	10.16

[1)] Same as Total comprehensive income for the year.

Parent company balance sheet

MSEK	Note	31 Dec 2025	31 Dec. 2024
ASSETS			
Non-current assets			
Property, plant and equipment	15		
Forest properties		26	26
Buildings, other land and land improvements		8	8
Total property, plant and equipment		**34**	**34**
Non-current financial assets			
Shares and participations	16	24,931	24,934
Receivables from Group companies, interest-bearing	3, 22	400	400
Total non-current financial assets		**25,331**	**25,334**
Total non-current assets		**25,365**	**25,368**
Current assets			
Current receivables			
Receivables from Group companies	3, 22	907	930
Tax assets		–	95
Other receivables	20	74	53
Receivables from Group companies, interest-bearing	3, 22	187	834
Total current assets		**1,168**	**1,912**
TOTAL ASSETS		**26,533**	**27,280**

MSEK	Note	31 Dec 2025	31 Dec. 2024
EQUITY, PROVISIONS AND LIABILITIES			
Equity	21		
Restricted equity			
Share capital		118	118
Statutory reserve		24	24
Total restricted equity		**142**	**142**
Non-restricted equity			
Retained earnings		11,588	12,532
Profit for the year, previous year		197	259
Profit for the year		334	197
Total non-restricted equity		**12,119**	**12,988**
Total equity		**12,261**	**13,130**
Untaxed reserves			
Tax allocation reserve		763	647
Total untaxed reserves		**763**	**647**
Non-current liabilities			
Interest-bearing non-current liabilities	22	6,442	6,344
Total non-current liabilities		**6,442**	**6,344**
Current liabilities			
Liabilities to Group companies, interest-bearing	3, 22	4,632	3,949
Other liabilities, interest-bearing	22	2,268	2,811
Liabilities to Group companies	3	0	100
Tax liabilities		79	210
Other liabilities	25	88	89
Total current liabilities		**7,067**	**7,159**
TOTAL EQUITY AND LIABILITIES		**26,533**	**27,280**

Parent company statement of changes in equity

MSEK	Share capital[1)]	Statutory reserve	Non-restricted equity	Total
Equity, 1 January 2024	**118**	**24**	**13,998**	**14,140**
Dividend paid according to resolution of Annual General Meeting on 24 April 2024	–	–	-1,207	-1,207
Profit for the year	–	–	197	197
Equity, 31 December 2024	**118**	**24**	**12,988**	**13,130**
Dividend paid according to resolution of Annual General Meeting on 23 April 2025	–	–	-1,203	-1,203
Profit for the year	–	–	334	334
CLOSING EQUITY, 31 December 2025	**118**	**24**	**12,119**	**12,261**

[1)] The number of shares amounts to 118,373,034 Class A shares. Also see Note 21 Equity.

Parent company cash flow statement

MSEK	Note	2025	2024
Operating activities			
Operating profit		44	80
Non-cash items	12	-1	-41
Interest and dividends received		22	46
Interest paid		-403	-467
Tax paid		-151	-48
Cash flow from operating activities before changes in working capital		**-489**	**-430**
Change in working capital			
– Operating receivables		626	-882
– Operating liabilities		-1	0
Cash flow from operating activities		**136**	**–1,312**
Investing activities			
Investments in non-current assets		–	0
Sale of non-current assets		0	43
Settled interest-bearing receivables		–	100
Cash flow from investing activities		**0**	**143**
Financing activities			
Dividend paid		-1,203	-1,207
Group contribution received		930	863
Paid shareholder contribution		-100	–
Borrowings		5,275	6,700
Repayment of loans		-5,038	–5,187
Cash flow from financing activities	22	**-136**	**1,169**
CASH FLOW FOR THE YEAR		**0**	**0**
Cash and cash equivalents at the beginning of the year	22	**0**	**0**
Cash and cash equivalents at year-end	22	**0**	**0**

Notes

NOTE 1
Accounting principles

General disclosures
Sveaskog AB and its subsidiaries (Sveaskog Group) sell timber, pulpwood and biofuel. Of the net sales, just over half come from Sveaskog's own forests and the rest from externally acquired wood raw materials. The Group's own forests consist of forests, 100 per cent of which are in Sweden.

The parent company is a public limited company with its registered office in Sweden. The address of the company's registered office is Torggatan 4, Kalix.

Compliance with standards and law
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretation statements from the IFRS Interpretations Committee that have been approved by the European Commission for application within the EU. Furthermore, the Swedish Corporate Reporting Board Recommendation RFR 1 – Supplementary accounting rules for groups, has been applied.

The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board Recommendation RFR 2, which means that the parent company in the annual accounts of the legal entity shall apply all of the EU-approved IFRSs and interpretive statements as far as possible within the framework of the Annual Accounts Act and taking into account the relationship between accounting and taxation. The recommendation sets out the exceptions and additions to be made to IFRSs.

The parent company applies the same accounting principles as the Group except in the cases listed below under the section "Parent company accounting principles".

Valuation basis
Assets and liabilities are recognised at historical cost, except for certain financial assets, liabilities and biological assets that are valued at fair value.

Assessments and estimates in the financial statements
When preparing the financial statements in accordance with IFRS, management is required to make assessments and estimates and make assumptions that affect the application of the accounting principles and the recognised amounts of assets, liabilities, income and expenses. The estimates and assumptions are based on historical experience and a number of other factors which, under the current circumstances, appear to be reasonable. The result of these estimates and assumptions is then used to assess the carrying amounts of assets and liabilities that are not otherwise clearly identified from other sources. Actual outcomes may differ from these estimates and assessments.

The estimates and assumptions are reviewed on a regular basis. Changes in estimates are recognised in the period the change is made if it has only affected this period, or in the period the change is made and future periods if the change affects both the current period and future periods.

The assessments and estimates that, according to the management, are material for recognised amounts in the annual report and where there is a significant risk that future events and new information may change these assessments and estimates mainly include climate-related risks and their impact on the recognised value of the forest assets. A changing climate increases the risk of extreme weather such as drought, storms and torrential rain. It also leads to changes in rainfall, forest fires and increased incidence of pests that make forestry more difficult. For example, the risks may result in a raw material to be used for sawlogs becoming pulpwood instead. Sveaskog's forest holdings are spread across the country, which evens out weather and biological risks over time, and the company continuously takes these risks into account in its business plan, in investment decisions and conducts continuous impairment testing and takes measures to reduce risk exposure. In addition, Sveaskog broadens its revenue base and contributes to the development of new products to reduce exposure. Sveaskog has its forest holdings insured for damage caused by storm and fire.

Sveaskog's method for valuing forest assets as of 2020 is based on the fact that a number of major forest land transactions were carried out which show that the value of larger forest assets per hectare or per cubic metre is generally at the same level as for smaller and medium-sized forest assets. Later transactions confirm this.

Total forest assets are divided into standing timber and land assets. Standing timber is recognised as a biological asset according to IAS 41 Agriculture and forestry. Land assets are recognised as property, plant and equipment in accordance with IAS 16 Property, plant and equipment item 31, the so-called revaluation model (see Note 14). In order to calculate the fair value of the biological assets – standing timber, the estimated cash flow from future income from timber extractions less felling costs has been discounted to a present value. Changes in the value of biological assets, calculated as net of changes due to harvest and unrealised changes in fair value, are recognised in the income statement. The carrying value of forest land is calculated as the difference between the total value of forest assets and biological assets. This value reflects future revenues from non-harvesting of now standing trees, such as letting for wind power, extracting from rock quarries, hunting leases, concession revenues and harvesting of future generations of trees and is reported through other comprehensive income.

In the valuation of the forest assets, a number of assumptions are made, which are presented in Note 14 Forest assets – biological assets and land assets.

The specified accounting principles have been applied consistently to all periods presented in the financial statements. The Group's accounting principles have been applied consistently to the reporting and consolidation of subsidiaries.

New standards and interpretations that have not yet entered into force
IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements from 1 January 2027, but the standard needs to be applied retroactively for comparative periods. Implementation within the company is ongoing.

None of the other new accounting rules adopted by the IASB that take effect in 2025 will have any material effect on Sveaskog.

Segment reporting
The Group applies IFRS 8. The Group has one segment, named the Forest Business. The Forest Business is the consolidated segment of the Group with the purchase and sale of timber, pulpwood, wood chips and biofuel, as well as seedlings and operations are reported internally as one segment. The products of the forestry movement are considered to have similar economic characteristics and that they are delivered to the company's customers via the same type of distribution methods.

Sales per geographic market are presented in Note 4 and non-current assets per geographic market are presented in Note 15.

Functional currency and date
The functional currency is Swedish kronor (SEK), which also constitutes the presentation currency. This means that the financial statements are presented in Swedish kronor. All amounts, unless otherwise stated, are rounded to the nearest millions of SEK (MSEK). Amounts in parentheses indicate the value of the previous year.

Note 1, cont.

Foreign currency
Transactions, receivables and liabilities in foreign currency
Translation differences arising from the translations are recognised in the income statement, partly in operating profit and partly in net financial items, depending on the nature of the underlying transactions. Non-monetary assets and liabilities recognised at historical cost are translated at the exchange rate at the time of the transaction.

The functional currency is the currency of the primary economic environment in which the participating companies operate. The companies in the group are parent companies and subsidiary companies. The functional currency and presentation currency are Swedish kronor for all companies except the subsidiary SIA Sveaskog Baltfor Ltd, which has the euro as its functional currency.

Impairment losses
An impairment is recognised when the carrying amount of an asset or group of a company's assets exceeds the recoverable amount. An impairment is charged to the income statement and is proportional to the assets concerned.

PARENT COMPANY
Parent company accounting principles
The following accounting principles for the parent company have been applied consistently to all periods presented in the parent company's financial statements. The parent company applies IFRS 9 in its entirety. The company has no hedge accounting.

The parent company applies the exemption from the application of IFRS 16. As a lessee, leasing fees are expensed straight-line over the lease term and thus rights-of-use and lease liabilities are not recognised on the balance sheet.

The parent company does not apply the revaluation model to its forest assets, but values them at cost in accordance with IAS 16 p30.

Tax
In the parent company, the deferred tax liability attributable to the untaxed reserves is not recognised separately in accordance with RFR 2 Accounting for legal entities. The untaxed reserves are thus recognised in the gross amount on the balance sheet and in the gross amount in the income statement.

Group contributions
The parent company applies the alternative rule in RFR 2 for the recognition of Group contributions and recognises both received and paid Group contributions as well as appropriations.

NOTE 2
Information on the parent company

Sveaskog AB (publ), corp. ID no. 556558-0031, with its registered office in Kalix, is a limited company registered in Sweden. The company was wholly owned by the Swedish State at 31 December 2025. Sveaskog's head office has the following address:
SE-105 22 STOCKHOLM
Visiting address: Wallingatan 2

Sveaskog AB (Publ.) owns and manages forest properties and shares in subsidiaries and is responsible for Group-wide financing.

NOTE 3
Related-party transactions

Related party transactions are made on market terms. Related parties are the companies in which Sveaskog can exercise a controlling or significant influence over the operational and financial decisions that are made. Related parties also comprise the companies and natural persons that have the possibility to exercise a controlling or significant influence over Sveaskog's financial and operational decisions. Related party transactions also include defined-benefit and defined-contribution pension plans.

Transactions with the State
Sveaskog is wholly owned by the Swedish state. The Sveaskog Group's products and services are offered to the State, central government authorities and State-owned companies in competition with other suppliers on commercial terms.

Similarly, Sveaskog AB and its Group companies purchase products and services from government agencies and companies at market prices and on commercial terms. The State, authorities or companies alone do not account for a significant share of the Sveaskog Group's net sales or earnings. In 2025, Sveaskog did not receive any compensation for encroachment when creating nature reserves on the company's properties (MSEK 1.7). No collateral or contingent liabilities were issued.

In 2025, property transactions with other State-owned companies were carried out for a total of MSEK 218. Additional property transactions with other State-owned companies, which are expected to be completed during the first half of 2026, are classified as assets held for sale.

Sveaskog AB's transactions with subsidiaries
No internal property transactions were made during 2025 (3). Sveaskog AB's invoicing to subsidiaries amounted to MSEK 47 (42) in 2025. No purchases were made from subsidiaries. Dividends from Sveaskog Förvaltnings AB and interest income from and interest expenses to Group companies are specified in Note 10 Financial income and expenses.With regard to Sveaskog AB's receivables and liabilities to subsidiaries, please refer to the table Related-party transactions, Note 17 Non-current receivables, Note 19 Trade receivables and Note 22 Cash and cash equivalents, interest-bearing liabilities and other financial instruments. Shares in Group companies are specified in Note 16 Shares and participations. Otherwise, there are no collateral or contingent liabilities.

Transactions with associates
Sveaskog completed the sale of its shareholding (50 per cent) in Setra Group AB on 30 April 2025. Sales to Setra Group for the period up to and including 30 April 2025 account for 5 per cent (14) of the total net sales of the Group. For the period until 30 April 2025, purchases from Setra Group mainly concerned residual products from Setra's sawmills (chips, shavings and bark) and account for 1 per cent (2) of the Group's total costs for raw materials and consumables.

Sveaskog Förvaltnings AB has two additional associates, Sunpine AB, where shares and voting rights amount to 25.14 per cent, and ShoreLink AB, where shares and voting rights amount to 24.07 per cent. There were no purchases from Sunpine AB in 2025 (MSEK 1). During the year, loading, unloading and timber transport services were purchased from ShoreLink AB for a value of MSEK 4 (12).

Note 3, cont.

Transactions with senior executives
There are no transactions or receivables/liabilities from Sveaskog to senior executives/Board members beyond salary and reimbursements. There are no pledged assets or contingent liabilities from Sveaskog to senior executives/Board members.

For information about the remuneration of senior executives and Board members, please refer to Note 8.

Related-party transactions

	Group		Parent company	
MSEK	2025	2024	2025	2024
Sales to related parties, subsidiaries			47	42
Purchases from related parties, subsidiaries	–	–	1	–
Receivables from related parties, Group companies (see Note 17 and 22)	–	–	1,494	2,164
Liabilities to related parties, Group companies (see Note 22)	–	–	4,632	4,049
Sales to related companies, associates	455	1,142	–	–
Purchases from related companies, associates	26	66	–	–
Receivables from related parties, associates (see Note 19)	–	233	–	–
Liabilities to related parties, associates (Note 24)	1	6	0	–

NOTE 4
Revenue distribution

ACCOUNTING PRINCIPLES
Sawlogs
Revenue for the sale of sawlogs includes timber of spruce, pine and various deciduous trees such as beech, oak and birch. The customer gets control of the timber when it is delivered to the mill and measured. Revenue recognition takes place the same month as the measuring. In order to meet customers' needs, Sveaskog supplements the timber from its own forest with externally purchased volumes or by bartering timber with other forest owners. In the case of bartering, each subset of the barter is handled in a VIOL business chain and the equivalent is also done by the bartering partner. Bartering deals are thus handled in the same way as other transactions in terms of revenue recognition. VIOL is an industry-wide system for transactions and up-to-date information about completed deliveries throughout the chain between forest and industry. All measurements are collected and processed here.

Pulpwood and wood chips
Revenue for the sale of pulpwood and wood chips includes a wide range from Sveaskog's own forests, imports and purchases from other forest owners. The sales are made to the paper and pulp industry. The customer gains control of the pulpwood and wood chips when they are delivered to the mill and measured. Revenue recognition takes place the same month as the measuring.

Biofuel
Revenue for the sale of biofuel includes branches and peaks (GROT) as well as undersized trees and energy wood. The biofuel comes from cleaning, thinning and regeneration felling in Sveaskog's own forests and through purchases from other forest owners. The proceeds are recognised when the biofuel has been delivered to the customer.

Svenska Skogsplantor
Within the framework of the brand Svenska Skogsplantor, seed and seedlings are produced and sold. Svenska Skogsplantor also offers forest management services such as soil scarification and planting to external customers. The revenue is recognised when seedlings or seed has been delivered to the customer or over the time as planting and soil scarification is carried out.

Other
Other revenues from contracts with customers include forestry assignments, hunting fees for elk, fishing licences and locking operations, etc. The revenue is recognised over the time the assignment is carried out and when fees for hunting fees, locking operations, etc. are received.

Concessions (revenue from leases)
Revenue for concessions primarily includes concessions for hunting and fishing. Other concessions include rentals and leases for agriculture, peat, gravel and rock quarries, as well as for wind power and telecommunications equipment. The revenue is recognised over the useful lives.

Net sales by main goods and services

	Group		Parent company	
MSEK	2025	2024	2025	2024
Sawlogs	3,726	3,293	–	–
Pulpwood and woodchips	4,132	4,058	–	–
Biofuel	149	161	–	–
Seedlings	361	334	–	–
Other	120	198	–	–
Total revenues from contracts with customers	**8,488**	**8,044**	**–**	**–**
Of which IFRS 15 in net sales	8,488	8,044	-	–
Lease income	258	260	47	42
Total net sales	**8,746**	**8,304**	**47**	**42**
Of which IFRS 15 in other operating income	6	3	–	–
Capital gains, etc.	95	101	–	41
Total other operating income	**101**	**104**	**–**	**41**
Date of revenue recognition				
Goods and services transferred to customers on a specific date	8,376	7,910	–	–
Services transferred to customers over time	118	137	–	–

Note 4, cont.

Sveaskog has unmet performance commitments for sales agreements with an original contract period of more than 12 months of MSEK 8,739 (10,633), of which MSEK 1,960 (2,148) is expected to be earned in the following year, MSEK 6,656 (7,649) within 2-5 years and MSEK 123 (836) in the subsequent years. Sveaskog applies the practical exception in IFRS 15.121a of not disclosing the remaining performance obligations for contracts with an original term of no more than one year. The obligations consist of contracted deliveries forward in time, mainly for pulpwood but also for biofuel and seedlings, where Sveaskog has undertaken to deliver a certain volume per year. The value of these obligations, which is based on current prices, is somewhat uncertain since the contracts consist of several delivery contracts where the price is renegotiated each year. Of the unsatisfied performance obligations of MSEK 10,633 (2,235) reported for last year, MSEK 2,148 (1,055) referred to 2025. During the reporting period, MSEK 2,148 (1,055) was recognised as revenue.

Net sales by geographic market

The Group's net sales are 99 per cent (99) attributable to Sweden. The parent company's net sales are entirely attributable to Sweden.

