



Annual and Sustainability Report

Together, we prove the impact of
the right paper in the right place.





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Nordic Paper's statutory annual report includes the Directors' Report and financial statements, and can be found on pages 77–138. The statutory sustainability report, as required by the Swedish Annual Accounts Act, is included in the Annual Report (pages 13, 29–74 and 87–95).

This report has been prepared in both a Swedish and an English version. If there are any deviations between the two, the Swedish version applies.

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Stable and profitable niche actor within speciality paper

Since the 1800s, Nordic Paper has built on its traditions and expertise to produce speciality paper of the highest quality. Today we are a global niche player in our industry. Our business is based on long and close relationships with customers all around the world. Together, through our products, we can reduce climate footprints and transition to a circular and bio-based society.

Within Nordic Paper there is genuine commitment and knowledge throughout the value chain – from sourcing raw materials, through resource-efficient production processes and logistics, to demand from our customers for high-quality speciality products and application areas.

Our customers convert our unbleached kraft paper and natural greaseproof paper into products such as carrier bags, other bags, sacks, baking paper, baking cups and other products used in food handling, for industrial applications or for use by end-consumers.



In many cases, Nordic Paper's products can replace plastic as a raw material and after use they can go back into new circular flows.



Number of employees:

698

Production plants:

5

Paper machines:

9

Number of customers in 81 countries:

730



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The year in brief

At the beginning of 2024 demand for Nordic Paper’s speciality paper strengthened significantly compared with the previous year. The decrease in stock levels that took place in 2023 resulted in generally low stock levels further along the value chain, and in 2024 customers around the world needed to increase their orders. The strong demand weakened somewhat after the summer but remained good for the rest of the year.

Net sales, SEK m

4,668

EBITDA, SEK m

806

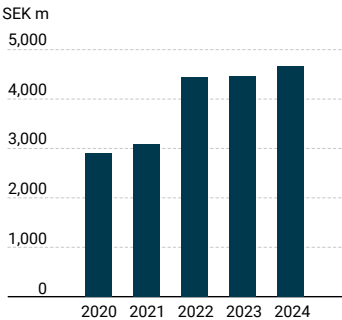
Net sales for the year of SEK 4,668 million was a new full-year record for Nordic Paper and was 4 percent higher than in the previous year. The increase was mainly driven by higher sales volumes, while selling prices were lower than the previous year’s level.

The company’s EBITDA amounted to SEK 806 million, the second highest full-year result ever. The EBITDA margin was 17.3 percent.

Within health and safety, following good improvement in 2023, we unfortunately returned to high lost time injury frequency rates despite continuing our multi-year programme focusing on health and safety. We need to continue taking action on this.

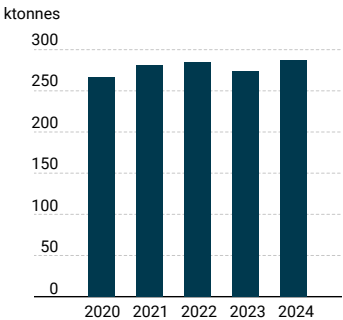
Fossil greenhouse gas emissions amounted to 188,000 tCO₂eq during the year, which largely the same as the previous year. The fossil greenhouse gas emissions are for example linked to electricity and heat as well as other inputs.

Net sales



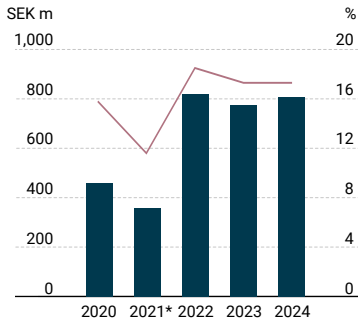
● Net sales

Sales volume



● Sales volume

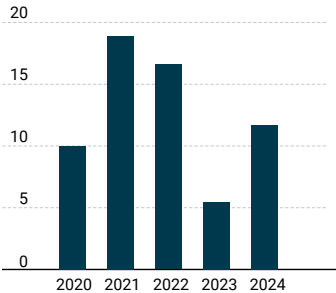
EBITDA & EBITDA margin



● EBITDA — EBITDA margin

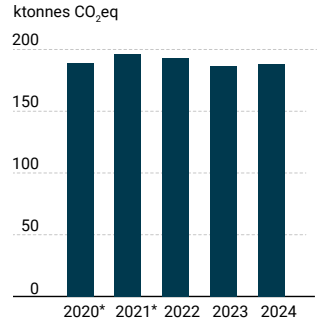
*Adjusted by SEK 76 million for provisions in connection with the closure of the Säffle pulp mill.