Net sales by geographic market

	Group		Parent company	
MSEK	2025	2024	2025	2024
Revenue by geographic market				
Net sales				
Sweden	8,691	8,191	47	42
Finland	33	94	–	–
Norway	19	13	–	–
Latvia	0	3	–	–
Denmark	1	2	–	–
Other countries	2	1	–	–
Total	**8,746**	**8,304**	**47**	**42**

Information about major customers

The Group has two customers (two) each of which individually exceed 10 per cent of the sales. Sales to the three largest customers are MSEK 1,328 (1,400), MSEK 1,153 (1,142) and MSEK 788 (747), respectively.

NOTE 5

Other operating income

Government assistance

Compensation for road grants of MSEK 29 (31), nature conservation efforts of MSEK 8 (4) and other government grants of MSEK 2 (3) are recognised as revenue in the income statement. Other non-government grants amounted to MSEK 1 (0).

The road grants are of two types, for annual operation (summer and winter maintenance) and for special operation (road rehabilitation). There are no unfulfilled conditions which may lead to repayment.

Sveaskog does not expect significant reductions in government assistance in the coming years. Prior to assistance applications, the time required, the cost of the measure, the area of action and the (potential) natural and cultural values of the area are weighed against one another. Labour-intensive measures and larger areas, such as nature conservation burnings and grazing or hay-making land, are most often prioritised.

Road grants are paid to road maintenance operators when there is a permanent resident who lives more than 1 km from a public road. The maintenance grant is calculated as a flat rate and amounts to approximately 50-70 per cent of Sveaskog's maintenance costs for the roads eligible for the grant. The grants received are used up each year. Each grant road can be followed with project numbers both at Sveaskog and at the Swedish Transport Administration, which is the main grant issuer.

Insurance compensation

Sveaskog has its forest holdings insured against additional costs caused by storm and fire. No external insurance compensation was received for this type of damage in 2025 or 2024. Other insurance compensation <MSEK 1 /year.

Other operating income

	Group		Parent company	
MSEK	2025	2024	2025	2024
Capital gains from sales of machinery, equipment and properties	19	38	–	41
Insurance compensation	0	0	–	–
Compensation for encroachment	21	14	–	0
Grants	38	37	–	–
Licence income and royalties	6	3	–	–
Other operating income	17	11	–	–
Total	**101**	**104**	**–**	**41**

NOTE 6

Other external expenses

Compensation to contractors within the Forest Business as well as freight and transport accounts for 67 per cent (73) of the Other external expenses.

Fees and expense reimbursement to auditors

	Group		Parent company	
MSEK	2025	2024	2025	2024
KPMG AB				
Audit engagement	3	3	–	–
Audit activities in addition to the audit engagement	1	0	–	–
Tax advice	0	0	–	–
Other services	0	1	–	–
Total	**4**	**4**	**–**	**–**

Audit engagements refer to the examination of the annual financial statements and the bookkeeping, as well as the management of the Board of Directors and the CEO, other tasks incumbent on the company's auditors, as well as advice or other assistance arising from observations in such examination or the performance of other such tasks. Audit activities in addition to the audit engagement refer to general reviews such as certificates, interim reports, etc., which resulted in a report from the auditor. Tax advice refers to engagements performed in relation to taxes and fees. Everything else is other assignments.

NOTE 7

Leases

The Group as a lessee

ACCOUNTING PRINCIPLES

The Group assesses whether the agreement is, or contains, a lease when the agreement is entered into. The Group recognises a right-of-use and associated lease liability for all leases in which the Group is a lessee, except for short-term leases (contracts classified as leases with a leasing period of less than 12 months) and leases of low value (with a value of the right-of-use of less than SEK 50,000, such as for office machinery).

The lease liability is initially valued at the present value of the leasing fees not paid at the start date, discounted at the Group's marginal loan interest rate. The Group's marginal loan interest rate is determined on the basis of a yield curve based on bonds issued in SEK by companies with a corresponding credit rating. The curve is prepared by the Refinitiv information service and the interest rate for the respective term is entered into the curve.

The lease liability is recognised as current and non-current lease liabilities in the consolidated statement of financial position.

Upon a decision to exercise an additional extension option, the lease term changes and the marginal discount rate used for discounting the leasing fees is also changed.

The rights-of-use include the sum of the initial valuation of the corresponding lease liability, leasing fees paid at or before the commencement date and any initial direct expenses. They are subsequently valued at cost less accumulated depreciation and impairment.

Rights-of-use are depreciated over the shorter of the lease term and the underlying asset's useful life. Depreciation will begin at the start of the lease.

The rights-of-use are recognised as a separate item in the consolidated statement of financial position.

The Group determines whether there is an impairment requirement for the right-of-use and recognises any identified impairment, as described in Note 1 under Impairment losses and in Note 15 Other property, plant and equipment.

Variable leasing fees that do not depend on an index or price are not included in the valuation of the lease liability or the right-of-use. These related payments are recognised as a cost in the period during which the event or relationship that gives rise to these payments arises and is included in Other external costs in profit or loss.

Sveaskog applies the permitted practical solution not to distinguish non-leasing components from leasing components. Instead, each leasing component and all related non-leasing components are recognised as one single leasing component.

Sveaskog is the lessee of:

- Offices, warehouses, storage rooms, garages.
- Forest machinery, forklifts and cars.
- Land for seedling terminals, seed plantations, fishing rights, parking, etc.
- Office equipment, alarms, etc.

Right-of-use asset

MSEK	Right-of-use asset, land	Right-of-use asset, building	Right-of-use asset, machinery and equipment	Total rights-of-use assets
Group				
Opening value, 1 January 2024	9	104	54	167
New agreements	0	20	22	42
Concluded agreements	0	-2	-6	-8
Revaluations	1	5	12	18
Depreciation for the year	-2	-32	-14	-48
Closing value, 31 December 2024	**8**	**95**	**68**	**171**
New agreements	1	17	60	78
Concluded agreements	0	0	-23	-23
Revaluations	-1	10	13	23
Depreciation for the year	-1	-33	-27	-61
Closing value, 31 December 2025	**7**	**89**	**91**	**188**

Lease liability

MSEK	2025	2024
Group		
Opening balance, 1 January	178	174
New agreements	79	41
Repayment and closing	-90	-60
Revaluations	22	17
Upward interest adjustment	6	6
Closing value, 31 December	**195**	**178**
of which current	*88*	*44*
of which non-current	*107*	*134*

Maturity analysis in table Liquidity risk, see Note 28.
Reconciliation of financial liabilities vs. cash flow, see Note 22.

IFRS 16 impact on income statement

MSEK	2025	2024
Group		
Depreciation of rights-of-use	-61	-48
Interest expenses on lease liabilities	-6	-6
Deferred tax	0	0
Impact on net profit	**-67**	**-54**

Total cash outflows for leases

MSEK	2025	2024
Leasing fees paid for agreements included in the lease liability	65	53
Variable leasing fees for the leases above but not included above	3	5
Short-term leases, leasing cost	3	13
Leases of assets of low value, leasing cost	2	1
Total cash outflows from leases	**73**	**72**

Note 7, cont.

Type of agreement

	Maturity	Extension options	Index clauses	Variable leasing fees	Residual value guarantees	Period of notice (before the end of the agreement)
Office space	1-5 years	Most often	Most often	Yes, property tax	No	3-12 months
Seedling terminal and warehouse	2-10 years	Most often	Most often	No	No	6-24 months
Garage and parking spaces	1-5 years	Most often	Most often	No	No	1-12 months
Production machinery and forklifts	2-6 years	Yes to production machines	Yes or linked to interest rate index	No	No	3 months on production machines
Land and water for plantation, fishing waters and ground rent	2-50 years	Yes	Yes	No	No	12-24 months
Office equipment, e.g. alarms, video equipment and room reservation screens	3-5 years	Yes for alarms	An agreement linked to an interest rate index	No	No	10 months for alarms
Cars	2-5 years	No	No	Yes, vehicle tax	Yes	E/T

Extension options have been taken into account if it is reasonably certain that they will be exercised. The weighted average marginal loan interest rate amounted to 2.55 per cent (2.92).

There are no leases in the parent company.

The Group as a lessor

ACCOUNTING PRINCIPLES

Rental agreements for which Sveaskog is a lessor are classified as financial or operating leases. Leasing agreements in Sveaskog AB, Sveaskog Förvaltnings AB and Sveaskog Finans AB are recognised as operating leases. For 2025, no finance leases are recognised. When a contract includes both rental and non-rental components, the consideration is allocated to the different performance commitments.

Sveaskog enters into a lease as the lessor with respect to:

- Hunting and fishing concessions.
- Residential, holiday home, farm and side leases.
- Other land concessions such as for wind power and mobile phone masts.
- Quarries such as gravel, peat and rock

Lease income

	Group		Parent company	
MSEK	2025	2024	2025	2024
Lease income for the year	265	265	47	42
Maturity of contracts entered into				
Within 1 year	269	284	47	42
1-2 years	132	127	–	–
2-3 years	137	132	–	–
3-4 years	137	137	–	–
4-5 years	136	136	–	–
More than 5 years	1,210	1,210	–	–
Total	**2,021**	**1,864**	**47**	**42**

The agreements for hunting and fishing are, in most cases, open-ended concessions, or concessions of 1–5 years, which can be terminated by either party at short notice.

Agreements for agricultural leases, residential leases, etc., and leases with tenancy rights (mainly holiday homes) have varying durations, but for leases for dwellings, there are usually long agreement periods or open-ended leases associated with some form of security of tenure.

The Group has revenues for installation concessions for wind power stations, communication masts and other capital-intensive installations. The wind power agreements in particular are signed with long contractual terms of 25 years or more. The Group grants the right-of-use to rock, gravel and peat extraction pits. The leases are in most cases linked to valid extraction permits and may have a duration of up to 25 years.

Sveaskog Finans AB offers leasing and instalment purchases of production machines, such as forwarders and felling machines to Sveaskog's contractors. In order to manage the risks in the company's operations, the company has a risk strategy, which includes, among other things, a thorough background check and financial analysis of the lessees. All leasing credits are decided in a credit committee consisting of parts of the Board of Directors of the finance company as well as production and technology managers. In all leases, there is a strong right to repossess the leased machine in the event of a lack of ability to pay.

NOTE 8

Staff costs, average number of employees and sick leave

Wages, salaries and other remuneration and social security expenses

	Group		Parent company	
MSEK	2025	2024	2025	2024
Salaries and other benefits	516	492	2	2
Contractual pensions to the CEO	2	2	–	–
Contractual pensions, others	47	93	–	–
Other social security expenses	173	174	0	0
Total	**738**	**761**	**2**	**2**

Of the costs of contractual pensions, MSEK 12 (58) refers to defined-benefit plans and MSEK 37 (37) to defined-contribution plans. See also Note 23 Pension commitments, pension provisions and other provisions for pensions and similar commitments.

Salaries and other benefits by country

	2025		2024	
MSEK	Board of Directors, CEO, Deputy CEO	Other employees	Board of Directors, CEO, Deputy CEO	Other employees
Parent company				
Sweden	2	–	2	–
Subsidiaries				
Sweden	5	490	5	466
– of which bonus	–	–	–	–
Latvia	2	17	1	18
Total subsidiaries	7	507	6	484
Total	**9**	**507**	**8**	**484**

Average number of employees per country

	2025		2025	2024
	Women	Men	Total	Total
Parent company	–	–	–	–
Subsidiaries				
Sweden	260	581	841	809
Latvia	6	33	39	41
Total subsidiaries	266	614	880	850
Total	**266**	**614**	**880**	**850**

Gender distribution on the Board and in Group management

	2025		2024	
Group	Women	Men	Women	Men
Board members				
– Elected by the Annual General Meeting	4	4	4	4
– Employee representatives, ordinary	1	1	1	1
– Employee representatives, alternates	–	2	–	2
CEO	–	1	–	1
Other Group management	5	4	5	4
Total	**10**	**12**	**10**	**12**

The Board of Directors is identical in Sveaskog AB and Sveaskog Förvaltnings AB.

	2025		2024	
Parent company	Women	Men	Women	Men
Board members				
– Elected by the Annual General Meeting	4	4	4	4
– Employee representatives, ordinary	1	1	1	1
– Employee representatives, alternates	–	2	–	2
CEO	–	1	–	1
Total	**5**	**8**	**5**	**8**

	2025		2024	
Subsidiaries (operating)	Women	Men	Women	Men
Board members				
– Elected by the Annual General Meeting	9	12	9	16
– Employee representatives, ordinary	1	1	1	1
– Employee representatives, alternates	–	2	–	2
CEO	2	2	1	3
Total	**12**	**17**	**11**	**22**

Information on employee absences due to illness, Group

	2025	2024
Total sick leave as a percentage of employees' total regular working hours		
Men	2.8	3.4
Women	4.7	5.1
Total	**3.4**	**3.9**
Duration of sick leave in days as a percentage of total sick leave		
Continuous period of 60 days or more	61	64
< 60 days	39	36
Total	**100**	**100**
Age distribution of sick leave as a percentage		
29 years and younger	2.7	2.4
30-49 years	3.2	4.1
50 years and older	3.7	4.1
Total	**3.4**	**3.9**
Number of long-term healthy persons as a percentage of the average number of permanent employees [1) 2)]	26.6	26.9

1) Excluding SIA Sveaskog Baltfor

2) Persons who have been employed for at least three years and have no absence due to illness in the last two years.

Note 8, cont.

Principles for remuneration and other benefits for the Board of Directors and senior executives

Principles
Fees are paid to the Chair of the Board and the other Board members elected by the Annual General Meeting according to a resolution by the Annual General Meeting. Sveaskog complies with the State's principles regarding remuneration of senior executives. The remuneration of the CEO is decided by the Board of Directors and other Group management is decided by the CEO after consultation with the Remuneration Committee. Remuneration issues are prepared by the Remuneration Committee, which consists of Kerstin Lindberg Göransson (Chair), Timo van't Hoff, Annika Ramsköld and Stefan Öhlén.

Remuneration and other benefits during the year, Board of Directors

2025, SEK	Board fees	Committee fees	Total
Kerstin Lindberg Göransson, Board Chairperson	546,667	17,000	563,667
Cecilia Ardström	233,000	61,000	294,000
Marie Berglund (until 24 June 2025)	75,000	4,667	79,667
Elisabet Salander Björklund	233,000	77,333	310,333
Måns Nilsson (until 24 June 2025)	75,000	14,000	89,000
Uno Brinnen	233,000	43,333	276,333
Timo van't Hoff	233,000	14,667	247,667
Christer Simrén (from 23 April 2025)	158,000	29,333	187,333
Annika Ramsköld (from 23 April 2025)	158,000	10,000	168,000
Total	**1,944,667**	**271,333**	**2,216,000**

2024, SEK	Board fees	Committee fees	Total
Kerstin Lindberg Göransson, Board Chairperson	525,000	14,133	539,133
Cecilia Ardström (from 24 April 2024)	150,000	35,333	185,333
Marie Berglund	222,167	13,466	235,633
Elisabet Salander Björklund	222,167	69,000	291,167
Anna Belfrage (until 24 April 2024)	72,167	16,467	88,634
Måns Nilsson	222,167	41,733	263,900
Uno Brinnen	222,167	41,733	263,900
Timo van't Hoff	222,167	13,466	235,633
Total	**1,858,002**	**245,331**	**2,103,333**

The Board also includes employee representatives and a representative of the owner. No Board fees are paid to these representatives.

Remuneration and benefits during the year, Group management and other senior executives

2025, SEK	Salaries and other benefits	Taxable benefits	Pension expense[1)]	Total
Group management				
Erik Brandsma, CEO	5,322,602	57,040	1,650,387	7,030,029
Other Group management (9 persons)	15,730,978	511,226	5,882,835	22,125,040
Other senior executives				
Guntars Zvejsalnieks, President, SIA Sveaskog Baltfor (EUR)[2)]	129,393	4,396	-	133,789
SEK	1,399,773	47,556		1,447,329
Total (SEK)	**22,453,354**	**615,822**	**7,533,222**	**30,602,398**

1) Pension premiums paid during the year or for the specified period.
2) EUR, exchange rate at 31 Dec. 2025 EUR/SEK 10.81 (11.47).

2024, SEK	Salaries and other benefits	Taxable benefits	Pension expense[1)]	Total
Group management				
Erik Brandsma, CEO	4,919,660	59,748	1,739,346	6,718,754
Other Group management (9 persons)	15,134,297	471,860	5,445,826	21,051,983
Other senior executives				
Guntars Zvejsalnieks, President, SIA Sveaskog Baltfor (EUR)[2)]	126,559	556		127,115
SEK	1,451,632	6,377		1,458,009
Total (SEK)	**21,505,589**	**537,985**	**7,185,172**	**29,228,746**

1) Pension premiums paid during the year or for the specified period.
2) EUR, exchange rate at 31 Dec. 2024 EUR/SEK 11.47 (11.13).

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Senior executives
Remuneration of the CEO, other Group management and other senior executives consists of basic salary, a benefit car or an annual pass for public transport and pension. Incentive programmes or variable remuneration do not exist.

Chief Executive Officer
Erik Brandsma

Pension
In addition to pension benefits under the National Insurance Act, the company pays premiums to an occupational pension solution designated by Erik Brandsma comprising an old-age pension, a premium exemption and, if desired, survivors' protection. The size of payments amounts to 30 per cent of Erik Brandsma's fixed salary.

Termination and severance pay
In the event of termination by the company, a period of notice of six months applies, and in the event of resignation by Erik Brandsma, it is also six months. Upon termination by the company, severance pay of 12 monthly salaries is received. Termination pay and severance pay are offset against other income. Severance pay is neither pensionable nor a basis for holiday pay.

Other members of Group management and the President of the subsidiary in Latvia
Pension
From the age of 65, a pension corresponding to the ITP plan will be paid. In cases where an alternative ITP solution is applied, premiums are paid as in traditional ITP plans. For the President of the subsidiary in Latvia, pension conditions are applied in accordance with Latvian law.

Termination and severance pay
In the event of termination by the company, a period of notice of six months applies, and in the event of resignation by the employee, it is also six months. Upon termination by the company, severance pay of 12 monthly salaries is received. Termination pay and severance pay are offset against other income. Severance pay is neither pensionable nor a basis for holiday pay.

Guidelines for remuneration and terms of employment for senior executives
These guidelines cover salaries, benefits, other remuneration and terms of employment for senior executives. Senior executives refers to the members of the Board of Directors, the CEO, the Deputy CEO and other members of Group management.

Note 8, cont.