Lost time injury frequency rate per million hours worked



● Number of accidents

Fossil GHG emissions



● ktonnes of fossil greenhouse gases

* Also includes emissions from Glassine Canada Inc., a part of Nordic Paper since 2022.



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New full-year record for net sales and second highest earnings ever



”Performance was particularly positive within the Natural Greaseproof segment, which delivered by far the best year ever, with full-year records for net sales, EBITDA, EBITDA margin and sales volume.”

Nordic Paper delivered another strong full-year result, with a new record for net sales and the second highest EBITDA ever. Nordic Paper's structure, with two segments that have different business dynamics, once again contributed to stable development during the year. Performance was particularly positive within the Natural Greaseproof segment, which delivered by far its best year ever, with full-year records for net sales, EBITDA, EBITDA margin and sales volume. Performance within Kraft Paper moved in the opposite direction, however, with lower average selling prices squeezing profitability. The Group's net sales increased by 4 percent to SEK 4,668 million and EBITDA increased to SEK 806 million.

Long-term trends strengthen demand for our products

Demand for the company's products strengthened significantly at the beginning of the year after the stock level reduction that took place further along the value chain the previous year came to an end. After the summer demand weakened slightly, mainly within Kraft Paper, although demand in general remained at a good level for the rest of the year. Based on the improved demand situation, we raised our sales prices gradually during the year although prices were still 5 percent lower than the average in 2023.

In the longer term we predict a continuation of the trend towards more sustainable packaging materials. There is great potential to replace fossil-based plastics and growing interest in developing new solutions based on renewable materials with low climate impact. During the year Nordic Paper worked actively on developing new barrier solutions to continue to increase competitiveness compared with fossil-based plastics for packaging.

At the end of 2024 the EU Packaging and Packaging Waste Regulation (PPWR) was adopted. The regulation contains measures to reduce packaging waste and to increase efficiency in European packaging recycling. The regulation also includes a ban



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“I look forward with confidence to working alongside all of our employees as we continue to provide our customers around the world with high quality speciality paper and in doing so, contribute to creating a more sustainable world.”

on fluorochemicals (PFAS) in greaseproof paper. This ban will go into effect in 2026. Since we do not add PFAS to our paper at Nordic Paper to achieve greaseproof properties, the ban will make our natural greaseproof paper offering even more attractive.

Investments in Bäckhammar proceeding according to plan

During the year our investments in a new wood room and new electrofilters in Bäckhammar proceeded according to plan. A milestone in the investment project was reached in the final quarter of the year when the 30-metre long debarking drum was transported to the site and safely installed in the new building. When the ongoing investments are completed towards the end of 2025 we expect our EBITDA to strengthen by SEK 100 million annually, with full effect from 2026, and for emissions of dust to air to be significantly reduced. These investments are providing a foundation for future expansion in production volumes.

As a result of these investments in Bäckhammar, our net debt increased during the year, ending 2024 at SEK 1,197 million. The company's financial position remains strong, however, with a net debt/EBITDA ratio of 1.5 at the end of the year.

Good progress in health and safety

During the year we continued our initiatives to create a workplace free from accidents. Much of the focus has been on our own behaviour and our common safety culture. One of the more substantial initiatives during the year was a dialogue forum focusing on our safety culture. All employees working within our Scandinavian operations participated. Despite these initiatives, our lost time injury frequency rate is unfortunately far too high and the good trend from the previous year has therefore been broken. We are, however, convinced that we are on the right track and we will continue our efforts to ensure a good and safe work environment.



Geopolitical unrest continues to have effects

During the year many trouble spots around the world have flared up and we are, of course, greatly saddened by all of the human suffering this is causing. Indirectly, we are primarily affected by the war in Ukraine since a ban on Russian pulpwood imports to Finland has created shortages in the Baltic region and resulted in a sustained increase in wood prices in Sweden.

In 2024 and at the beginning of 2025 the introduction of new tariffs in international trade became a topic of discussion. Nordic Paper benefits from free international trade and views restrictions on free trade with concern.

New principal shareholder as the year drew to an end

In 2024 all shareholders in Nordic Paper got the opportunity to evaluate an opinion on the public takeover offering presented by Strategic Value Partners, LLC, through Coniferous Bidco AB. By the end of the offer period, shareholders holding 85.67 percent of the shares and votes in Nordic Paper had accepted the offer. At the request of Strategic Value Partners, an Extraordinary General Meeting was held on 13 January 2025 at which new board members were elected.

2024 would not have been what it was without all the excellent work of Nordic Paper's employees. I want to thank you for your fantastic commitment. I look forward with confidence to working with you to continue to provide our customers around the world with high quality speciality paper and in doing so, contribute to creating a more sustainable world.