GUIDELINES FOR REMUNERATION AND TERMS OF EMPLOYMENT FOR SENIOR EXECUTIVES (decided by the Annual General Meeting in 2025)

These guidelines cover salaries, benefits, other remuneration and terms of employment for senior executives. Senior executives refers to the members of the Board of Directors, the CEO, the Deputy CEO and other members of group management. The guidelines shall be applied to remuneration agreed upon, and changes made to already agreed remuneration, after the adoption of the guidelines by the 2025 Annual General Meeting. However, previously concluded contracts with senior executives that are contrary to these guidelines should be renegotiated. The guidelines do not include remuneration decided by the General Meeting.

The guidelines have been drawn up in accordance with the remuneration principles in the State's ownership policy for State-owned companies, which was decided by the Government on 20 February 2025. In addition to the State's ownership policy, the company also applies the rules of the Swedish Companies Act and the Annual Accounts Act for public limited liability companies whose shares are listed for trade on a regulated market in Sweden with regard to the auditor's statement on the application of current remuneration guidelines and the preparation of the remuneration report.

The guidelines promotion of the company's business strategy, long-term interests and sustainability

In brief, the company's business strategy is as follows.

Being seen as a role model for responsible forest ownership is a major task, and the company's ambitions and goals are therefore set high. Sveaskog's vision is to be the world leader in sustainable value creation in the forest. In order to achieve this, we strive for the best balance in ecological, economic and social values. Sveaskog wants to lead the way for the rest of the forest industry, both in terms of developing and adapting forestry and by creating a functioning market for biocredit. Our unique competence, size and capacity give us the conditions to succeed, and to ensure that our sustainable value creation is world-leading; we compare ourselves not only with other Swedish forest owners, but also globally.

Sveaskog's core business is to manage the forest, and provide timber, pulpwood, wood chips, biofuel, seedlings and forest services for a long-term sustainable return. From having previously had a more one-sided raw material perspective, Sveaskog is now moving towards becoming a forest owner that develops more assets in its land holdings. This includes a greater focus on creating higher returns from other parts of the business than the purely forest elements. The new climate benefit objective also indicates that the company can only be profitable in the long term if it has a full grasp of how climate change is altering the conditions for the business.

Sveaskog is currently working towards four prioritised strategic goals for sustainable value creation that reflect the long-term challenges facing the company. The goals are as follows:

- Increased forest growth
- Increased climate benefit
- Development of biodiversity and ecosystem services
- Increased long-term returns from forests and land

Six key success factors have been identified for achieving the four strategic goals and ultimately the vision. The success factors are as follows:

- Developing sustainable and varied use of forest and land
- Prioritising partnerships, cooperation and dialogue
- Actively working for new business and higher revenues
- Having high efficiency and being at the forefront of technology, methods and approaches
- One Sveaskog
- Secure skills and job satisfaction

For further information on the company's business strategy, see https://www.sveaskog.se.

A successful implementation of the company's business strategy and safeguarding the company's long-term interests, including its sustainability, requires the company to be able to recruit and retain qualified employees. This requires that the company can offer competitive remuneration. These guidelines enable senior executives to be offered a competitive and yet moderate total remuneration.

Forms of remuneration

The company shall pay remuneration that is competitive, capped and well-balanced, and contributes to good ethics and corporate culture. Remuneration, including benefits, should not be the highest in relation to comparable companies, but should be characterised by moderation. The remuneration of senior executives may consist of the following components: fixed cash salary, pension benefits, severance pay and other benefits. Variable salary shall not be paid to senior executives. Variable salary refers, for example, to incentive programmes, gratuities, remuneration from profit-sharing foundations, bonuses, commission and similar remuneration.

Pension benefits

Pension benefits refers to retirement pension, waiver of premium and survivor's pension. Pension benefits shall be defined contribution, unless the senior executive is covered by a defined-benefit pension under mandatory collective agreement provisions. Pension contributions (including retirement pension, waiver of contributions and survivor's pension) for defined contribution pensions shall not exceed 30 per cent of the fixed annual cash salary. In employment contracts concluded after 1 May 2025, the retirement age shall follow the general target age for retirement. If salary exchange is offered to enhance pension benefits, this should be cost-neutral for the company.

In the case of employment relationships governed by rules other than Swedish, the necessary adjustments may be made, as far as pension benefits are concerned, to comply with mandatory local rules or established local practice. The above shall be taken into account as far as possible when formulating the adaptations.

Other benefits

Other benefits refers to various forms of remuneration for work that are given in addition to salary, such as health insurance and a company car or annual public transport pass. Such benefits may not in total exceed 7 per cent of the fixed annual cash salary. Compensation in the event of incapacity for work due to illness shall comply with the terms of sick pay and sickness pension in the applicable collective agreement or, if the company does not have a collective agreement, correspond to the levels applicable under the collective agreement applied in the industry. Any extension of collective health insurance above the wage level covered by collective agreements shall correspond to market practice.

Termination of employment

Upon termination by the company, the notice period shall not exceed 6 months. Severance pay may not exceed 12 months' salary. In employment contracts entered into before 1 January 2017, severance pay may not exceed 18 months' salary. The severance pay shall be paid monthly and shall consist only of the fixed monthly salary, without any addition for pension benefits or other benefits. Severance pay is paid at most up to the agreed retirement age and never beyond the general target retirement age applicable at the time. In the event of new employment, other additional paid assignments or income from business activities, the severance pay shall be reduced by an amount corresponding to the new income for the period to which the severance pay relates. In the event of the employee's resignation, no severance pay shall be paid.

Consultancy fees for members of the Board of Directors
As a general rule, a Board member should not be engaged as a consultant to the company. If a consultancy assignment is nevertheless considered, it shall be assessed by the Board of Directors on a case-by-case basis and only approved if it is deemed to contribute to the company's strategy and long-term interests, including its sustainability. Any consultancy fees shall be at market rates and regulated in a written agreement. The agreement shall be kept with the group's legal function. The fee for each Board member may not exceed the annual remuneration for the Board assignment. The same shall apply to services provided by a Board member through a company.

Salaries and terms of employment for other employees
In preparing and applying these guidelines, the Remuneration Committee and the Board of Directors take into account the salary and terms of employment of the company's and the Group's other employees, which in turn are influenced by general market conditions and internal factors affecting the company's performance, in that information on employees' total remuneration, the components of remuneration and the increase and growth rate of remuneration over time has formed part of the basis on which the Remuneration Committee and the Board of Directors decide when evaluating the reasonableness of the guidelines and the limitations resulting from them. The Remuneration Committee regularly consults the CEO and the head of HR to keep themselves informed about the other employees' salaries and other terms.

As regards the CEO, the Board of Directors shall decide on a fixed salary and other terms of employment. The decision shall be recorded in the minutes. For other senior executives, the CEO decides on terms of employment in consultation with the Remuneration Committee, which shall follow the guidelines decided by the General Meeting. The CEO shall annually inform the Board of Directors of the current remuneration and terms of employment of the other senior executives.

Before deciding on the remuneration of an individual senior executive, there must be written documentation showing the company's total cost. The decision shall be recorded in the minutes.

The Board of Directors shall ensure that the remuneration complies with these and the Government's principles by comparing terms for equivalent State-owned and private companies comparable to the company in terms of size, complexity and sales. Follow-ups shall also be carried out on a regular basis through the wage comparison by independent market-based salary consultants.

Decision-making process for defining, revising and implementing the guidelines
The Board of Directors has set up a Remuneration Committee. The committee's tasks include preparing the Board's decisions on proposed guidelines for the remuneration of senior executives. The Board of Directors shall prepare proposals for new guidelines at least every four years and submit the proposal for a resolution at the Annual General Meeting. The guidelines shall remain in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall follow and evaluate the application of guidelines for the remuneration of senior executives as well as regarding remuneration structures and remuneration levels in the company. The CEO or other persons in company management are not present at the Remuneration Committee and the Board's treatment of and decisions on remuneration-related matters, in so far as they are concerned by the issues.

Deviation from the guidelines
As a general rule, the company may not deviate from these guidelines. The Board of Directors may, however, decide to temporarily deviate from the guidelines in part or in whole if in an individual case there are special reasons to do so and a deviation is necessary to meet the company's long-term interests and sustainability, or to ensure the company's financial viability. However, this possibility of deviation should be applied very restrictively and requires the company to provide a clear justification for the deviation in the company's remuneration report. As stated above, the Remuneration Committee's duties include preparing the Board of Directors' decisions on remuneration issues, which includes decisions on deviations from the guidelines.

Description of significant changes to the guidelines and how shareholder views have been taken into account
The guidelines have been aligned with the remuneration principles of the government's ownership policy, which was adopted on 20 February 2025.

NOTE 9

Depreciation and amortisation according to plan and impairment

MSEK	Group 2025	Group 2024	Parent company 2025	Parent company 2024
Depreciation/amortisation according to plan				
Intangible assets				
Capitalised expenditure on system development etc. (see Note 13)	21	21	–	–
Right-of-use assets				
Right-of-use assets (see Note 7)	61	48	–	–
Property, plant and equipment				
Buildings (see Note 15)	5	4	0	0
Land assets (see Note 15)	6	3	–	–
Machinery and equipment (see Note 15)	112	103	–	–
Total depreciation/amortisation according to plan	**205**	**179**	**0**	**0**

NOTE 10

Financial income and expenses

ACCOUNTING PRINCIPLES

Financial income and expenses

Financial income and expenses consist of interest income on bank balances, receivables and interest-bearing securities, dividend income, interest expenses on loans, unrealised and realised gains on financial investments and derivative instruments used in financial activities and foreign exchange differences.

Interest income includes accruals of transaction costs and any discounts, premiums and other differences between the original value of the receivable and the amount received at maturity.

The parent company reports Group contributions in appropriations according to the alternative rule in RFR 2 Accounting for legal entities.

Group, MSEK	2025	2024
Financial income		
Interest income	31	39
Capital gain, shares	65	87
Total	**96**	**126**
Financial expenses		
Interest expenses, pensions	-7	-8
Interest expenses, other	-277	-289
Interest expenses on lease liabilities	-6	–
Capital loss, shares	-1	–
Other financial expenses	-11	-11
Exchange rate differences	-1	2
Total	**-303**	**-306**
Total	**-207**	**-180**

Interest income and expenses from financial instruments by category recognised in net financial items

Group, MSEK	2025	2024
Interest income from assets valued at amortised cost	31	39
Total interest income		
Interest expenses on liabilities valued at amortised cost	-280	-272
Interest expenses on derivatives valued at fair value in profit or loss	0	-14
Interest expenses on derivatives valued at fair value through other comprehensive income	-4	-10
Total interest expenses	**-284**	**-296**
TOTAL	**-253**	**-257**

The financial part of the own-account pension commitment costs has been calculated at an interest rate of 2.832 per cent (2.713).

Parent company, MSEK	2025	2024
Other financial income		
Interest income, other Group companies	22	45
Interest income, other	0	1
Total	**22**	**46**
Other financial expenses		
Interest expenses, other Group companies	-111	SEK -150
Interest expenses, other	-282	-309
Impairment of shares in subsidiaries	–	-100
Profit on sale of shares in subsidiaries	-4	–
Other financial expenses	-10	-10
Total	**-407**	**-569**
Total	**-385**	**-523**

Interest income and expenses from financial instruments by category recognised in net financial items

Parent company, MSEK	2025	2024
Interest income from assets valued at amortised cost	22	45
Total interest income		
Interest expenses on liabilities valued at amortised cost	-393	-459
Total interest expenses	**-393**	**-459**
Total	**-371**	**-414**

NOTE 11

Tax

Significant judgements and estimates

The valuation of deferred tax is based on how the carrying amounts of assets and liabilities are expected to be realised. This means, for Sveaskog, that the deferred tax liability also depends on the model assumptions made in the calculation of the biological asset.

Profit after financial items

MSEK	2025	2024
Sweden	14,154	9,759
Other countries	9	23
Total	**14,163**	**9,782**

Tax expense (–) / tax income (+)

	Group		Parent company	
MSEK	2025	2024	2025	2024
Current tax				
Tax expense (–) / tax income (+) for the period	-370	-307	-115	-111
Adjustment of tax expenses attributable to previous years	0	3	–	–
Total	**-370**	**-304**	**-115**	**-111**
Deferred tax				
Deferred tax income (+) / Tax expense (–) for temporary differences	-2,596	–1,709	–	–
Total	**-2,596**	**–1,709**	–	**–**
Total	**-2,966**	**–2,013**	**-115**	**-111**

Tax expense (–) / tax income (+) by country

	Group		Parent company	
MSEK	2025	2024	2025	2024
Sweden	-366	-306	-115	-111
Other countries	-4	-1	–	–
Total	**-370**	**-307**	**-115**	**-111**

Difference between nominal and effective tax rate

	Group		Parent company	
MSEK	2025	2024	2025	2024
Swedish income tax rate	-20.6	-20.6	-20.6	-20.6
Tax effect attributable to previous years	0	0	–	–
Tax effect of participations in the profits/ losses of associates is recognised net after tax	0.1	0.1	–	–
Tax effect due to non-deductible expenses and non-taxable income	-0.4	0.5	SEK -4.9	-6.6
Effective tax rate according to the income statement	-20.9	-20.2	-25.7	-27.2

Tax items recognised against other comprehensive income

	Group		Parent company	
MSEK	2025	2024	2025	2024
Tax attributable to items recognised against other comprehensive income	-1,624	2,344	–	–
Current tax attributable to group contributions paid (–) / received (+)	–	–	–	–
Total	**-1,624**	**2,344**	**–**	**–**

Deferred tax liabilities and tax assets[1)]

Group, MSEK	2025	2024
Deferred tax liabilities		
Forest assets		
– *Land assets*[1)]	10,328	12,019
– *Biological assets*	15,177	12,607
Right-of-use assets	39	37
Financial instruments	2	3
Other non-current assets	41	41
Inventories	36	22
Provision for employee benefits	3	–
Forestry liability	76	–
Tax allocation reserve	505	467
Compensation fund for land	26	0
Other untaxed reserves	198	200
Other reserves	–	83
Total	**26,429**	**25,479**
Deferred tax assets		
Leasing liabilities	40	34
Provisions	10	19
Provision for employee benefits	0	5
Total	**50**	**58**
Total net deferred tax liabilities (+) / assets (-)	**26,379**	**25,421**
Recognised as		
– Deferred tax assets	0	2
– Deferred tax liabilities[1)]	26,379	25,423
Net deferred tax liabilities	**26,379**	**25,421**
Less liabilities attributable to assets held for sale	155	12
Recognised deferred tax liabilities	**26,224**	**25,409**

[1)] All changes in deferred tax have been through comprehensive income, of which net MSEK -1,624 (2,344) through other comprehensive income.

Note 11, cont.

Deferred tax assets and liabilities are distributed as follows:

Group, MSEK	2025	2024
Deferred tax assets		
Deferred tax assets to be used after more than 12 months	0	2
Deferred tax assets to be used within 12 months	–	–
Deferred tax liabilities		
Deferred tax liabilities payable after more than 12 months	26,224	25,411
Deferred tax liabilities payable within 12 months	–	–
Deferred tax liabilities (net)	**26,224**	**25,409**

Top-up Tax Act – Pillar 2

Sveaskog is covered by the OECD Model Rules and the EU Minimum Tax Directive (Pillar 2), so-called top-up tax. Under the regulations, the Group is required to charge a top-up tax corresponding to the difference between the effective tax rate calculated according to the so-called "GloBE calculation" and the minimum tax rate of 15 per cent. In Sweden, the rules entered into force on 31 December 2023 and apply to financial years beginning thereafter. However, Sveaskog has the opportunity to apply an exemption from applying the regulations during the first five years for the Swedish companies. Hence, the exemption in Sweden does not apply to the Latvian subsidiary SIA Sveaskog Baltfor. Latvia has postponed the application of these rules for six years.

The first year that the Group is subject to the Top-up Tax Act, a top-up tax report must be submitted no later than 18 months after the end of the tax year covered by the report. For Sveaskog, this means that the top-up tax report for the current year needs to be submitted to the Swedish Tax Agency by 30 June 2026. Any top-up tax must also be reported and paid in Sweden for the subsidiary SIA Sveaskog Baltfor. However, Latvia is subject to specific rules regarding approved dividend tax systems where fictitious dividend tax amounts can be credited through which the Group expects to achieve the minimum tax rate. As a result, no material exposure to top-up tax is expected. The Group further applies the exemption under IAS 12 to report and disclose information about deferred tax assets and tax liabilities related to top-up tax.

NOTE 12

Non-cash items

	Group		Parent company	
MSEK	2025	2024	2025	2024
Depreciation/amortisation	205	179	0	0
Capital gains[1]	-19	-37	-1	-41
Capital gains on property sales	-48	-6	–	–
Share of profit/loss in associates	-59	46	–	–
Impairment attributable to associates	235	–	–	–
Change in value in biological assets[2]	-12,223	–7,942	–	–
Other	66	-173	–	–
Total	**-11,843**	**-7,933**	**-1**	**-41**

[1] Capital gains of MSEK 19 (38) for divestment of subsidiaries, capital losses of MSEK 0 (-1).
[2] Only the non-cash part of the value change in biological assets.

NOTE 13

Intangible assets, Group

ACCOUNTING PRINCIPLES

Amortisation

Amortisation is recognised in the income statement straight-line over the estimated useful lives of intangible assets. Amortisable intangible assets are amortised from the date on which they are ready for use. The estimated useful lives are:

Intangible assets	Assessed useful lives	Amortisation rates
Acquired and internally developed		
Capitalised expenditure on system development, etc.	5-10 years	10-20%

MSEK	Capitalised expenditure on system development, etc.
Costs	
Opening value, 1 January 2024	289
Investments	24
Closing value, 31 December 2024	**313**
Accumulated amortisation according to plan	
Opening value, 1 January 2024	-109
Depreciation for the year	-21
Closing value, 31 December 2024	**-130**
Accumulated impairment losses	
Opening value, 1 January 2024	-31
Closing value, 31 December 2024	**-31**
Closing residual value according to plan, 31 December 2024	**152**

Note 13, cont.

MSEK	Capitalised expenditure on system development, etc.
Costs	
Opening value, 1 January 2025	313
Investments	24
Disposal	-1
Closing value, 31 December 2025	**336**
Accumulated amortisation according to plan	
Opening value, 1 January 2025	-130
Disposal	1
Depreciation for the year	-21
Closing value, 31 December 2025	**-150**
Accumulated impairment losses	
Opening value, 1 January 2025	-31
Closing value, 31 December 2025	**-31**
Closing residual value according to plan, 31 December 2025	**155**

NOTE 14

Forest assets – biological assets and land assets

ACCOUNTING PRINCIPLES

Forest assets

Sveaskog bases the total value of the forest assets on forest land transactions in the areas where Sveaskog owns forest assets. The land assets attributable to forest assets are recognised at fair value according to the so-called revaluation model, IAS 16 p.31.