Karlstad, March 2025

Anita Sjölander,
Chief Executive Officer



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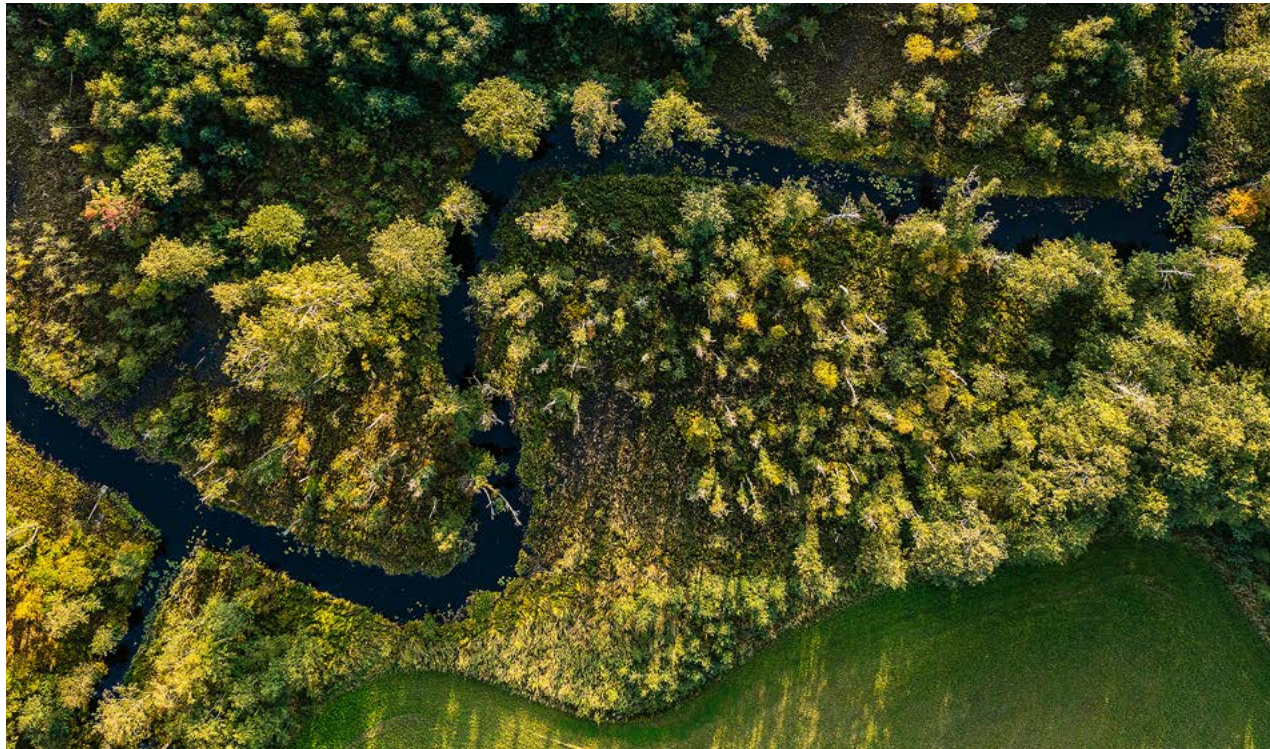
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Global trends

The global drive to reduce climate impacts and transition to a circular economy is benefiting the paper industry, which is based on a supply of renewable raw materials. Nordic Paper is a niche actor with stable customer relationships and high profitability within the kraft and greaseproof paper segments.

**Limit global warming**

The EU has pointed to industry as the single most important factor and driver for reducing climate impact, and demand for circular materials with a lower climate impact has therefore increased. This benefits the forest and paper industries, which are seeing ever higher global demand and which now also encompass entirely new application areas where fibre materials have not previously been a competitive option. The fact that paper recycling rates in the EU are high – over 80 percent, compared with plastic at around 40 percent – also provides more opportunities for fibre, which is a recyclable raw material.

New legislation

At the end of 2024 the EU Packaging and Packaging Waste Regulation (PPWR) was adopted. Its purpose is to reduce the amount of packaging waste generated and to promote the circular economy by requiring all packaging to be made of recyclable materials, and to minimise harmful substances.

Extended producer responsibility (EPR) for packaging is also driving demand for fibre-based packaging, as fees applied for collection and materials recycling provide the paper industry with a competitive advantage. The fees are generally lower for fibre materials than for plastic and composites. EPR exists in the EU as well as in several states in the USA.



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The use of PFAS is restricted, both in terms of permitted application areas and geographically. Nordic Paper's greaseproof barriers are created mechanically, which is an added competitive advantage over competitors who use PFAS as a barrier.