Biological assets

Standing timber is recognised as biological assets, which means that biological assets are valued and recognised at fair value at each closing date based on valuation level 3. Changes in fair value are recognised in the income statement and Sveaskog makes a valuation as a return value, where future cash flows from timber extraction less felling costs etc. are discounted to a present value. The calculations include future timber extractions that correspond to a forested rotation period of 70 to 100 years and are divided into Sveaskog's five regions. Timber extractions are based on Sveaskog's felling and forestry plans. Sveaskog has set aside large areas of productive forest land as nature conservation areas. The value of standing timber included in the nature conservation areas is not included in the return value. The other values of forest land in the form of hunting income and other concession income, etc. are not included in the return value. The provision for deferred tax is calculated on the difference between the carrying amount and the tax value.

Land assets

The value of the land assets is the residual between the total value of the forest assets and the value of the biological assets based on discounted cash flows. The change in value of land is recognised as other comprehensive income and does not affect the income for the year. The increase is accumulated in equity under the heading of the revaluation reserve. However, the increase is recognised in profit or loss to the extent that it returns a decrease in value previously recognised in profit or loss. If the carrying amount of the asset decreases as a result of revaluation, the decrease in profit or loss is recognised. However, the decrease in other comprehensive income is recognised to the extent that there is an existing credit balance in the revaluation reserve with respect to that asset, and the amount in the revaluation reserve is also reduced. The provision for deferred tax is calculated on the difference between the carrying amount and the tax value.

The parent company does not apply the revaluation model for the valuation of its forest assets, but rather these are recognised at cost and are therefore reported in Note 15 Other property, plant and equipment.

VALUATION

Forest assets

Sveaskog's land holdings amount to 3.89 million hectares, of which 3.04 million is productive forest land. The valuation includes a total of 2.74 million hectares containing a growing stock estimated at 290 million cubic metres of forest. The difference between Sveaskog's total productive land holdings and the valuation's land holdings is the deduction of reserves, ecoparks and trial parks. The forest assets are valued at fair value at level 3 calculated on the price statistics of forest properties from Ludvig & Co. and Svefa. The price statistics refer to the areas where Sveaskog owns forest land and are divided into ten different price areas in Sweden. Sveaskog uses a five-year average in the valuation.

The carrying amount of Sveaskog's forest assets as of 31 December 2025 has been calculated at MSEK 123,253 (119,689), of which MSEK 70,730 (58,820) refers to the fair value of the biological asset and MSEK 52,523 (60,869) refers to the fair value of the land. The change in the balance sheet since the previous year-end is MSEK 3,564 (19,468) and is shown on the table Forest assets – biological assets and forest land. The parameters included in the model for calculating the fair value are updated annually for total forest assets including biological assets and forest land. A quarterly analysis is carried out to assess whether the annual price is essentially reasonable along with adjustments for felling and forest management, as well as for the acquisition and divestment of properties. The forest assets are divided into standing timber (biological assets) and land assets. Standing timber is recognised as a biological asset. Land assets are recognised as property, plant and equipment according to the revaluation model.

Since 2020, the value of the company's forest assets has been based on sales transactions in the areas that Sveaskog owns forest assets. The valuation price consists of a five-year average and the method means that the land assets are also recognised at fair value according to the revaluation method. Statistics on forest land transactions are available from a number of market participants, and Sveaskog has chosen to obtain statistics that are reported on the Ludvig & Co website (www.ludvig.se) and a report compiled by Svefa (www.svefa.se). Prices of forest land can vary in each price area around the average depending on a number of factors such as location, quality, site productivity, infrastructure and recreation.

Note 14, cont.

Biological assets
In combination with market transactions and in order to determine the fair value of the Group's biological assets, expected future cash flows from the assets have been discounted. The calculation for determining the value of biological assets has been based on existing felling plans and assessments regarding growth, timber prices, felling costs, etc.

The change in value is recognised in the income statement in the item changes in value of biological assets.

The calculation is based on one production cycle for biological assets, which is estimated by Sveaskog to amount to an average of 70 to 100 years and is divided into Sveaskog's five regions. Cash flows are calculated on the basis of felling volumes according to Sveaskog's current felling estimate and assessment of future price and cost development. Prices are based on a rolling five-year average (2021–2025). In terms of cost development, the current standard cost (see model assumptions below) is applied. The inflation assumptions in the model are based on estimated future development during the valuation period. Cash flow before tax is discounted at an interest rate of 4.75 per cent (4.5). The discount rate is calculated through the weighted average cost of capital (WACC). The calculation of the cost of loans is based on local risk-free interest rates, a specific risk premium, local tax rates and a specific interest margin for Sveaskog. The calculation of the cost of equity is based on the Capital Asset Pricing Model (CAPM) where the average beta for the industry adjusted for capital structure, risk-free interest rates, a specific risk premium and a risk premium for equity are applied. The increase of 0.25 percentage points is due to the annual calculation of the discount rate as per above and industry comparison. Sveaskog assesses that this interest rate corresponds to the long-term cost of capital for an investment in forest assets and that it is not affected by short-term fluctuations in market rates. According to current felling estimates, which date from 2022 and are based on a forest optimisation model, felling will amount to approximately 5.2 million m³sub per year (5.1). This level is estimated to increase steadily until 2033, to then remain at a level of approximately 6.7 million m³sub (6.7) until 2037. The level is then estimated to decrease slightly to approximately 6.3 million m³sub (6.3). In 2025, approximately 48 per cent (48) of Sveaskog's own forest volume was sold as sawlogs to sawmills and 49 per cent (47) comprised pulpwood which was sold to the pulp and paper industry. Other volumes consisted of, for example, biofuel in the form of rejected branches and treetops, which are primarily used as fuel wood; this volume is not included in the valuation.

Land assets
The value of the land assets is the residual between the total market value of the forest asset and the value of the biological assets based on discounted cash flows. Because the value of the standing timber increased by MSEK 11,910 while the carrying amount of Sveaskog's total forest assets increased by MSEK 3,564, the value of the land thus decreased by MSEK 8,346. The value of the land assets reflects revenues from felling of future generations of forest that have not yet been planted, concessions for hunting and fishing, wind power, agriculture, peat, gravel and rock extraction, and infrastructure. Land assets are recognised at fair value on their own line on the balance sheet under forest assets with an associated deferred tax liability on the difference between the tax cost of the asset and the carrying amount. The change in the value of land assets and the tax effect arising from the revaluation are recognised in other comprehensive income and accumulated in equity on the lines of value change of land assets and income tax attributable to components of other comprehensive income. The revaluation reserve in equity does not constitute distributable equity and, as of 31 December 2025, amounts to MSEK 39,318 (45,763).

MODEL ASSUMPTIONS
Forest assets
The valuation price per cubic metre of forest in SEK is based on market prices that are published and compiled by Ludvig & Co and Svefa. The prices are a five-year average. Growing stock per million cubic metres of forest is based on Sveaskog's forest registers and refer to the most recent calculation (October 2025). The value for the year, 290 million cubic metres of forest (288), refers to productive land minus ecoparks, trial parks and nature reserves.

Biological assets
The income (timber prices) is based on the prices from a five-year average and then an estimated development during the valuation period with a nominal price increase of 2.0 per cent (2.0) per year. This assessed development is adjusted when the company predicts a different development in its long-term business plans.

For the production costs (felling costs) and indirect attributable costs, a current normal cost is applied that corresponds to the average of three years (outcome for the current year, the previous year and the budget for the coming year). These costs are based on an estimated development during the valuation period of 2.0 per cent (2.0) per year.

Sveaskog has set aside areas of productive forest land as ecoparks, trial parks and nature reserves. These areas are not included in the value of forest assets.

Timber prices, SEK per m³sub

Summary model assumptions – Forest Assets – Biological Assets and Forest Land[1)]

MSEK	2025	2024
Valuation price per cubic metre of forest in SEK	5-year average	5-year average
Timber stocks per million cubic metres of forest	Forest registers as of October 2025	Forest registers as of October 2024
Discount rate	4.75%	4.50%
Revenue	5-year average	5-year average
Nominal price increase	2.00% per year	2.00% per year
Costs	Normal cost[1)]	Normal cost[1)]
Nominal cost increase	2.00% per year	2.00% per year

[1)] Normal cost = outcome for the current year and the previous year as well as budget for the coming year.

Note 14, cont.

Forest assets

	Biological assets		Forest land		Total forest assets	
MSEK	2025	2024	2025	2024	2025	2024
Opening value, 1 January 2025	**58,820**	**50,673**	**60,869**	**49,548**	**119,689**	**100,221**
Acquisitions	59	30	76	51	135	81
Divestments	-154	-24	-167	-26	-321	-50
Investment in replanting	231	230	–	–	231	230
Change due to felling	-1,026	-1,016	–	–	-1,026	-1,016
Other change in fair value	13,248	8,950	-7,928	11,330	5,320	20,280
Assets held for sale	-448	-23	-327	-34	-775	-57
End-of-period value (balance sheet)	**70,730**	**58,820**	**52,523**	**60,869**	**123,253**	**119,689**
Deferred tax attributable to forest assets	15,088	12,603	10,261	12,012	25,349	24,615

Assets held for sale

	Biological assets		Forest land		Total forest assets	
MSEK	2025	2024	2025	2024	2025	2024
Opening value, 1 January 2025	**0**	**0**	**0**	**0**	**0**	**0**
Assets held for sale	448	23	327	34	775	57
Impairment losses	–	-23	–	-34	0	-57
End-of-period value (balance sheet)	**448**	**0**	**327**	**0**	**775**	**0**
Deferred tax attributable to forest assets	88	4	67	7	155	11

Sensitivity analysis based on key measurement parameters and their impact on Sveaskog's forest assets

Total forest assets

Valuation price per cubic metre of forest in SEK

A decrease in the market value of SEK 5 per cubic metre of forest reduces the value of forest assets by approximately MSEK 1,500 (1,400). An increase in the market value of SEK 5 per cubic metre of forest increases the value of forest assets by approximately MSEK 1,500 (1,400).

Timber stocks per million cubic metres of forest

A reduction in the growing stock by 5 million cubic metres reduces the value of forest assets by approximately MSEK 2,100 (2,000). An increase in the growing stock by 5 million cubic metres increases the value of the forest assets by approximately MSEK 2,100 (2,000).

Biological assets

Discount rate

A reduction in the discount rate by 0.5 percentage points raises the value of the biological assets by approximately MSEK 11,000 (9,500). A 0.5 percentage point increase in the discount rate reduces the value of the biological assets by approximately MSEK 8,800 (7,600).

Income (timber prices)

A reduction in the annual price increase by 0.5 percentage points reduces the value of the biological assets by approximately MSEK 17,000 (16,400). An increase in the annual price increase by 0.5 percentage points raises the value of the biological assets by approximately MSEK 21,000 (20,400).

Costs (felling, forestry, road and common costs)

An increase in the annual cost increase by 0.5 percentage points reduces the value of the biological assets by approximately MSEK 10,200 (10,900). A reduction in the annual cost increase by 0.5 percentage points raises the value of the biological assets by approximately MSEK 8,200 (8,800).

Climate and weather risks

Climate-related risks in the long term are presented under the section *Environmental information - Climate change* on page 66. Short-term weather risk is described in the section *Climate and biological risks* on page 32. The climate and weather risks may affect all the parameters above (except the discount rate). In connection with the calculation of Sveaskog's felling plan, likely future impact has been taken into account.

Note 14, cont.

Forest assets by price area 2025

	Sveaskog's forest holdings			Carrying amount			Market statistics
Price area	Total area of productive forest land (1000 ha)	Area prod. forest land included in valuation (1000 ha)	Growing stock on prod. forest land (1000 km³fo)	Total forest assets per price area (MSEK)	SEK thousand/ha (productive forest land)	Average price five years (SEK/m³fo)[1]	Number of transactions in the average price[1]
1. Blekinge, Halland and Skåne	20	18	3,215	3,147	175	979	295
2. Jönköping, Kalmar and Kronoberg	193	176	26,261	20,103	114	766	587
3. Most of Västra Götaland and the whole of Östergötland	90	86	13,990	11,098	128	793	414
4. Stockholm and Södermanland	16	16	2,191	1,747	111	797	121
5. Uppsala, Västmanland and Örebro	244	229	33,292	19,619	86	589	284
6. Värmland and NW part of Västra Götaland	9	5	893	450	89	503	545
7. Dalarna and Gävleborg	347	306	32,776	14,661	48	447	1,036
8. Jämtland and Västernorrland	92	89	10,083	3,823	43	379	987
9. Norrbotten coast and Västerbotten coast	658	625	61,157	21,234	34	347	716
10. Norrbotten's inland and Västerbotten's inland	1,367	1,186	106,504	28,149	24	264	436
Total	**3,037**	**2,735**	**290,361**	**124,029**			**5,421**
Weighted average price					**45**	**427**	

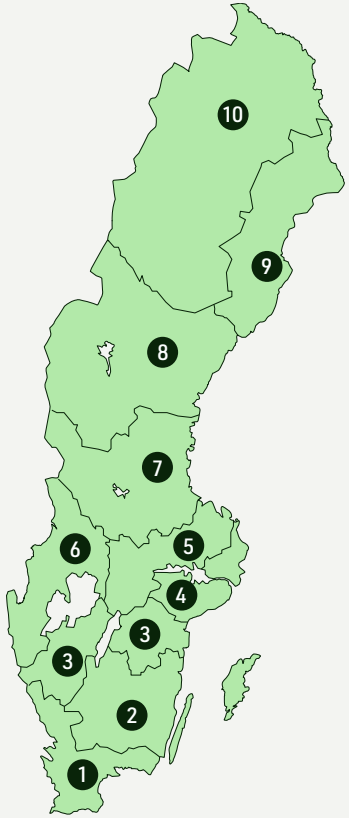
[1] The average price is based on sales transactions within the respective price area where transaction data from Ludvig & Co. and Svefa (the last three years) are used. Transaction data from Ludvig & Co. and Svefa are weighted 50/50.

Forest assets by price area 2024

	Sveaskog's forest holdings			Carrying amount			Market statistics
Price area	Total area of productive forest land (1000 ha)	Area prod. forest land included in valuation (1000 ha)	Growing stock on prod. forest land (1000 km³fo)	Total forest assets per price area (MSEK)	SEK thousand/ha (productive forest land)	Average price five years (SEK/m³fo)[1]	Number of transactions in the average price[1]
1. Blekinge, Halland and Skåne	20	18	3,238	3,008	169	929	265
2. Jönköping, Kalmar and Kronoberg	193	174	26,126	19,616	113	751	524
3. Most of Västra Götaland and the whole of Östergötland	91	87	13,965	10,695	123	766	368
4. Stockholm and Södermanland	16	16	2,224	1,732	111	779	111
5. Uppsala, Västmanland and Örebro	244	229	32,925	18,708	82	568	243
6. Värmland and NW part of Västra Götaland	10	6	1,062	527	86	496	430
7. Dalarna and Gävleborg	344	308	32,910	14,379	47	437	814
8. Jämtland and Västernorrland	92	89	9,784	3,550	40	363	829
9. Norrbotten coast and Västerbotten coast	656	623	59,898	20,569	33	343	605
10. Norrbotten's inland and Västerbotten's inland	1,356	1,198	105,600	26,907	22	255	331
Total	**3,023**	**2,748**	**287,734**	**119,689**			**4,520**
Weighted average price					**44**	**416**	

[1] The average price is based on sales transactions within the respective price area where transaction data from Ludvig & Co. and Svefa (the last two years) are used. Transaction data from Ludvig & Co. and Svefa are weighted 50/50.

Price areas[1]



[1] Area division according to Ludvig & Co (www.ludvig.se)

NOTE 15

Other property, plant and equipment

ACCOUNTING PRINCIPLES

Owned assets

Other property, plant and equipment consist of buildings, property equipment, other land, land improvements and machinery and equipment, and these are recognised on the balance sheet as assets.

Other property, plant and equipment are recognised at cost less accumulated depreciation and any impairment. The cost includes the purchase price and expenses directly attributable to the asset in order to put it in place and in order to be used in accordance with the purpose of the acquisition, e.g. land division costs and title deeds. Accounting principles for impairment are set out in Note 1.

The cost of proprietary non-current assets includes expenditure on materials, employee benefit expenses and other manufacturing expenses that are considered to be directly attributable to the non-current assets.

Other property, plant and equipment, which consist of components with different useful lives, are treated as separate components of property, plant and equipment.

Borrowing expenses

Borrowing expenses such as interest and other expenses incurred and directly attributable to the purchase, construction or production of a qualifying asset form part of the cost of the asset. Other borrowing expenses are expensed.

Depreciation principles

The cost is depreciated to the residual value straight-line over the useful period; land is not depreciated. The Group applies component depreciation, which means that the assessed useful life of the components forms the basis for the depreciation.

Other property, plant and equipment

	Estimated useful lives	Depreciation rates
Industrial buildings	20-25 years	4-5%
Housing and office buildings	33-50 years	2-3%
Bridges	25 years	4%
Land improvements	10-20 years	5-10%
Vehicles and other machinery and equipment	3-6 years	16.5-33%
Machinery and other technical installations	5-20 years	5-20%

The residual value and useful life of an asset are assessed annually. An asset is impaired if its carrying amount exceeds its estimated recoverable amount.

The parent company does not apply the revaluation model for the valuation of its forest assets, but rather these are recognised at cost, IAS 16 p30, and are therefore recognised in this note.

Note 15, cont.