Increased prosperity results in willingness to pay for sustainable products

As economies grow and people become better off, more and more consumers can afford to choose premium products and pay for items that are better for the climate or that last longer. The cost of the actual packaging is often small in relation to the value of the product, but the packaging has a significant effect on the product's



climate impact. In addition to paper packaging enhancing the premium feel of products, people are also paying attention to the issue of plastic pollution in nature and marine environments, as well as the problem that microplastics are increasingly creating throughout our ecosystem. These aspects influence the choices that conscious consumers make.

Takeaway food

The global restaurant sector is growing, mainly driven by the fast food segment. People are increasingly eating out and ordering takeaway food. This drives demand for quality packaging that is approved for contact with food, such as Nordic Paper's products that can withstand both freezing and heating. Although the packaging market for this application area has traditionally been dominated by fossil-based materials, a major transition is now taking place given consumer awareness, legislation and ever improving fibre-based alternatives.

Increased online shopping

More and more people are shopping online, with products being transported direct to consumers' homes. Online businesses are experiencing strong growth and packaging materials are essential to their activities – both for protecting products and for conveying a perception of the product and the brand. Communicating conscious material choices and helping to reduce climate footprints is becoming more and more important for most brand owners.



Nordic Paper does not add PFAS

There are several ways to give paper a greaseproof surface. Nordic Paper does it by processing the fibres mechanically; we call it grinding the pulp. Finely ground paper pulp produces sheets of paper that are dense and resilient to things like fat, and we call this natural grease-proof paper.

Another way of giving the paper similar properties is to add chemicals to the surface. One group of chemicals used for this purpose is fluorochemicals, known as PFAS. The EU Packaging and Packaging Waste Regulation (PPWR) adopted towards the end of 2024 includes a ban on PFAS in greaseproof paper. This ban will go into effect in 2026.

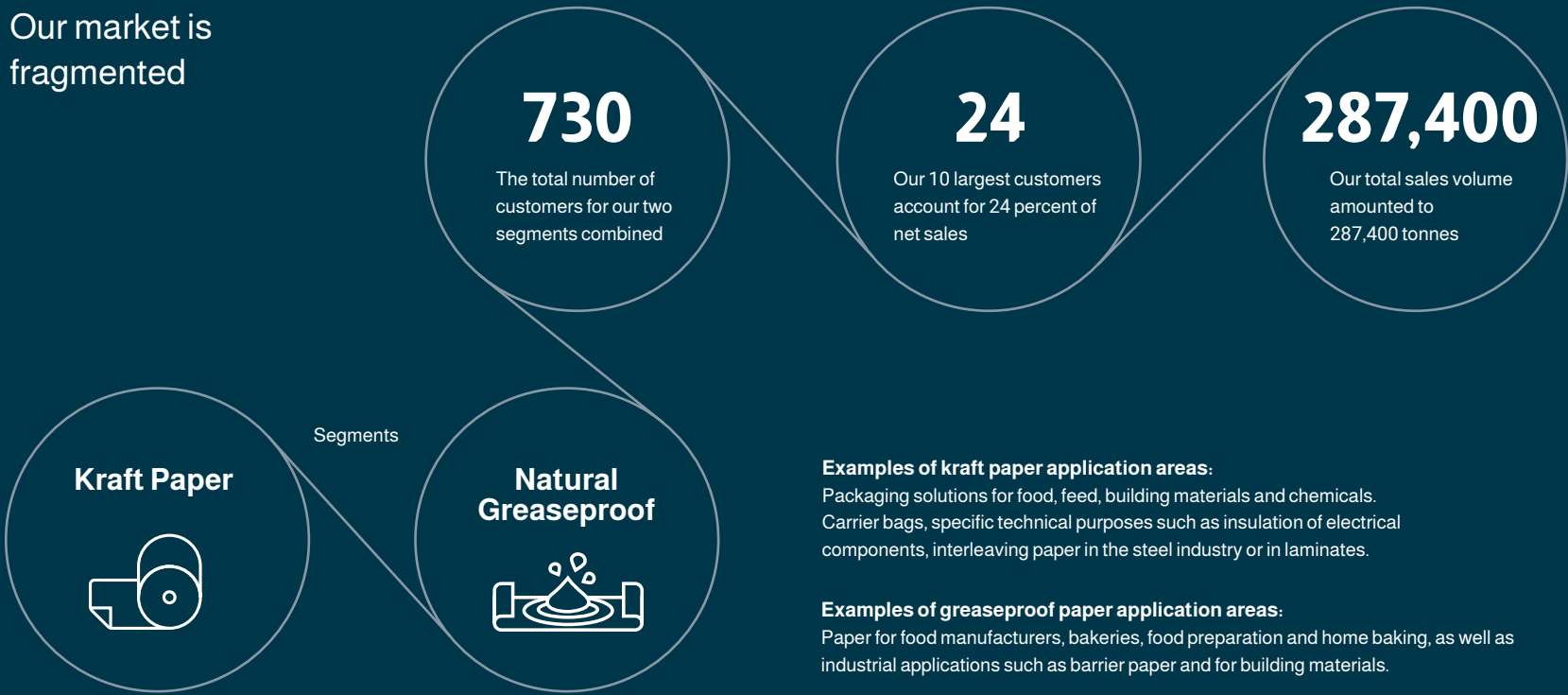


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Market

The market for Nordic Paper’s unbleached kraft paper and natural greaseproof paper are niches in the global paper and cardboard markets. Common to both segments is that the products are largely used in food handling.

Our market is fragmented



Examples of kraft paper application areas:
Packaging solutions for food, feed, building materials and chemicals. Carrier bags, specific technical purposes such as insulation of electrical components, interleaving paper in the steel industry or in laminates.

Examples of greaseproof paper application areas:
Paper for food manufacturers, bakeries, food preparation and home baking, as well as industrial applications such as barrier paper and for building materials.

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Read more on pages 20–22 and 23–25



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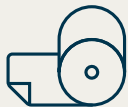
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Kraft paper



The global demand for kraft paper is around 13 million tonnes a year. Nordic Paper's primary market for unbleached kraft paper is Europe and this market is estimated at just over 2.3 million tonnes, half of which is made up of sack paper.

Growth in kraft paper is expected to increase as plastic packaging is replaced more and more by other materials. The European growth rate is expected to be higher than the growth in global demand. For MG and MF paper, Europe has the highest growth rate in the world.

Competitors

Packaging solutions made from plastic constitute the main competition for much of Nordic Paper's product portfolio within kraft paper. Although plastic has excellent properties as well as many cost benefits, it also has disadvantages in terms of sustainability, such as its climate impact and potential littering if the packaging is not recycled.

In addition to plastic as a competing material, other paper manufacturers are also Nordic Paper's competitors. Examples of European competitors in the kraft paper segment are Mondi, Smurfit Westrock, Gascogne, Billerud and Ahlstrom.

Several competing paper manufacturers have integrated conversion; in other words, they sell paper to other converters and also convert it themselves. They are therefore in direct competition with their own customers. This is a competitive advantage for Nordic Paper and creates both credibility and an opportunity for joint product development with our customers, as they do not see us as a competitor.



Greaseproof paper



Global demand for all types of greaseproof paper amounts to just under a million tonnes, making this a small portion of the total paper market. Over the past five years demand has increased more than for the paper market as a whole.

The market consists of a range of grades of paper, including the natural greaseproof papers that Nordic Paper manufactures, but also other grease-resistant papers. The latter types of paper get their properties from the addition of surfactants including fluorochemicals (PFAS).

Natural greaseproof paper is used mostly as baking paper or for different types of baking cups, while grease-resistant paper is mainly used in various types of bags and to wrap fast food. The supply of natural greaseproof paper meets around one third of the total demand.

The largest market is North America, followed by Europe. China and the rest of Asia have a smaller share of the global market than for other types of paper or packaging materials. This is due to variations in food consumption patterns in different regions. Asian cuisine, for example, includes a lot of steamed or boiled food and consumption of baking paper is therefore low, while the higher proportion of food cooked in the oven in Europe and North America means there is higher consumption of baking paper in these regions.

Competitors

Natural greaseproof paper competitors are mainly other actors in Europe or in the USA. Examples of competitors within the natural greaseproof paper segment are Metsä Tissue and Ahlstrom.

All European competitors within greaseproof paper are so-called unintegrated papermills, i.e. they are not physically integrated with paper pulp manufacturing. All competitors rely on purchasing market pulp as well as energy such as electricity and/or fuels.



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Strategy

Nordic Paper’s overall strategic ambition is to achieve profitable growth and retain the company’s leading market position within selected premium segments in kraft and greaseproof paper. Our markets have positive growth prospects and are driven by structural megatrends.



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Our business model and value chain

Society’s increasing interest in all aspects of sustainability is a positive trend for Nordic Paper. We are contributing to a green transition for packaging producers who want to reduce their climate footprint and increase the volume of circular raw materials. Both our raw materials and our end products are part of circular flows.





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Strategic priorities

Nordic Paper’s target is growth of 2–4 percent of net sales per year and an EBITDA margin of 20 percent. In addition to organic growth, the company can also grow through selective acquisitions. The basis for our growth is the customer offering of speciality products of consistently high quality combined with service and know-how. The customer offering will be developed over time by the company actively driving progress in the areas of people, production and systems, sustainability, as well as products and markets. Continuous improvement is a theme throughout.