Other property, plant and equipment

Group, MSEK	Buildings, other land and land improvements	Machinery and equipment	Construction in progress and advance payments	Total other property, plant and equipment	Assets held for sale
Costs					
Opening value, 1 January 2024	556	1,014	87	1,657	–
Investments	4	129	94	227	–
From construction in progress and advance payments, etc.	43	42	-85	0	–
Sales and disposal	-4	-89	–	-93	–
Translation differences, etc.	0	2	–	2	–
Transfer	-1	–	–	-1	1
Closing value, 31 December 2024	**598**	**1,098**	**96**	**1,792**	**1**
Accumulated depreciation according to plan					
Opening value, 1 January 2024	-343	-604	–	-947	–
Sales and disposal	1	72	–	73	–
Depreciation for the year	-7	-103	–	-110	–
Translation differences, etc.	0	-1	–	-1	–
Closing value, 31 December 2024	**-349**	**-636**	**–**	**-985**	**–**
Accumulated impairment losses					
Opening value, 1 January 2024	-3	-3	–	-6	–
Closing value, 31 December 2024	**-3**	**-3**	**–**	**-6**	**–**
CLOSING RESIDUAL VALUE ACCORDING TO PLAN, 31 DECEMBER 2024	**246**	**459**	**96**	**801**	**1**

Group, MSEK	Buildings, other land and land improvements	Machinery and equipment	Construction in progress and advance payments	Total other property, plant and equipment	Assets held for sale
Costs					
Opening value, 1 January 2025	598	1,098	96	1,792	1
Investments	4	111	101	216	–
From construction in progress and advance payments, etc.	44	14	-58	0	–
Sales and disposal	-9	-64	–	-73	-1
Translation differences, etc.	-2	-4	–	-6	–
Transfer	–	–	–	–	–
Closing value, 31 December 2025	**635**	**1,155**	**139**	**1,929**	**–**
Accumulated depreciation according to plan					
Opening value, 1 January 2025	-349	-636	–	-985	–
Sales and disposal	2	47	–	49	–
Depreciation for the year	-11	-112	–	-123	–
Translation differences, etc.	1	3	–	4	–
Closing value, 31 December 2025	**-357**	**-698**	**–**	**-1,055**	**–**
Accumulated impairment losses					
Opening value, 1 January 2025	-3	-3	–	-6	–
Closing value, 31 December 2025	**-3**	**-3**	**–**	**-6**	**–**
CLOSING RESIDUAL VALUE ACCORDING TO PLAN, 31 DECEMBER 2025	**275**	**454**	**139**	**868**	**–**

Note 15, cont.

Other property, plant and equipment

Parent company, MSEK	Forest properties	Buildings, other land and land improvements
Costs		
Opening value, 1 January 2024	28	12
Sales and disposal	-2	0
Closing value, 31 December 2024	**26**	**12**
Accumulated depreciation according to plan		
Opening value, 1 January 2024	–	-4
Sales and disposal	–	0
Depreciation for the year	–	0
Closing value, 31 December 2024	**–**	**-4**
CLOSING RESIDUAL VALUE ACCORDING TO PLAN, 31 DECEMBER 2024	**26**	**8**
Costs		
Opening value, 1 January 2025	26	12
Sales and disposal	–	–
Closing value, 31 December 2025	**26**	**12**
Accumulated depreciation according to plan		
Opening value, 1 January 2025	–	-4
Sales and disposal	–	0
Depreciation for the year	–	0
Closing value, 31 December 2025	**–**	**-4**
CLOSING RESIDUAL VALUE ACCORDING TO PLAN, 31 DECEMBER 2025	**26**	**8**

Taxable values for Swedish properties

	Group		Parent company	
MSEK	2025	2024	2025	2024
Forest assets	80,329	80,149	854	846
Other land	1,028	955	48	48
Buildings	118	122	9	9
Total	**81,475**	**81,226**	**911**	**903**
Recognised on the balance sheet:				
Forest land	52,523	60,869	26	26
Biological assets	70,730	58,820	–	–
Total	**123,253**	**119,689**	**26**	**26**

Non-current assets by geographic market

	Group		Parent company	
MSEK	2025	2024	2025	2024
Intangible assets				
– Sweden	155	152	–	–
Right-of-use assets				
– Sweden	188	172	–	–
Forest assets				
– Sweden	123,253	119,689	26	26
Other property, plant and equipment				
– Sweden	835	772	8	8
– Finland	–	2	–	–
– Latvia	33	28	–	–
Total other property, plant and equipment	**868**	**802**	**8**	**8**

NOTE 16

Shares and participations

ACCOUNTING PRINCIPLES

Subsidiaries

Subsidiaries include the companies that are under a controlling influence of the parent company Sveaskog AB, directly or indirectly. The controlling influence consists of the ability to influence the returns of the subsidiary or the right to variable returns from the subsidiary.

Associates

Associates include the companies for which the Group has significant, but not controlling, influence over operational and financial governance, usually by holding an interest between 20 and 50 per cent of the voting rights. There are exceptions when the holding amounts to an insignificant amount.

SunPine AB

Sveaskog owns 25.1 per cent of the shares of the biorefinery SunPine AB. The share of profit/loss in the associate is recognised in the consolidated income statement.

ShoreLink AB

Sveaskog owns 24.1 per cent of the shares of the logistics and transport firm ShoreLink AB. The Group's income statement for January–December 2025 reports the share of the associate's profit/loss for the period December 2024 to November 2025, while the figures for the previous year cover the period from December 2023 to November 2024.

Other non-current securities holdings

Among other non-current securities holdings, the Group counts non-controlling shareholdings and participations in tenant-owner associations. Normally, the shareholdings are below 20 per cent, but exceptions exist when the Group does not exercise significant influence and does not intend to exercise significant influence. Also see Note 22.

Note 16, cont.

Associates, other non-current securities holdings

Group, MSEK	Associates[1)]	Other non-current securities holdings
Opening value, 1 January 2024	1,331	16
Investments	–	10
Assets held for sale	-847	–
Dividend	-15	0
Share of the profit or loss of associates [2)]	-46	–
Share of other comprehensive income of associates	-15	–
Closing value, 31 December 2024	**408**	**26**
Opening value, 1 January 2025	408	26
Investments	–	1
Assets held for sale	–	–
Dividend	-28	0
Share of the profit or loss of associates [2)]	59	–
Share of other comprehensive income of associates	–	–
Closing value, 31 December 2025	**439**	**28**

1) For 2025, Sunpine and ShoreLink are recognised according to the equity method. For 2024, the Sunpine and ShoreLink holdings were reported using the equity method, and the Setra holding was reported as assets held for sale. Setra was divested in March 2025. The holding of shares in other associates was valued at cost. Equity method recognition was not applied to them due to the minor importance of the holdings.

2) Share of associates' profit/loss after tax for Sunpine and ShoreLink for 2025, as well as for Sunpine, ShoreLink and Setra including change in intra-Group profit reserve for 2024.

Specification of income, profit/loss, assets and liabilities of the associate Setra Group

MSEK	2025	2024
Setra Group		
According to the company's accounts:		
Net sales	–	5,182
Profit/loss after tax	–	-215
Profit/loss from continuing operations	–	-215
Other comprehensive income	–	-60
Comprehensive income for the period	–	-275
Non-current assets	–	2,608
Current assets	–	1,730
Equity	–	2,169
Non-current liabilities	–	964
Current liabilities	–	1,205

Specification of income, profit/loss, assets and liabilities of the associate Sunpine

MSEK	2025	2024
Sunpine		
According to the company's accounts:		
Net sales	2,949	2,678
Profit/loss after tax	255	-5
Profit/loss from continuing operations	255	-5
Comprehensive income for the period	255	-5
Non-current assets	405	479
Current assets	1,318	1,082
Equity	888	711
Untaxed reserves	475	504
Non-current provisions	20	22
Current liabilities	339	323

Specification of income, profit/loss, assets and liabilities of the associate ShoreLink[1)]

MSEK	2025	2024
ShoreLink		
According to the company's accounts:		
Net sales	382	389
Profit/loss after tax	28	37
Profit/loss from continuing operations	28	37
Comprehensive income for the period	28	37
Non-current assets	182	184
Current assets	185	187
Equity	295	282
Non-current provisions	19	16
Current liabilities	53	72

1) The 2025 profit/loss items refer to the period December 2024–November 2025 (December 2023–November 2024), while the balance sheet items refer to November 2025 (November 2024), which is the latest data we have received.

Parent company

MSEK	2025	2024
Costs		
Opening costs	24,934	24,934
Closing costs	24,931	24,934

Note 16, cont.

Specification of shares and participations, as well as other non-current holdings of securities

	Corp. ID no.	Domicile/country	Number of shares	Participation in %[1] 2025	Participation in %[1] 2024	Equity MSEK, 31 Dec 2025	Profit for the year, MSEK 2025	Carrying amount, MSEK, 31 Dec 2025	Carrying amount, MSEK, 31 Dec 2024
Sveaskog AB	556558-0031								
Direct holdings in Group companies									
Hjälmare Kanal AB [3]	556002-4472	Stockholm	–	–	100	–	–	–	3
Sveaskog Förvaltnings AB	556016-9020	Stockholm	95,157,179	100	100	16,625	1,104	24,931	24,931
Total Group companies directly owned								**24,931**	**24,934**
Indirect holdings in Group companies									
SIA Sveaskog Baltfor	40003293038	Riga, Latvia	2,500	100	100	62	5	–	–
Sveaskog Försäkringsaktiebolag	516401-8466	Stockholm	500,000	100	100	53	0	–	–
Sveaskog Timber AB	556000-1074	Stockholm	90,000	100	100	421	69	–	–
Sveaskog Fastighet 13 AB [2]	559475-2593	Stockholm	–	–	100	0	1	–	–
Sveaskog Finans AB	559299-6861	Stockholm	25,000	100	100	200	0	–	–
Group holdings in associates									
Parent company's indirect holdings									
Setra Group AB [4]	556034-8483	Stockholm	–	–	50	–	–	–	–
ShoreLink AB	556053-7168	Piteå	18,775	24.07	24.07	295	28	73	68
Sunpine AB	556682-9122	Piteå	16,685	25.14	25.14	888	255	366	340
Total associates								**439**	**408**
The Group's other non-current securities holdings									
Parent company's indirect holdings									
Arboreal AB	559171-8548	Umeå	12,450	24.9	24.9	–	–	0	0
Arevo AB	556995-8423	Umeå	108	2.06	2.06	–	–	4	4
SweTree Technologies AB	556573-9587	Umeå	430,987	13.97	13.97	–	–	3	3
Torsta AB	556892-2420	Krokom	200	5.0	5.0	–	–	0	0
NFA Forestry Automation AB	559346-4141	Lund	363,637	10.67	10.67	–	–	5	4
AirForestry AB	559246-8085	Uppsala	136,649	3.99	3.99	–	–	10	10
Älgfallet Energipark AB	559534-8078	Gothenburg	7,500	30.00	–	–	–	1	–
Other participations								6	5
Total Group's other non-current securities holdings								**28**	**26**
Total Group's holdings of shares in associates and other long-term securities holdings								**467**	**434**

[1] The share of voting rights for all participations corresponds to the share of equity. [2] Sveaskog Fastighet 13 AB was divested in December 2025. [3] Hjälmare Kanal AB was reclassified as an asset held for sale in 2024 and divested in January 2025.
[4] Setra Group AB reclassified as assets held for sale in 2024 and divested in March 2025

NOTE 17

Non-current receivables

	Group		Parent company	
MSEK	2025	2024	2025	2024
Interest-bearing non-current liabilities				
Receivables from Group companies (see Note 3)	–	–	400	400
Receivable instalment purchases (see Note 7)	141	138	–	–
Other non-current receivables	5	6	–	–
Total	**146**	**144**	**400**	**400**

The Group's estimated risk of anticipated credit losses on non-current receivables amounts to MSEK 0 (0) and the parent company has assessed the risk of anticipated credit losses on internal receivables at MSEK 0 (0).

NOTE 18

Inventories

ACCOUNTING PRINCIPLES

Stocks are valued at the lower of cost and net realisable value. Net realisable value is the estimated sales price in operating activities, less estimated costs for completion and to achieve a sale.

The cost of processed timber amounts to fair value less estimated sales costs at the time of felling in accordance with the accounting principle for biological assets.

The cost of stocks is calculated by applying the first in, first out method (FIFO) and includes expenditure incurred in the acquisition of the stocks and their transport to their current location and condition. The cost includes a reasonable share of indirect costs based on normal capacity utilisation.

Group, MSEK	2025	2024
Timber rights	2	3
Accrued felling cost of timber rights	98	117
Consumables	1	2
Products in process[1)]	216	200
Finished products[1)]	526	437
Total	**843**	**759**

[1)] Products in process refer to seedlings, other plants and seed. Finished products are: timber stocks, branches and treetops and tree components on the road, fuel at the terminal and seedlings.

NOTE 19

Trade receivables

ACCOUNTING PRINCIPLES

Trade receivables are classified as financial assets valued at amortised cost.

For the assessment of expected credit losses on trade receivables, Sveaskog applies the simplification, which means that the Group directly recognises anticipated credit losses for the remaining term of the asset. For this, a matrix model is used where historical losses are adjusted with forward-looking factors. The forward-looking factors are based on the assessed total creditworthiness of the customer portfolio and forecasts of GDP in the financial year and subsequent years. Impairment of trade receivables is recognised in operating expenses.

Trade receivables

	Group		Parent company	
MSEK	2025	2024	2025	2024
Trade receivables, external	1,749	1,347	–	–
Provision for doubtful trade receivables	-1	-1	–	–
Receivables from associates (see Note 3)	–	233	–	–
Total trade receivables	**1,748**	**1,579**	**–**	**–**
Of which financial assets	*1,748*	*1,579*	–	–

The Group's two largest customers each exceed 13 per cent of its sales and in total they account for 28 per cent (31) of its total sales. Credit insurance is handled according to the Group's insurance policy. As of 31 December 2025, there were outstanding receivables from the two largest customers corresponding to 42 per cent (44) of the Group's total trade receivables at the same time.

As of 31 December 2025, trade receivables not past due amounted to MSEK 1,416 (1,493). At 31 December 2025, trade receivables amounting to MSEK 321 (86) were overdue. In mid-January 2026, only MSEK 75 (3) was still outstanding. The credit risk on the customer base in 2026 is expected to be similar to that in 2025, as we intend to work according to the same principles as in the previous year.

At 31 December 2025, there were trade receivables with credit insurance or a bank guarantee of MSEK 977 (892) out of a total of MSEK 1,748 (1,579). Total exposure to counterparty risk corresponds to the value on the balance sheet of the corresponding assets.

Age analysis of overdue trade receivables, gross

	Group	
MSEK	2025	2024
Less than 1 month	230	83
1-3 months	88	1
3 months and longer	3	2
Total overdue trade receivables	**321**	**86**

Loss reserve for anticipated credit losses on trade receivables, year-on-year change

	Group	
MSEK	2025	2024
OB loss reserve for anticipated credit losses on trade receivables	0	0
Added during the year	4	2
Settled/received during the year	-5	-2
CB loss reserve for anticipated credit losses on trade receivables	-1	0

NOTE 20
Other receivables

	Group		Parent company	
MSEK	2025	2024	2025	2024
Interest-bearing current receivables				
Interest-rate derivatives (see Note 22)	9	15	–	–
Total	**9**	**15**	**–**	**–**
Current receivables, non-interest bearing				
Contract assets	19	12	–	–
Advances to suppliers	263	223	–	–
Prepaid expenses	64	54	10	4
Accrued income	18	17	–	–
Receivable, property/company sale	526	63		
Tax account	168	109	64	48
Other current receivables	17	18	0	1
Total	**1,075**	**496**	**74**	**53**
Total	**1,084**	**511**	**74**	**53**
– of which financial assets (excluding derivatives)	*526*	*63*	–	–

NOTE 21
Equity

Equity in the Group consists of share capital, reserves and earnings (including profit for the year). Equity in the parent company consists of share capital, the statutory reserve, retained earnings and profit for the year.

Dividends to shareholders are recognised as liabilities to shareholders only after the dividend has been established at the Annual General Meeting.

Group

Share capital

The number of shares amounts to 118,373,034 Class A shares with a quota value of SEK 1.

Reserves

Reserves consist of revaluation reserves, hedge reserves and translation reserves.

Revaluation reserve

The revaluation reserve consists of changes in the fair value of land assets less deferred tax (see Note 14).

Hedge reserve

The hedge reserve includes the effective portion of the accumulated net change in the fair value of a cash flow instrument attributable to hedge transactions that have not yet been completed.

Translation reserve

The translation reserve includes all translation differences arising from the translation of financial statements from foreign operations that prepared their financial statements in the currency used in the economic environment in which the respective companies are primarily active (functional currency) into SEK. The parent company and the Group present their financial reports in Swedish kronor.

Retained earnings

Retained earnings in the Group consist of profit for the year and earnings for the previous year after any dividend.

The Board of Directors submits a proposal for the dividend. The amount of the dividend is decided by the Annual General Meeting.

Parent company

Non-restricted equity

Retained earnings in the parent company consist of the profit for the year and the retained earnings for the previous year after any dividend.

The Board of Directors submits a proposal for the dividend. The amount of the dividend is decided by the Annual General Meeting.

Proposed appropriation of earnings, SEK

Unappropriated earnings at the disposal of the Annual General Meeting:

SEK	
Retained earnings	11,784,935,620
Profit for the year	334,028,026
Total	**12,118,963,646**

The Board of Directors proposes that the profits be appropriated as follows:

SEK	
Paid to the shareholder in dividend	1,338,000,000
Carried forward to the next year	10,780,963,646
Total	**12,118,963,646**

NOTE 22

Cash and cash equivalents, interest-bearing liabilities and other financial instruments

ACCOUNTING PRINCIPLES

Financial instruments recognised on the balance sheet include cash and cash equivalents, trade receivables, shares, loan receivables, interest-bearing securities and derivative instruments on the asset side. Equity and liabilities include trade payables, derivative instruments, non-current and current other liabilities and non-current and current interest-bearing liabilities.

The recognition of a financial instrument depends on how they are classified as per below.

Classification and valuation

Financial assets valued at amortised cost

This category includes cash and cash equivalents, current investments, interest-bearing receivables for instalment purchases, trade receivables and other receivables. For further information, please see cash and cash equivalents below and Note 7 Leasing agreements, Note 19 Trade receivables and Note 20 Other receivables.

Financial assets valued at fair value through profit or loss

Sveaskog's assets in this category consist of other non-current securities holdings and interest-bearing non-current receivables related to capital insurance. These are valued at fair value with changes in value recognised in the income statement. For further information, please see Note 16 Shares and participations.

Financial liabilities valued at amortised cost

This category includes all financial liabilities with the exception of financial liabilities valued at fair value through profit or loss, including derivative liabilities. For further information, please see Interest-bearing liabilities below, Note 24 Trade payables and Note 25 Other liabilities.

Derivatives valued at fair value through profit or loss and Derivatives used for hedge purposes

Derivatives are valued at fair value with changes in value recognised in the income statement except when hedge accounting is applied. For cash flow hedges and hedges of net investment in foreign currency, other comprehensive income is recognised. Derivatives are level 2 items. For specification of the different levels, please see Note 28 Financial risks.

Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances and short-term investments and are included in the general model for impairment. For cash and cash equivalents, the exception for low credit risk is applied.