People

Our employees form the foundation for all the company does, and a structured approach to developing employee-ship and leadership are therefore vital components when developing the customer offering. Our way of treating each other and our communities is informed by our core values of responsibility, respect, cooperation and development.

Production and systems

Always striving for maximum production efficiency is an obvious course in a process industry such as ours. The installed capacity is developed through long-term investment planning, while work methods are constantly evolving to become a little better every day. The production and business support systems are also important factors in production efficiency.

Sustainability

Society’s increasing interest in all aspects of sustainability is a positive trend for our business, in part because it increases demand for our products as customers look for alternatives to fossil-based plastic, and also because Nordic Paper’s sustainability performance gives the company a competitive advantage.

Products and markets

Although we have a stable customer base, both the product portfolio and the customer portfolio are being constantly developed towards areas with high value creation and low risk. These efforts are made in partnership with our agents around the world.

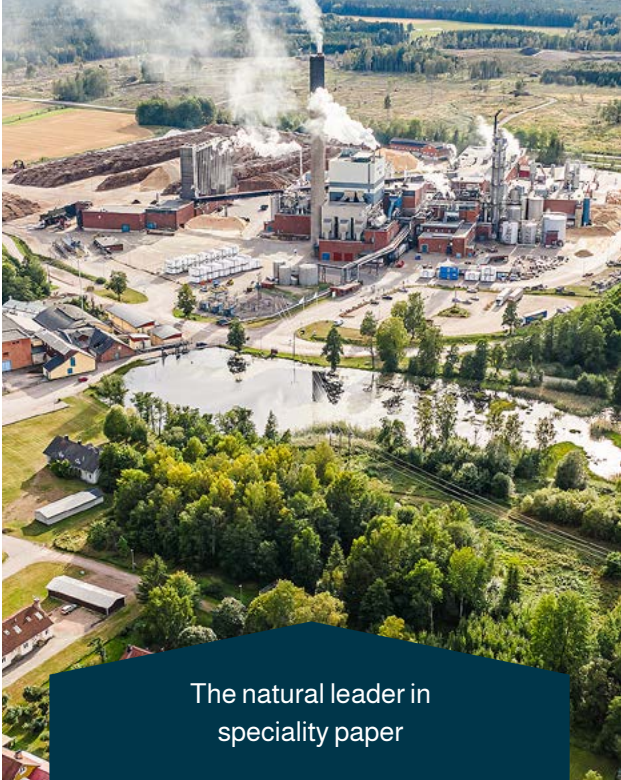
Continuous improvement

Everything can be improved. Having this hypothesis as a basis for day-to-day work at all levels in the company provides a foundation for success. The company’s customer offering is developed through constant improvements in daily internal processes, but also through frequent dialogue with customers about their needs and how we can support their business.

Acquisition strategy

In addition to organic growth, the company can also grow through selective acquisitions. Acquisitions can broaden the company’s offering in existing or adjacent product categories or provide potential for expansion into new geographies.

The acquisition strategy includes retaining a balanced and well-diversified product portfolio without putting the company’s strength as an independent player both upstream and downstream at risk. The main focus is therefore on smaller and complementary acquisitions rather than vertical ones.



The natural leader in speciality paper

Profitable growth

Customer offering
Speciality products of consistently high quality combined with excellent service and know-how

People

Production systems

Continuous improvement

Sustainability

Products and markets



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Innovation in bio-based barriers

We have strong and dense paper that is a good basis for new innovations and applications. Together with brand owners, converters, chemicals suppliers and coating specialists, we are exploring new bio-based barriers with the aim of developing new products.

Protective biomaterials

Rapid progress in chemistry and new technologies for coating paper are paving the way for new solutions. Our paper is also dense, which means that less coating is needed to achieve a good barrier. The new products in both of our segments will challenge existing plastic barriers in items such as sacking, or as protection against water and steam, as well as oxygen in food handling.

“The green transition is driving innovation in numerous industries and our industry could be a big part of the solution. A day doesn’t go by without us thinking about new applications where our paper can be combined with other

bio-based materials to challenge fossil-based materials,” says Markus Larin Rosendahl, Director of Strategy and Business Development at Nordic Paper.

The market

This would provide customers with a circular product that has a lower climate footprint at a competitive price compared with current solutions. The products must always be able to be recycled as paper in line with current and upcoming legislation.

“Our close and long relationships with our customers and other actors in the value chain are vital for this type of innovation. We will continue to expand our product portfolio into attractive and profitable niches,” Markus continues.