Cash and bank balances consist of bank balances and investments that can easily be converted into cash, the latter having a maximum term at the acquisition date of three months. Carrying amount, amortised cost, is considered to be a good approximation for fair value as a discount based on current market interest rates is not deemed to lead to material differences.

Short-term investments consist of commercial paper or short-term bonds in accordance with established counterparty regulations (see Note 28). These investments have a maximum term of 12 months at acquisition and are recognised at amortised cost. The fair value is determined through a cash flow valuation. The discount rate is the rate of return received for securities with a similar credit value at the closing date.

Interest-bearing liabilities

Interest-bearing liabilities consist of financing from the banking system via bilateral bank loan agreements and financing from the capital market through commercial paper and bond loans. Liabilities are recognised at amortised cost on the balance sheet.

In the compilation Cash and cash equivalents, interest-bearing liabilities and other financial instruments, the value of current liabilities, including accrued interest, is recognised as a good approximation of fair value. The fair value of non-current debt instruments is also shown in the table and is determined by cash flow valuation. The discount rate is based on current market rates for the respective remaining term. In the determination of the variable interest rate, the latest fixed variable interest rate (Stibor three months) is used for the respective loans in force at 31 December 2025.

The valuation is level 2; see Note 28 for a description of level 2.

Interest-bearing liabilities also include utilised overdraft facilities and leasing liabilities (see Note 7). These are also valued at amortised cost.

Derivatives and cash flow hedges

Derivatives include futures contracts and swaps used to cover risks of exchange rate changes and exposure to interest rate risk. At present, Sveaskog does not hedge risks for changes in exchange rates related to net income. Interest rate swaps are used for hedges of interest rate risk.

In order to determine the fair value of derivatives, level-2 cash flow valuation is used. The discount rate is a market-based swap rate which is converted into a yield curve and zero coupon curve.

If hedge accounting is applied, and the efficiency criteria are met, the value increases and decreases on derivatives are recognised in the statement of comprehensive income. In hedge accounting, any excess ineffective component is recognised in the same way as the change in the value of derivatives that do not apply hedge accounting (see below). Compliance with hedge accounting requirements requires that there is a clear link to the hedged item and that the hedge effectively protects the hedged item. Hedge accounting complies with IFRS 9 since the company transitioned to IAS 39 during the period. The transition has not had any quantitative effects on the accounts . Effectiveness measurement is made and documented to ensure whether or not hedge accounting is to be applied.

If hedge accounting is not applied, or if the conditions for hedge accounting are no longer met, an increase or decrease in the value of the derivative is recognised as income and expenses within the net financial items. The accrued interest is recognised as interest income or interest expense, regardless of whether the derivative is hedged or not. Gains and losses on hedges are recognised in the income statement at the same time that gains and losses are recognised for the items hedged. All of the Group's derivatives are subject to ISDA agreements, which means an offset right for assets and liabilities against the same counterparty in a credit event. Offsetting of assets and liabilities is not applied in the accounts. The table Impact of offset rights in hedge strategies shows this offset right.

Impact of offset rights in hedge strategies

Amounts recognised on the consolidated balance sheet	2025	2024
Assets		
Derivative instruments	2	14
Liabilities		
Derivative instruments	1	1
Amount eligible for offset	1	1
Total after offset	**1**	**13**

Note 22, cont.

Financial instruments, Group

MSEK	Financial assets valued at amortised cost		Financial assets valued at fair value through profit or loss		Financial liabilities valued at amortised cost		Derivatives valued at fair value through profit or loss		Derivatives used for hedge purposes		Carrying amount		Fair value	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Interest-bearing assets and liabilities														
Interest-bearing non-current assets														
Interest-rate derivatives (nom. amount MSEK 500 (600))	–	–	–	–	–	–	2	3	4	10	6	13	6	14
Interest-bearing receivable, instalment purchases (Sveaskog Finans AB)	141	138	–	–	–	–	–		–	–	141	138	141	138
Interest-bearing other non-current receivables	–	–	5	5	–	–	–	–	–	–	5	5	5	5
Total	**141**	**138**	**5**	**5**	**–**	**–**	**2**	**3**	**4**	**10**	**152**	**156**	**152**	**157**
Cash and cash equivalents														
Cash and bank balances	502	598	–	–	–	–	–	–	–	–	502	598	502	598
Current investments	292	299	–	–	–	–	–	–	–	–	292	299	295	300
Total	**794**	**897**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**794**	**897**	**797**	**898**
Total interest-bearing assets	**935**	**1,035**	**5**	**5**	**–**	**–**	**2**	**3**	**4**	**10**	**946**	**1,053**	**949**	**1,055**
Interest-bearing non-current liabilities														
MTN (Limit MSEK 10,000)	–	–	–	–	5,640	5,549	–	–	–	–	5,640	5,549	5,815	5,706
Bond loans	–	–	–	–	800	800	–	–	–	–	800	800	817	825
Interest-rate derivatives (nom. amount MSEK 75)	–	–	–	–	–	–	1	1	–	–	1	1	1	1
Total	**–**	**–**	**–**	**–**	**6,440**	**6,349**	**1**	**1**	**–**	**–**	**6,441**	**6,350**	**6,633**	**6,532**
Interest-bearing current liabilities														
Commercial paper programme (Limit MSEK 5,000)	–	–	–	–	1,167	1,411	–	–	–	–	1,167	1,411	1,172	1,419
MTN (Limit MSEK 10,000)	–	–	–	–	1,100	1,399	–	–	–	–	1,100	1,399	1,103	1,418
Interest-rate derivatives (nom. amount MSEK 0)	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**2,267**	**2,810**	–	**–**	**–**	**–**	**2,267**	**2,810**	**2,275**	**2,837**
Total interest-bearing liabilities	**–**	**–**	**–**	**–**	**8,707**	**9,159**	**1**	**1**	**–**	**–**	**8,708**	**9,160**	**8,908**	**9,369**

Note 22, cont.

MSEK	Financial assets valued at amortised cost		Financial assets valued at fair value through profit or loss		Financial liabilities valued at amortised cost		Derivatives valued at fair value through profit or loss		Derivatives used for hedge purposes		Carrying amount		Fair value	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Non-interest-bearing financial instruments														
Non-current non-interest-bearing assets														
Other non-current securities holdings (spec. Note 16 Shares and participations)	–	–	28	27	–	–	–	–	–	–	28	27	28	27
Total	**–**	**–**	**28**	**27**	**–**	**–**	**–**	**–**	**–**	**–**	**28**	**27**	**28**	**27**
Current non-interest-bearing assets														
Trade receivables	1,748	1,579	–	–	–	–	–	–	–	–	1,748	1,579	1,748	1,579
Other receivables	526	63	–	–	–	–	–	–	–	–	526	63	526	63
Total	**2,274**	**1,642**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,274**	**1,642**	**2,274**	**1,642**
Total non-interest-bearing assets	**2,274**	**1,642**	**28**	**27**	**–**	**–**	**–**	**–**	**–**	**–**	**2,274**	**1,669**	**2,274**	**1,669**
Non-current non-interest-bearing liabilities														
Non-current non-interest-bearing liabilities	–	–	–	–	5	5	–	–	–	–	5	5	5	5
Total	**–**	**–**	**–**	**–**	**5**	**5**	**–**	**–**	**–**	**–**	**5**	**5**	**5**	**5**
Current non-interest-bearing liabilities														
Trade payables	–	–	–	–	731	726	–	–	–	–	731	726	731	726
Other current liabilities excluding derivatives	–	–	–	–	286	266	–	–	–	–	286	266	286	266
Total	**–**	**–**	**–**	**–**	**1,017**	**992**	**–**	**–**	**–**	**–**	**1,017**	**992**	**1,017**	**992**
Total non-interest-bearing liabilities	**–**	**–**	**–**	**–**	**1,022**	**997**	**–**	**–**	**–**	**–**	**1,022**	**997**	**1,022**	**997**
Total financial instruments	**3,210**	**2,677**	**33**	**32**	**-9,729**	**-10,156**	**1**	**2**	**4**	**10**	**-6,482**	**-7,435**	**-6,680**	**-7,642**

Note 22, cont.

Reconciliation of liabilities related to financing activities

Group, MSEK	2023	Cash flow	Non-cash change in leasing liabilities	2024
Financial liabilities				
Interest-bearing non-current liabilities	5,643	701		6,344
Lease liabilities, non-current	128	-49	54	133
Interest-bearing current liabilities	2,815	-4		2,811
Leasing liabilities, current	46	-2		44
Total liabilities attributable to financing activities	**8,632**	**646**	**54**	**9,332**

Group, MSEK	2024	Cash flow	Non-cash change in leasing liabilities	2025
Financial liabilities				
Interest-bearing non-current liabilities	6,344	98		6,442
Lease liabilities, non-current	133	SEK -104	78	107
Interest-bearing current liabilities	2,811	-544		2,267
Leasing liabilities, current	44	44		88
Total liabilities attributable to financing activities	**9,332**	**-506**	**78**	**8,904**

Interest terms of the Group as at 31 December 2025

		Excluding interest-rate derivatives		Including interest-rate derivatives	
Nominal values, MSEK	Currency	Nominal amount	Interest rate, %	Nominal amount	Interest rate, %
Interest-bearing assets					
Current investments	SEK	281	1.96		
Cash and bank balances	SEK	500	2.046		
Interest-bearing liabilities					
0-1 years	SEK	4,275	2.33	3,700	2.24
1-2 years	SEK	720	3.57	720	3.56
2-3 years	SEK	1,100	4.3	1,575	3.77
3-4 years	SEK	1,250	3.06	1,275	3.06
4-5 years	SEK	1,200	3.18	1,275	3.11
5 years-	SEK	180	4.55	180	4.55

Note 22, cont.

Financial instruments, parent company

	Financial assets valued at amortised cost		Financial liabilities valued at amortised cost		Carrying amount	
MSEK	2025	2024	2025	2024	2025	2024
Interest-bearing assets and liabilities						
Non-current interest-bearing assets						
Receivables from Group companies	400	400	–	–	400	400
Total	**400**	**400**	**–**	**–**	**400**	**400**
Current interest-bearing assets						
Receivables from Group companies	0	0	–	–	–	–
Total	**0**	**0**	**–**	**–**	**–**	**–**
Total interest-bearing assets	**400**	**400**	**–**	**–**	**400**	**400**
Non-current interest-bearing liabilities						
MTN	–	–	5,640	5,549	5,640	5,549
Bond loans	–	–	800	800	800	800
Total	**–**	**–**	**6,440**	**6,349**	**6,440**	**6,349**
Current interest-bearing liabilities						
Commercial paper programme	–	–	1,167	1,411	1,167	1,411
MTN	–	–	1,100	1,399	1,100	1,399
Liabilities to Group companies	–	–	4,632	3,949	4,632	3,949
Total	**–**	**–**	**6,899**	**6,759**	**6,899**	**6,759**
Total interest-bearing liabilities	**–**	**–**	**13,339**	**13,108**	**13,339**	**13,108**
Non-interest-bearing financial instruments						
Current non-interest-bearing assets						
Receivables from other Group companies	907	930	–	–	907	930
Total non-interest-bearing assets	**907**	**930**	**–**	**–**	**907**	**930**
Current non-interest-bearing liabilities						
Liabilities to Group companies	–	–	–	100	–	100
Other current liabilities	–	–	88	89	88	89
Total non-interest-bearing liabilities	**–**	**–**	**88**	**189**	**88**	**189**
Total financial instruments	**1,307**	**1,330**	**-13,427**	**–13,297**	**-12,120**	**–11,967**

Reconciliation of liabilities related to financing activities

Parent company, MSEK	2023	Cash flow	2024
Financial liabilities			
Interest-bearing non-current liabilities	5,643	701	6,344
Interest-bearing current liabilities	5,948	812	6,760
Total liabilities attributable to financing activities	**11,591**	**1,513**	**13,104**

Parent company, MSEK	2024	Cash flow	2025
Financial liabilities			
Interest-bearing non-current liabilities	6,344	98	6,442
Interest-bearing current liabilities	6,760	140	6,900
Total liabilities attributable to financing activities	**13,104**	**238**	**13,342**

NOTE 23

Pension commitments, pension provisions and other provisions for pensions and similar commitments.

Pension commitments
Sveaskog has pension commitments according to pension plans resulting from collective agreements and as a result of obligations under the incorporation agreement entered into with the State. -The pension plans are either defined-contribution or defined-benefit plans and cover only unassailable pension commitments. The pension plans for employees who are active are financed mainly through premium payments to insurance companies.

Defined-contribution plans
The commitments relate primarily to commitments to employees linked to the SAF-LO collective pension insurance, but also to commitments relating to employees linked to the ITP1 agreement. Commitments regarding expenses to defined-contribution plans are recognised as an expense in the income statement as they arise.

Defined-benefit plans
According to defined benefit plans, the size of the pension is determined by factors such as pay, period of service and age.

The commitments relate mainly to commitments to employees linked to the ITP-2 agreement and these are secured by a premium payment to Alecta. In accordance with a statement by the Swedish Financial Reporting Board (UFR 10), ITP plans secured by insurance in Alecta are to be classified as a defined-benefit plan involving several employers. There is no access to sufficient information to account for the Group's share of the defined-benefit commitment and the plan assets and expenses related to the plan. Therefore, the plan is presented as a defined-contribution plan, which means that paid premiums are recognised as an expense. For employees who are linked to defined-benefit pension plans administered by Alecta (the ITP plan) and are not included in the alternative ITP solution, the premiums in 2025 amounted to MSEK 18 (18). The expected fees to the plan for the next reporting period are MSEK 14 (15). Alecta is capitalised on a collective basis which provides a buffer for the insurance obligations against variations in capital returns and insurance risks. Surpluses may be allocated to policyholders and/or insured persons. Alecta's capital adequacy target is that 125 per cent (150) of the assets' market value should be achieved in relation to the pension insurance commitments. The preliminary capital adequacy ratio of Alecta was 167 per cent (162) compared to commitments as at 31 December 2025. Sveaskog's share of the total number of active members in the plan amounted to 0.09 per cent (0.08), which corresponds to 275 (286) active members.

Another defined-benefit commitment relates to pensions and annuities taken over from the State in connection with the so-called incorporation agreement under which Sveaskog Förvaltnings AB took over the operations and assets of the Swedish National Forest Enterprise as of 1 July 1992 and the corresponding commitments taken over from the State in connection with Svenska Skogsplantor AB's takeover of operations and assets from the Swedish Forest Agency as of 1 July 1994. The latter commitments are now also part of Sveaskog Förvaltnings AB. In addition, there are certain temporary obligations arising from the rationalisation and restructuring of the business. Net commitment in respect of these other defined-benefit plans is calculated separately for each plan on the basis of company-specific actuarial assumptions. These include assessments of future salary adjustments, inflation rates, mortality, exit intensity and changes in base income amounts. The commitments are discounted to a present value. The discount rate is determined on the basis of the market interest rate on mortgage bonds. The valuations have been carried out by a qualified external actuary. All actuarial gains and losses are recognised in other comprehensive income when they arise.

If the benefits in a plan are improved, the share of the increased remuneration that relates to employee service in previous periods is recognised as a cost in the income statement distributed straight-line over the average period until the benefits are fully vested. If the remuneration is fully vested, a cost is recognised in the income statement directly.

The Group's recognised provisions for pensions correspond to the present value of these pension commitments in addition to ITP2.

The commitments on the balance sheet essentially relate to commitments assumed from the State in connection with the takeover of operations and related personnel after the take-over dates. The risks associated with defined-benefit pension plans are:

- Interest rate risk: with a lower interest rate level and thus a lower discount rate, the debt increases.
- Inflation risk: with higher inflation, debt increases.
- Life expectancy: the longer the persons covered by the plan live, the higher the commitment.
- The increase in salary risk means that with increased wage increases the debt increases, but Sveaskog has no new vesting in the defined-benefit plans that are not ITP2.

For the financial risks, please see Note 28.

The defined-benefit pension commitment is calculated annually by independent actuaries. The present value of the defined-benefit commitment is determined by discounting estimated future cash flows using the interest rate for residential bonds of the same duration as the pension liability.

The following tables show an overview of the items related to the pension commitments treated as defined-benefit and funded liabilities that are included in the net cost of the benefits recognised in the consolidated income statement.

Note 23, cont.

Group, MSEK	2025	2024
Carrying amount of defined-benefit pension plans		
Present value of commitments	219	291
Recognised pension provisions and other provisions for pensions and similar commitments	**219**	**291**
Changes in recognised pension provisions in 2025 and 2024, respectively		
Provisions at 1 Jan 2025 and 1 Jan 2024, respectively	291	231
Actuarial gain/loss due to changing demographic assumptions	–	–
Actuarial gain/loss due to changing financial assumptions	-1	17
Actuarial gain/loss due to changing experiential assumptions	-1	27
Benefits paid	-30	-35
Other changes	-40	51
Recognised pension provisions and other provisions for pensions and similar commitments	**219**	**291**
Net cost of benefits from defined-benefit pension plans		
Operating cost	-18	52
Interest components in this year's increase in the present value of pension commitments	6	8
Actuarial gain/loss due to changing demographic assumptions	–	0
Actuarial gain/loss due to changing financial assumptions	-1	17
Actuarial gain/loss due to changing experiential assumptions	-1	27
Recognised pension cost	**-14**	**104**
Expected maturity of provisions for pensions		
Within one year (Included in Interest-bearing current liabilities and provisions)	27	30
Later than within one year (Included in Provisions for pensions and Other provisions for pensions and similar obligations)	192	261
Total	**219**	**291**

%	31 Dec 2025	31 Dec. 2024
Discount rate	2.832	2.713
Inflation index for consumer prices	2.0	2.0
Increase in base income amount	0	3.0
Mortality assumption	DUS23	DUS23

Sensitivity analysis discount rate
A discount rate increased by 1.0 per cent would entail a decrease in debt of MSEK 13 (15).

A discount rate decreased by 1.0 per cent would entail an increase in the debt of MSEK 15 (17).

Sensitivity analysis inflation
An increase in inflation by 0.5 per cent would entail an increase in debt of MSEK 7 (8).
A decrease in inflation by 0.5 per cent would entail a decrease in debt of MSEK 7 (8).

Sensitivity analysis increase in income base amounts
An increase in income base amount by 1.0 per cent would entail an increase in debt of MSEK 0 (0).

A decrease in income base amount by 1.0 per cent would entail a decrease in debt of MSEK 0 (0).

Sensitivity analysis mortality/life expectancy
An increased life expectancy by one year would entail an increase in debt of MSEK 14 (16).
A decreased life expectancy by one year would entail a decrease in debt of MSEK 14 (15).
The expected weighted average duration of the current value of the commitment at 31 December 2025 is 6.14 years (6.33).

The discount rate is determined on the basis of the market interest rate on mortgage bonds.

NOTE 24
Trade payables

	Group		Parent company	
MSEK	2025	2024	2025	2024
Current liabilities				
Trade payables	1,080	1,044	–	–
Liabilities to associates (see Note 3)	1	6	–	–
Total trade payables	**1,081**	**1,050**	**–**	**–**
– of which financial liabilities	*709*	*726*	–	–

NOTE 25
Other liabilities

	Group		Parent company	
MSEK	2025	2024	2025	2024
Contract liabilities	0	0	–	–
Derivative liabilities (see Note 22 and Note 28)	4	2	–	–
Deferred income	28	25	–	–
Accrued expenses	185	200	88	89
Other current liabilities	129	109	0	0
Total other liabilities	**346**	**336**	**88**	**89**
– of which financial liabilities (excluding derivatives)	*193*	*265*	*88*	*89*

NOTE 26

Other provisions

Significant judgements and estimates

Environmental provisions

Sveaskog regularly makes provisions for the Group's environmental commitments. These may be environmental provisions for nurseries or previous industrial activities. A commitment is recognised as a provision when an authority has announced an order for the Group to take certain measures or when it is otherwise clear what measures the Group will be forced to take in an area. All provisions are reviewed quarterly. These quarterly reviews may require adjustments to the provisions if there is a case, either on a voluntary basis or because a supervisory authority requires us to take action in an area, or if a case is extinguished due to our doing what we should do. Sveaskog engages an environmental consultant who conducts surveys and measures on our behalf and who can best estimate how much the costs may be in each individual case. Adjustments to the provisions are made after discussion with this environmental consultant. Sveaskog estimates that there is no risk of a significant increase in the coming financial year.

Other provisions

MSEK	Opening balance, 1 January 2024	Reversal of provisions	New provisions	Claims	Closing balance, 31 December 2024	Of which, the current part	Of which, the non-current part
Group							
Provisions for resource adjustment	4	-2	6	-7	1	1	0
Provision for liabilities to beneficiaries of endowment insurance	5	–	0	–	5	0	5
Provision for archive costs, dams and bridges	169	-35	0	-6	127	15	112
Environmental provisions	31	–	11	-16	26	0	26
Onerous contracts, multi-injured forest and other provisions	99	-63	0	-11	25	11	14
Total	**308**	**-99**	**17**	**-40**	**184**	**27**	**157**

MSEK	Opening balance, 1 January 2025	Reversal of provisions	New provisions	Claims	Closing balance, 31 December 2025	Of which, the current part	Of which, the non-current part
Group							
Provisions for resource adjustment	1	-2	9	-5	3	3	–
Provision for liabilities to beneficiaries of endowment insurance	5	0	–	–	5	–	5
Provision for archive costs, dams and bridges	127	-2	–	-9	117	17	100
Environmental provisions	26	-2	30	SEK -12	42	10	32
Multi-damaged and storm-damaged forest	25	-	44	-13	56	48	8
Total	**184**	**-6**	**82**	**-39**	**223**	**77**	**145**

Note 26, cont.

Provisions for resource adjustment
Provisions for resource adjustment reserves in Sveaskog Förvaltnings AB relate to reorganisation in 2025 and individual cases where the company has encouraged voluntary departure. A provision is recognised only if the company is demonstrably obliged to terminate an employment before the normal date or when benefits are provided as an offer to encourage voluntary departure. In cases where the company terminates staff, a detailed plan is drawn up containing at least the workplace, positions and number of persons concerned, as well as the remuneration for each category of staff or position and the time of implementation of the plan.

Provision for endowment insurance
This is reserved for the beneficiaries of the endowment insurance policies taken out in Skandia.

Provision for archive costs
In accordance with the 1992 incorporation agreement between the State and Domän AB (today Sveaskog Förvaltnings AB, SFAB), SFAB is responsible for archive costs, so-called preservation fees, in respect of the documents of the Swedish National Forest Enterprise. The documents are archived at the National Archives. The commitment is eternal.

Provision for dams and bridges
This provision concerns a legal maintenance obligation of substandard dams and bridges. It is complicated to replace or raise the carrying capacity of a bridge, so there will be long lead times before one can perform a bridge repair.

Multi-damaged forest
This provision concerns a legal obligation to ensure an approved rejuvenation on a multi-damaged forest area. The Swedish Forest Agency has shown in an external inventory the problem of multi-damaged forest in northern Sweden. In 2021, Sveaskog conducted its own inventory confirming this. Sveaskog's multi-damaged forest was estimated at 100,000 ha, of which 25,000 ha were so damaged that they require a restart. Of these, Sveaskog identified that 5,000 ha needed a restart in the next few years.

Storm-damaged forest
Provision for additional costs for handling storm-damaged forest caused by Storm Johannes at the end of 2025.

Onerous contracts
Sveaskog buys felling rights. For the felling rights that are not yet used, an assessment of impairment requirements per object and product range is made by comparing the price of the felling rights with the actual sales price on the closing date. The impairment is made as a provision for onerous contracts.

Reconciliation with the balance sheet

		Group	
MSEK		2025	2024
Current part of provision for pensions	Note 23	27	30
Current part of other provisions	Note 26 table	77	27
Provisions, current component		**104**	**57**

NOTE 27

Pledged assets and contingent liabilities

	Group		Parent company	
MSEK	2025	2024	2025	2024
Contingent liabilities				
Guarantees for Biometria	20	20	–	–
Guarantees for others	5	4	–	–
Guarantees for Group companies	–	–	231	262
Total	**25**	**24**	**231**	**262**

NOTE 28

Financial risks

Finance policy

The Board of Sveaskog has adopted a finance policy that regulates how the financial risks to which the Group is exposed are to be managed. This policy is evaluated and revised once a year. Operational responsibility is delegated through the CEO to the CFO and on to the Head of Finance who, in addition to the operational responsibility, is responsible for ensuring the finance function reports to the management and the Board of Directors on a monthly basis.

Financial risks refer to changes in the Group's earnings and cash flow due to changes in exchange rates, interest rates, refinancing needs and credit risk. Responsibility for reducing financial risks and carrying out current financial transactions is centralised into a Group-wide finance function. The overall objective of the finance function is to ensure cost-effective financing and to minimise negative effects on the Group's earnings that can result from price changes in the fixed-rate and foreign exchange markets.

Of the various financial risks that a company may be exposed to – financing risk, interest rate risk, credit risk/counterparty risk and currency risk – financing risk, interest rate risk and credit risk are clearly the dominant risks for Sveaskog. The currency risk is relatively small.

Sveaskog, a forest-owning and forest-managing company, finances approximately 6.9 per cent (7.5) of its assets with external loans. For this reason, great emphasis is placed on minimising both the financing risk and the interest rate risk in this borrowing. In addition, effort is made to not depend on individual sources of funding and to be restrictive in assessing counterparties when investing excess liquidity.

In order to achieve efficient management of the Group's liquidity, Sveaskog uses cashpools with Sveaskog Förvaltnings AB as the main account holder.

Financing risk

The financing risk is the risk of a large loan need arising in a strained credit market situation.

In order to ensure that the Group has access to external financing at all times, the Finance Department must ensure that confirmed bank credit commitments are available. In terms of volume, they shall primarily cover outstanding commercial paper in order to eliminate the risk that it cannot be refinanced in a situation where the commercial paper market does not work.

The lender base shall consist of different sources of funding so that an excessive dependence on the individual loan market does not arise. The external lending opportunities of the Sveaskog Group consist of a mix of bank loans and market loans – commercial paper and bond loans. In this way, the Group is not dependent on one source of funding alone. Sveaskog has not provided any collateral for these loans. The loan agreements contain a so-called negative clause, which means that no company within the Group may or can provide collateral for loans or other commercial transactions.

The current loan portfolio consists of commercial paper and bond loans. – Commercial paper is, by nature, short with a maximum term of 12 months, while long-term outstanding bond loans have a term of between one and 20 years. The bilateral bank loan agreements have an average residual maturity of 2.5 years (1.5).

According to current financial policy, loan maturity should be spread over a period of at least five years, but may spread over a longer period of time. Maturity within the next 12 months shall not exceed 20 per cent of the total loan stock excluding commercial paper; if the maturity exceeds 20 per cent, they shall be neutralised by early borrowing or increased liquidity reserves. In the interval of more than one year, the maturities shall be spread as evenly as possible. At the end of the year, 15 per cent (18) of the total loan stock excluding commercial paper will mature within the next 12 months.

The loan volume under the Swedish commercial paper programme amounted to MSEK 1,175 (1,425), which is refinanced on an ongoing basis. The outstanding volume under the MTN programme at 31 December was MSEK 6,750 (6,950), of which MSEK 6,350 (6,550) refers to green bonds.

At the end of the year, Sveaskog's net financial liability amounted to MSEK 8,183 (8,584) and its maturity structure is shown in the table Liquidity risk, maturities for financial liabilities – Group.

Interest rate risk

For the Group, interest rate risk is the risk that cash flows caused by financial instruments vary due to changes in market interest rates. The Group is exposed to interest rate risk; how quickly a trend change in interest rates has an impact on profit and loss depends on the fixed-interest period of loans and investments. The Group's finance policy stipulates how the interest exposure is to be managed and the finance function is responsible for compliance to the policy.

The finance policy stipulates that the Group's loan stock shall have an average fixed-interest period of not less than 12 months nor exceeding 48 months. As of 31 December 2025, the average fixed-interest period on the net debt was 27.0 months (25.0) and the gross interest expense was 3.09 per cent (3.38).

The interest rate risk is managed through a balanced mix of variable and fixed interest rates on financing and, where necessary, interest rate swap contracts. The main aim of the interest rate swaps is to try to achieve the most optimal fixed interest rate period for the Sveaskog Group as possible at all times, taking into account the business cycle, interest rate levels, Sveaskog's own income statement and balance sheet and the size of the loan portfolio. The risk should be continuously monitored and action taken if necessary.

The long-term loans subscribed with variable interest rates have Stibor 3 months as a reference rate; changes in that interest component are secured by the interest rate swaps used by the Group. At 31 December 2025, Sveaskog had interest rate swaps with a contract amount of MSEK 575 (575), of which MSEK 400 (400) is subject to hedge accounting. All swap contracts mean that the Group receives variable interest rates against paying a fixed-term interest rate for the duration of the swap.

The swaps may be hedged if they effectively manage the risk they are intended to manage. In order to measure how effectively these interest rate swaps hedge the exposure, the change in value of the swap is measured against the value of the loan since the contract date. This is done by discounting the estimated cash flows. This measurement does not include the effect of a change in the creditworthiness of any of the parties to the contract.

The interest rate swaps that are hedged are subscribed at the same reference rate and the same maturity period as the loans and receive an effectiveness rate of 100 per cent. The entire change in the value of these swaps is thereby recognised in other comprehensive income in accordance with the accounting principles.

This table shows the fixed-contracted interest rate of these swaps, their maturity and how the hedge accounting affected the income statement and balance sheet by being booked on other comprehensive income instead of the income statement and net financial income/expense.

Sensitivity analysis

In order to manage interest rate risk, the Group issues longer-term bonds to reduce the impact of short-term interest rate fluctuations on the Group's earnings. In the long term, however, lasting changes in interest rates will have an impact on consolidated earnings.

At 31 December 2025, a general increase in the interest rate by one percentage point would be expected to reduce the Group's profit before tax by approximately MSEK 82 (86) without taking into account the cash flow hedge. Considering cash flow hedges that do not affect the income statement through hedge accounting, the profit before tax would be affected by approximately MSEK 78 (82). Equity would be negatively affected in the event of a general increase in interest by one percentage point in an amount of MSEK 89 (74).

Note 28, cont.

Impact of the hedge accounting on the income statement and balance sheet

Maturity	Contract amount	Fixed interest component	Total change in value	Change in value for the year
Total	**400**	**1.270**	**8.59**	**-6.61**
0-1 years	–	–		
1-2 years	–	–		
2-3 years	400	1.27		
3-4 years	–	–		
4-5 years	–	–		
5 years–	–	–		

Credit risk/counterparty risk
Credit risk means that a counterparty in a financial transaction cannot fulfil its obligations. Financial risk management entails exposure to credit risk. For Sveaskog, this arises partly in connection with the placement of cash, but above all in connection with counterparty risks in relation to banks when purchasing derivative instruments. In order to enter into derivative transactions with the banks, Sveaskog Förvaltnings AB has so-called ISDA agreements with affected parties. The finance policy includes a specific counterparty regulation in which the maximum credit exposure of different counterparties is specified. This regulation is strict and specifies the minimum credit rating for issuers. Swedish counterparty risks shall have a rating equivalent to at least A- or A3 according to Standard & Poor's, Nordic Credit Rating, Fitch, Scope and Moody's, respectively. With two exceptions, Sveaskog only has credit risks on Swedish counterparties. In 2025, there were no credit losses for financial transactions.

The company recognises a loss reserve for anticipated credit losses on financial instruments in accordance with the three-stage model in IFRS 9. The recognition of impairment losses is governed by changes in the credit risk of the financial assets. In stage one, expected credit losses are recognised within 12 months. Stage two identifies whether the credit risk of the financial instrument has increased significantly. In stage three, anticipated credit losses are valued over the entire term. For credit risk in respect of receivables from commercial customers, there are simplifications that apply, see Note 19.

Handling of capital
Capital means borrowed capital, both short- and long-term loans, and capital in the form of liquidity placed in bank accounts or other short-term investments. The Group's objective regarding the capital structure is to safeguard the Group's ability to continue its operations, so that it can continue to generate returns for the owner and benefit other stakeholders and to maintain an optimal capital structure to keep the costs of the capital down.

In order to maintain or adjust the capital structure, the Group may change the dividend paid to the owner, repay capital to the owner, issue new shares or sell assets to reduce the liabilities.

In 2022, new financial targets were chosen for the Sveaskog Group, which means, among other things, that the Group must maintain a net debt/equity ratio of between 0.05 and 0.30 times. This financial target is calculated as net interest-bearing debt divided by equity, calculated at the end of the year. Net interest-bearing debt is calculated as total borrowing (including the items interest-bearing current liabilities, interest-bearing non-current liabilities, lease liabilities and pension liabilities on the consolidated balance sheet) less cash and interest-bearing non-current receivables. Total capital is calculated as equity on the consolidated balance sheet plus net debt. The equity ratio at 31 December 2025 and 2024 respectively was as follows:

	Group	
MSEK	2025	2024
Total borrowings (Notes 22, 23)	9,123	9,624
Less:		
– Non-current interest-bearing receivables (Note 22)	-146	-143
– Cash and cash equivalents (Note 22)	-794	-897
Net debt	8,183	8,584
Total equity	92,650	89,210
Total capital	**100,833**	**97,794**
Net debt/equity ratio, multiple	0.09	0.10

Currency risk
Sveaskog's currency exposure is limited. All forest assets are in Sweden and only a small part of the costs are in foreign currency. No currency hedges of commercial flows are currently used. The holdings in SIA Sveaskog Baltfor are currency hedged.

Calculation of fair value
Securities
Fair value is based on quoted market prices on the closing date.

Derivative instruments
In order to determine interest rate swap prices, cash flow valuation is used. The interest rate used is the market-based rate for interest rate swaps on the closing date composed of a yield curve and then converted into a zero coupon curve.
Quoted prices (unadjusted) in active markets for identical assets or liabilities available to the entity at valuation date.

Level 1
For financial instruments for which quoted market prices are available, current prices are used for fair value measurement.

Level 2
Observable data for assets or liabilities other than quoted prices incl. in level 1, either directly (i.e. as price quotations) or indirectly (i.e. derived from price quotations). Derivatives in level 2 consist of interest rate swaps and are used for both trading and hedging purposes. The measurement of the fair value of interest rate swaps is based on swap rates obtained from a financial information system and converted to a zero-coupon curve for the measurement.

Level 3
Data on the asset or liability that are not based on observable market data (i.e. non-observable data).

The following table shows the fair value of the financial assets, liabilities and derivatives. Financial assets and derivatives are valued at fair value on the balance sheet, while current and non-current financial liabilities are measured at amortised cost on the balance sheet. The table shows the fair value of the swap contracts that are hedge accounted as liabilities. The Group also has swap contracts that are not hedged but where the change in value is recognised through the income statement and under the assets in the table above. These swaps have a contract amount of MSEK 175 (175) and a fair value of MSEK 2 (3) at 31 December 2025.

Note 28, cont.

Measurement techniques used to calculate fair values in Level 1
For financial instruments for which quoted market prices are available, current prices are used for fair value measurement.

Measurement techniques used to calculate fair values in Level 2
Current liabilities (classification at acquisition date) are measured at book value including accrued interest, which is assessed to provide a good approximation of the fair value. The fair value of non-current liabilities (classification at acquisition date) is established using valuation models such as discounting future cash flows at listed market interest rates for the respective term. Derivatives in level 2 consist of interest rate swaps recognised at market value or as hedge accounting. The measurement of the fair value of interest rate swaps is based on swap rates obtained from a financial information system and converted to a zero-coupon curve for the measurement.

Issues
During the year, Sveaskog issued MSEK 4,075 (4,600) under the commercial paper programme and MSEK 1,200 (2,100) under the MTN programme.

In order to secure the extension of Sveaskog's current liabilities in the event of an increase in capital scarcity, Sveaskog has contracted credit facilities. These credit facilities amounted to MSEK 4,500 (4,300) at 31 December 2025. The finance policy also regulates the proportion of the loan portfolio that may mature within 12 months. At present, a maximum of 20 per cent may mature within 12 months. The finance function reports on this to the management and Board of Directors monthly.

	Level 1		Level 2	
Fair value, Group, MSEK	2025	2024	2025	2024
Assets				
Interest-bearing non-current liabilities	146	143	–	–
Derivative instruments	–	–	5	14
Total assets	**146**	**143**	**5**	**14**
Liabilities				
Non-current liabilities	–	–	6,631	6,531
Current liabilities	–	–	2,275	2,837
Derivative instruments	–	–	1	1
Total liabilities	**0**	**0**	**8,907**	**9,369**

Insurance policy
The Board of Directors of Sveaskog has adopted an insurance policy that regulates how the Group's risk management is to be designed and conducted. This policy is evaluated once a year. It is then the CEO who delegated through the CFO and on to the Head of Finance to implement the policy's directives.