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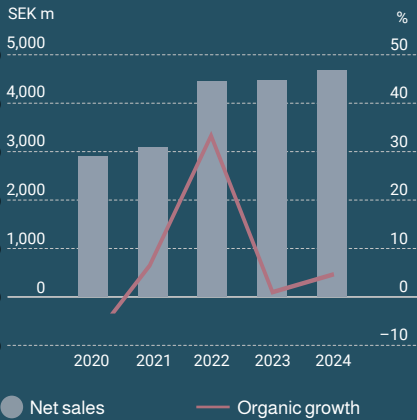
Financial targets and outcomes

Growth target

TARGET: Annual net sales growth of 2–4 percent over the long term.

Nordic Paper also intends to grow by taking advantage of opportunities for selective acquisitions.

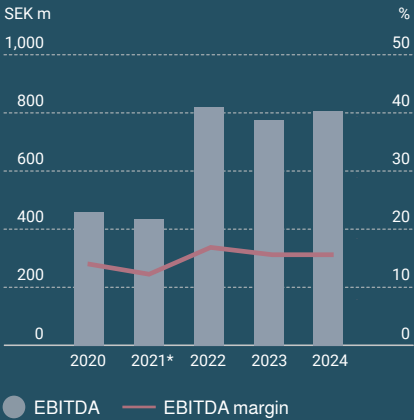
OUTCOME:
Net sales and organic growth



Profitability

TARGET: EBITDA margin of around 20 percent in the medium term.

OUTCOME:
EBITDA & EBITDA margin

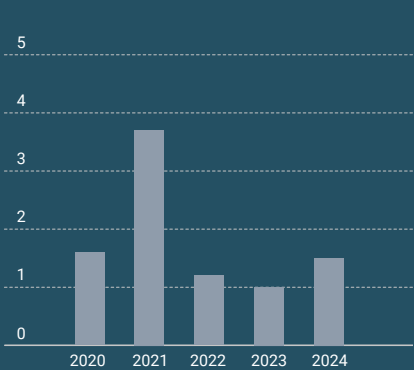


Debt

TARGET: Net debt in relation to EBITDA is not to exceed 2.5x.

Net debt in relation to EBITDA may, however, exceed 2.5x temporarily, for example in connection with acquisitions.

OUTCOME:
Net debt/EBITDA multiple



*Adjusted by SEK 76 million for provisions in connection with the closure of the Säffle pulp mill.



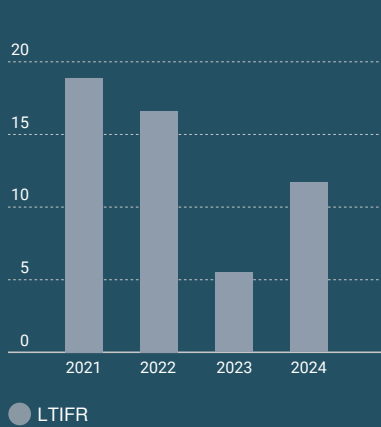
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Sustainable work environment

TARGET: A workplace free from ill health and accidents. Nordic Paper has a zero vision for accidents at work and makes systematic efforts to create a workplace where nobody's health or safety is put at risk.

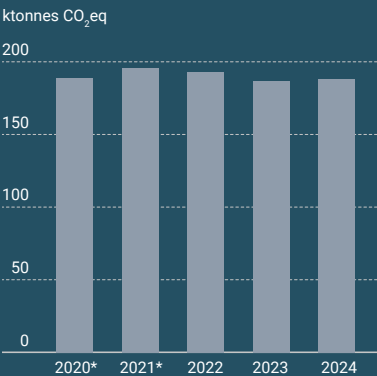
OUTCOME:
Lost time injury frequency rate per million hours worked



Reduce climate impact

- TARGETS:**
- Total GHG emissions from fossil sources from Nordic Paper's operations, including indirect emissions from purchased goods and services, are to be reduced by at least 50 percent by 2030 compared with 2020.
 - Direct emissions from the company's operations and indirect emissions from purchased energy are to be reduced by 50 percent by 2030 compared with 2020.

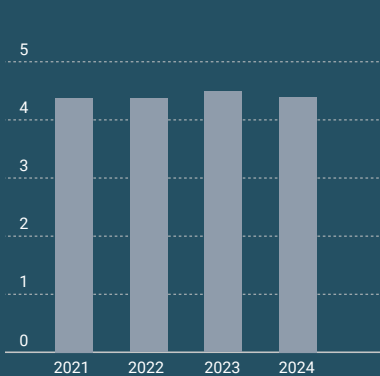
OUTCOME:
Total fossil GHG emissions from Nordic Paper's operations



Products that support sustainability

TARGET: Increase the rating from Nordic Paper's customers for how the products' sustainability performance adds value.