The biological asset, standing timber, is Sveaskog's largest asset, but also the asset that is estimated to be exposed to the single largest static risk. In the event of damage, it may temporarily cause significant costs for the Group, which could have a major impact on the Group's financial position. Therefore, great emphasis has been placed on ensuring that the Group has a forest insurance policy that covers the additional costs that may arise in connection with major damage to the standing timber in the form of storms or fires, for example. To help design suitable protection and risk coverage, the Sveaskog Group owns a so-called captive, Sveaskog Försäkrings AB. Through this captive, the Group transfers the risk of damage further out to the direct insurance market and the reinsurance market. The Group currently has protection for the biological asset that covers cost increases of up to MSEK 2,000. This amount is based partly on the experience of the storms of recent years and partly simulated together with external insurance experts.

Liquidity risk. Maturity year of financial liabilities

	Between 0-3 months		Between 4-12 months		Between 12-24 months		Between 24-60 months		More than 60 months	
Group (including future interest flows), MSEK	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Borrowing (excluding financial leasing liabilities)	1,925	1,186	294	1,891	1,337	1,294	5,483	5,455	278	295
Derivative instruments	-5	-3	7	9	5	5	-3	3	0	0
Lease liabilities in accordance with IFRS 16	26	3	63	41	55	52	46	63	6	18
Trade payables	682	701	4	4	15	8	14	11	16	2
Other liabilities	205	195	81	70	–	–	–	–	–	–
Financial guarantee agreements	–	–	–	–	3	–	–	3	20	20

NOTE 29

Assets held for sale

One ongoing property sale is expected to be completed in the first half of 2026.

As the transfer will be completed in 2026, the divestments were recognised as assets held for sale as at 31 December 2025. The carrying amount of assets classified as held for sale at 31 December 2025 amounted to MSEK 775 (848), with liabilities directly attributable to assets classified as held for sale of MSEK 155 (1). Profit from operations held for sale in 2025 amounts to MSEK 0 (loss: 58).

Carrying amount of assets attributable to operations held for sale	2025	2024
Non-current assets [1]	775	848
Current assets	0	0
Total assets	**775**	**848**

Carrying amount of liabilities attributable to operations held for sale	2025	2024
Non-current liabilities	0	0
Current liabilities [2]	115	1
Total assets	**115**	**1**

[1] Assets held for sale refer to:
2024: Hjälmare Kanal and Setra Group
2025: Property sales expected to be completed in the first half of 2026

[2] Liabilities held for sale refer to:
2024: Hjälmare Kanal and Setra Group
2025: Property sales expected to be completed in the first half of 2026

NOTE 30

Significant events after the end of 2025

On 18 February 2026, Sveaskog entered into an agreement to sell its 25-per-cent shareholding in Sunpine AB to VAROPreem Sverige AB. The sale is being carried out together with the co-owners Södra Skogsägarna ekonomisk förening and Lawter B.V.. Ownership is expected to transfer during the first half of 2026.

On 23 February 2026, SIA Sveaskog Baltfors completed the acquisition of the port terminal company LSEZ BaltexBulk in Liepaja, Latvia.

No other significant events have occurred since the end of the year that have not been included in the annual report.

Alternative KPIs and definitions

The company presents certain financial measures in the interim report that are not defined in accordance with International Financial Reporting Standards (IFRS). The company believes that these measures provide valuable additional information to investors and management, as they enable an evaluation of the company's performance. Since not all companies calculate financial measures in the same way, these are not always comparable with the metrics used by other companies.

These financial measures should therefore not be seen as a substitute for measures defined in accordance with IFRS. The following table presents measures that are not defined in accordance with IFRS, unless otherwise stated.

Return on equity

Definition: Reported profit after tax expressed as a percentage of average equity. -The Group's definition has not been changed since previous periods.

Comment: Sveaskog deems that this KPI measures the company's return during the year on the capital that the owner has invested in the business, and thus indicates how profitable the company is for its shareholders.

Return on equity	Full year 2025	Full year 2024
Equity, opening balance	89,210	73,808
Equity, closing balance	92,936	89,210
Average equity (OB + CB)/2	91,073	81,509
Profit for the year	11,197	7,711
Divided by average equity	91,073	81,509
= Return on equity, %	**12.3**	**9.5**

Return on adjusted operating capital

Definition: Operating profit before change in value of biological assets, excluding capital gains on property sales, divided by average adjusted operating capital, excluding deferred tax.

Comment: This is one of Sveaskog's financial targets. The target is that the return shall be at least 2.5 per cent on average. The target reflects the return on Sveaskog's operating activities excluding the impact of forest valuations and temporary property sales.

Return on adjusted operating capital	Full year 2025	Full year 2024
Operating profit before change in value in biological assets	2,147	2,020
Less capital gains on property sales	-48	-6
Subtotal	**2,099**	**2,014**
Adjusted operating capital OB	49,094	42,179
Adjusted operating capital CB	58,979	49,094
Average adjusted operating capital (OB + CB)/2	54,036	45,637
Subtotal as above	2,099	2,014
Divided by average adjusted operating capital	54,036	45,637
= Return on operating capital,%	**3.9**	**4.4**

Return on adjusted operating capital excluding equity participation in associates

Definition: Operating profit before change in value of biological assets, excluding capital gains on property sales and equity interests in associates, divided by average adjusted operating capital, excluding equity interests in associates and deferred tax.

Comment: This is one of Sveaskog's financial targets. The target is that the return shall be at least 2.5 per cent on average. The target reflects the return on Sveaskog's operating activities excluding the share of capital in associated companies without the impact of forest valuations and temporary property sales.

Return on adjusted operating capital excluding equity participation in associates	Full year 2025	Full year 2024
Operating profit before change in value in biological assets	2,147	2,020
Less capital gains on property sales	-48	-6
Less impairment attributable to associated companies	235	0
Less equity participation in associates	-59	46
Subtotal	**2,275**	**2,060**
Adjusted operating capital excl. equity participations in associates OB	48,686	40,849
Adjusted operating capital excl. equity participations in associates CB	58,540	48,686
Average adjusted operating capital excl. equity interests in associates (OB + CB)/2	53,613	44,768
Subtotal as above	2,275	2,060
Divided by average adjusted operating capital	53,613	44,768
= Return on operating capital,%	**4.2**	**4.6**

Gross margin

Operating profit before depreciation and share of profit/loss in associates as a percentage of net sales.

Adjusted operating capital

Definition: Total assets excluding interest-bearing assets, tax assets and assets held for sale and the land value minus non-interest-bearing liabilities and deferred tax liabilities (except the part of the land value), all calculated at the end of the year. The key performance indicator is calculated including and excluding equity participation in associates.

Comment: Sveaskog calculates adjusted operating capital for the key ratios return on adjusted operating capital before and after equity participation in associates and average adjusted operating capital.

Adjusted operating capital	Full year 2025	Full year 2024
Other liabilities and provisions (current)	450	393
– of which current component of pension commitment	*27*	*30*
– of which current component of pension commitment	*104*	*57*
– of which other liabilities	*319*	*306*
Balance sheet total	130,322	126,085
Less interest-bearing assets (cash and cash equivalents)	-794	-897
Less interest-bearing receivables (non-current)	-146	-143
Less tax assets	-1	-96
Less other liabilities and provisions (non-current)	-26,376	-25,573
Less trade payables	-1,081	-1,050
Less other liabilities (current)	-	-336
Less other provisions (current)	-423	-26
= Operating capital, MSEK	101,501	97,964
Restoration of land value	-52,523	-60,869
Restoration of land value of assets to be sold	-327	0
Deferred tax attributable to land value	10,260	11,999
Deferred tax attributable to the land value of assets to be sold	68	0
= Adjusted operating capital, MSEK	**58,979**	**49,094**
Less equity participation in associates	-439	-408
= Adjusted operating capital excl. equity participations in associates, MSEK	**58,540**	**48,686**

Capital turnover rate

Definition: Net sales divided by average operating capital.

Net debt/equity ratio

Definition: Net interest-bearing debt divided by equity, calculated at the end of the year. The Group's definition has not been changed since previous periods.

Comment: Net debt/equity ratio is one of Sveaskog's financial targets. The target is a ratio in the range of 0.05-0.30. Sveaskog deems the KPI to reflect the scope for dividends and strategic investments, as well as to enable assessments of the Group's ability to fulfil its financial obligations.

Net debt/equity ratio	Full year 2025	Full year 2024
Net interest-bearing debt	8,183	8,584
Divided by equity	92,936	89,210
= Net debt/equity ratio, times	**0.09**	**0.10**

Operating profit from continuing operations

Definition: Operating profit before change in value of biological assets, profit/loss of associate companies and capital gains from property sales.

Comment: The operating profit is the result of the Group's core operating activities, where the vast majority is the forest business with the purchase and sale of timber, pulpwood, wood chips and biofuel. Associates are recognised in the consolidated income statement outside operating profit because they do not constitute the Group's core operating activities.

Earnings per share (defined in accordance with IFRS)

Definition: Profit for the year after tax divided by average number of shares during the year.

Net interest-bearing debt/EBITDA

Definition: (Earnings Before Interest and Tax, Depreciation and Amortisation) means Operating profit (external) less depreciation at Sveaskog.

Comment: EBITDA measures the company's operating profit before interest, tax, impairment, amortisation and depreciation.

	2025	2024
Operating profit (external)	2,275	2,060
Reversal of amortisation/depreciation	205	179
EBITDA	2,480	2,239
Net interest-bearing debt	8,183	8,584
Divided by EBITDA	2,480	2,239
= Net interest-bearing debt, EBITDA	**3.3**	**3.8**

Net interest-bearing debt

Definition: Interest-bearing liabilities less interest-bearing assets, all calculated at the end of the year. The Group's definition has not been changed since previous periods.

Comment: Sveaskog calculates net interest-bearing debt for the KPI net debt/equity ratio.

Net interest-bearing debt	Full year 2025	Full year 2024
Interest-bearing assets (cash and cash equivalents and non-current receivables)	940	1,040
Interest-bearing liabilities and provisions (non-current)	-6,634	-6,605
Lease liabilities (non-current)	-107	-133
Interest-bearing liabilities, MSEK	-2,294	-2,842
Lease liabilities (current)	-88	-44
= Net interest-bearing debt, MSEK	**-8,183**	**-8,584**

Interest coverage ratio

Definition: Operating profit before change in value of biological assets excl. capital gains on property sales plus financial income divided by financial expenses. The Group's definition has not been changed since previous periods.

Comment: Sveaskog considers that the ratio shows the company's ability to cover its financial expenses (interest, etc.).

Interest coverage ratio	Full year 2025	Full year 2024
Financial items in the income statement	-207	-180
– of which financial income	*99*	*126*
– of which financial expenses	*-306*	*-306*
Operating profit before change in value in biological assets	2,147	2,020
Less capital gains on property sales	-48	-6
Plus financial income	99	126
Subtotal	**2,198**	**2,140**
Divided by financial expenses	306	306
= Interest coverage ratio, times	**7.2**	**7.0**

Operating margin

Definition: Operating profit expressed as a percentage of net sales.

Operating profit before change in value in biological assets

Comment: Operating profit before change in value of biological assets is operating profit before calculating forest growth according to IAS 41 and felling during the year.

Equity ratio

Definition: Equity divided by total assets, all calculated at the end of the year. The Group's definition has not been changed since previous periods.

Comment: Sveaskog considers that this performance measure shows how large a share of the company's assets is financed with equity and indicates the company's sensitivity to interest rate fluctuations.

Equity ratio	Full year 2025	Full year 2024
Equity	92,936	89,210
Divided by total assets	130,322	126,085
= Equity ratio,%	**71**	**71**

Declaration and signatures

The Board of Directors and the CEO affirm that the annual report has been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and that the annual report and consolidated financial statements have been prepared in accordance with adopted standards (ESRS) for sustainability reporting and the specifications adopted with the support of the Taxonomy Regulation (EU) 2020/852. The annual report and consolidated financial statements provide a true and fair view of the parent company's and the Group's financial position and performance. The administration report for the parent company and the Group provides a true and fair overview of the development of the parent company's and the Group's operations, financial position and performance, and describes significant risks and uncertainties facing the parent company and the companies included in the Group.

The annual report was completed, approved, and signed by all parties on 19 March 2026.

Sveaskog AB (publ) (556558-0031)

Kerstin Lindberg Göransson
Chair of the Board

Cecilia Ardström
Board member

Uno Brinnen
Board member

Timo van't Hoff
Board member

Annika Ramsköld
Board member

Elisabet Salander Björklund
Board member

Christer Simrén
Board member

Stefan Öhlén
Board member

Kenneth Andersson
Employee representative

Sara Östh
Employee representative

Erik Brandsma
President and CEO

Our auditor's report regarding the company's annual report and consolidated financial statements and our review report on the company's sustainability report was submitted on 19 March 2026.

KPMG AB

Joakim Thilstedt
Authorised Public Accountant

Auditor's report

To the General Meeting of Shareholders of Sveaskog AB (publ), Corp. ID no. 556558-0031

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Sveaskog AB (publ) for the year 2025, except for the corporate governance statement on pages 41-49 and the sustainability statement on pages 50-111. The annual accounts and consolidated accounts of the company are included on pages 3, 9-10, 17, 29-161 and 165 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 41-49 and sustainability statement on pages 50-111. 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.

Valuation of forest assets

See disclosure 14 in the annual account and consolidated accounts for accounting principles, detailed information and description of the matter.

Description of key audit matter

Forest assets, in the form of land assets and biological assets, are reported as of December 31, 2025 at a total of MSEK 123,253 in the group's balance sheet, divided into MSEK 70,730 for biological assets and MSEK 52,523 for land.

The forest assets are reported at fair value, where the determination of the fair value of the forest assets is based on transaction prices for forest land in the areas where the group owns forest assets. The calculation of fair value for the forest assets contains both complexity and judgments. There is, among other things, a risk that the market transactions used as a basis for the valuation do not correctly reflect the value of the group's forest assets, which can significantly affect the reported value.

The total value of the forest assets is distributed between standing timber, which is reported as a biological asset, and land assets. The value allocated to the biological assets is determined by calculating the present value of estimated future cash flows from the growing timber. The valuation is done internally and is based, among other things, on assessments of felling and forestry plans, future sales prices, cost trends and inflation as well as discount rates.

Response in the audit

We have evaluated the group's model to determine the fair value of the forest assets. We have reconciled used price statistics per geographical area against underlying external sources and we have verified used volumes against the underlying system.

For the part of the total fair value that is allocated to biological assets, we have reviewed the valuation performed by the group and the underlying documentation to assess whether the valuation has been carried out in accordance with an established valuation technique. Furthermore, we have discussed with management and assessed the reasonableness of volume, price and cost assumptions as well as the assumed discount rate used in the model by reviewing and evaluating management's written documentation and plans.

We have also checked the completeness of the information in the annual report and assessed whether it gives a fair view of the accounting principles that are applied and reflects the assumptions that management has applied in the valuation.

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 4-8, 11-16, 18-27, 50-111 and 162-164. The other information comprises also of the remuneration report which we obtained prior to 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 intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors' 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 scepticism 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, measures that have been taken to eliminate the threats or related safeguards.

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

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 Sveaskog 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 scepticism 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 corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages XX-XX 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 of 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.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Sveaskog AB (publ) by the general meeting of the shareholders on the 23 April 2025. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2022.

Stockholm 19 March 2026

KPMG AB

Joakim Thilstedt
Authorized Public Accountant

Auditor's limited assurance report of Sveaskog AB (publ):s sustainability statement

To the general meeting of the shareholders of Sveaskog AB (publ), corporate identity number 556558-0031

Conclusion

We have conducted a limited assurance engagement of the sustainability statement for Sveaskog AB (publ) (the "company") for the financial year 2025. The sustainability statement is included on pages 50 - 111 in 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 does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of ESRS,
- whether the process the company has carried out to identify reported sustainability information has been conducted as described in the sustainability statement, and
- compliance with the reporting requirements of the EU:s Green Taxonomy Regulation Article 8.

Basis for conclusion

We have conducted the assurance engagement in accordance with FAR's recommendation RevR 19 The auditor's limited assurance regarding the statutory sustainability statement. Our responsibility according to this recommendation is further described 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 matters

The sustainability information for the prior year has not been subject to a limited assurance review in accordance with RevR 19 The auditor's limited assurance regarding the statutory sustainability statement, and consequently the review of the comparative information in the sustainability statement for 2025 has therefore not been performed in accordance with this recommendation.

Information other than the sustainability statement

This document also contains information other than the sustainability statement and is found on pages 1-49, 112-165. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion 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.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer 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 they 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 with limited assurance on whether the sustainability statement has been prepared in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 The auditor's limited assurance regarding the statutory sustainability statement. 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 operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Sveaskog AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability statement. 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 Chief Executive Officer 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.

In conducting our limited assurance engagement, with respect to the process undertaken to identify the sustainability information to be reported, we have:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management; and
  - reviewing the company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our review procedures regarding the Process implemented by the company was consistent with the description of the Process set out in the sustainability statement.

In conducting our limited assurance engagement, with respect to the sustainability statement, we have performed, but were not limited to, the following:

- Through inquiries, obtained a general understanding of the company's reporting and consolidation processes, including the company's internal control environment and information systems, relevant to the preparation of information in the sustainability statement.
- Evaluated whether information identified as material through the process the company has carried out is also included in the sustainability statement.
- Evaluated whether the structure and the presentation of the sustainability statement is in accordance with the requirements of the ESRS.
- Performed inquiries with relevant personnel on selected disclosures in the sustainability statement.
- Performed substantive procedures through sample testing on selected disclosures in the sustainability statement.
- Through inquiries, obtained understanding of the methods used to develop material estimates and how these methods were applied.
- Through inquiries, obtained a general understanding of the process to identify economic activities which are eligible and aligned with the EU Green Taxonomy, and the corresponding disclosures in the sustainability statement.
- Performed substantive procedures through sample testing on selected disclosures in the sustainability statement related to the EU Green Taxonomy.

Inherent limitations in preparing the sustainability statement
In reporting forward-looking information in accordance with ESRS, the Board of Directors and the Chief Executive Officer of Sveaskog AB (publ) are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by Sveaskog AB (publ). Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Stockholm March 19th 2026

KPMG AB

Joakim Thilstedt
Authorized Public Accountant

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Sveaskog, a State-owned company, is the largest forest owner in Sweden. The company's core business is to manage the forest and provide timber, pulpwood, wood chips, biofuel, seedlings and forest services. In addition, the company makes land deals and develops the forest as a place for fishing, hunting and other nature experiences.

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