OUTCOME:
Rating from Nordic Paper's customers for how the products' sustainability performance adds value



*Also includes emissions from Glassine Canada Inc., a part of Nordic Paper since 2022.



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Nordic Paper’s production plants have produced paper in Scandinavia since the late 1800s. Today we are a world-leading producer of two types of high-quality speciality paper: kraft paper and natural greaseproof paper, which are used in a multitude of applications.





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Our products belong to the premium segment in our industry and are distinguished by high quality and specific properties. Nordic Paper holds a leading market position within many niche areas. The products are made of renewable raw materials from sustainably managed local forests and no fluorochemicals (PFAS) are added in production, which makes them excellent for contact with food products etc.

Speciality paper

Unbleached kraft paper is distinguished by, among other things, its strength and flexibility. This makes it well-suited for many different applications, such as various types of carrier bags and packaging for food and building materials.

Greaseproof paper is a type of paper that is impermeable to grease and oil, and is mainly used for various types of applications in baking and food preparation, and in food packaging. Nordic Paper creates the greaseproof barrier on this type of paper by mechanically processing the fibres rather than adding PFAS.

Independent supplier with long-standing customer relationships

Although some of the customers are wholesalers, most are converters. Most of our kraft paper is sold directly to packaging converters who convert it into finished end-products. Unlike many of its competitors, Nordic Paper is not involved in conversion. In other words, the company does not compete with its customers, which is an advantage in the market.

Over 90 percent of the greaseproof paper is sold to converters in the form of rolls. The remaining 10 percent is sold in sheet form, mainly to distributors. We have our own sales force but we also sell through agents.

Flexible production structure – high entry barriers

Nordic Paper's production model is specialised for the production of unbleached kraft paper and natural greaseproof paper.

The production structure is flexible and can be cost-efficiently adapted to customer specifications and quality requirements. This requires many years of experience and considerable expertise in producing technically demanding paper. The company's production structure is unique and costly to replicate.

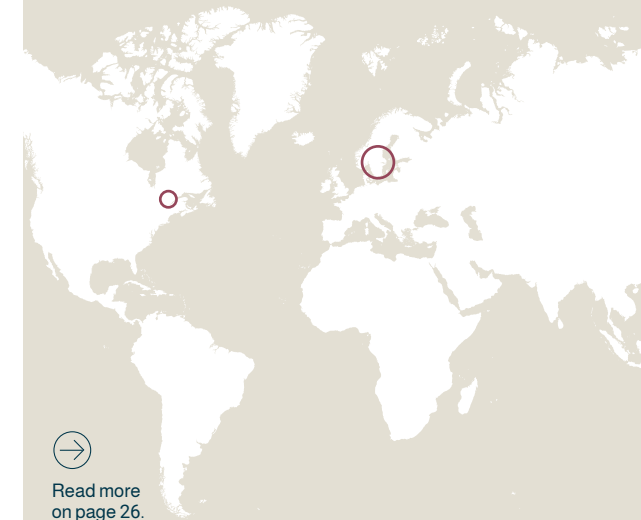
Production in Sweden, Norway and Canada

Production takes place at five production plants: Säffle, Bäckhammar and Åmotfors in Sweden, Greåker in Norway and Québec in Canada. The three mills in Säffle, Greåker and Québec manufacture natural greaseproof paper, while the Åmotfors and Bäckhammar mills produce kraft paper.

Bäckhammar is an integrated pulp and paper mill, while the other plants are paper mills with no pulp production of their own.



Production takes place at five production plants: Säffle, Bäckhammar and Åmotfors in Sweden, Greåker in Norway and Québec in Canada.



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Kraft Paper

Kraft paper has many end-uses, such as in products aimed at consumers, including carrier bags and food packaging, and in packaging for building materials and in multiple other industrial applications. This segment accounts for around 70 percent of our sales volume in tonnes.

Nordic Paper has a broad offering of high-quality unbleached kraft paper in its production portfolio. This is categorised as sack paper/MF (machine finished), MG (machine glazed) and other speciality paper. Our unbleached kraft paper is one of the strongest on the market and is produced at our production plants in Bäckhammar and Åmotfors.

Quality requirements and the paper's properties are determined by the area of end-use. When it is used for various types of packaging, such as for food or building materials, the strength of the paper is vital. For sack paper used for cement, flour or sugar sacks, a combination of strength and porosity are key properties. Porosity, i.e. the ability to allow air to pass through, is important

because the speed at which, for example, a paper sack can be filled with cement is limited by how fast the air in the empty sack can get out. If the porosity of the paper is too low, the sack will explode when being filled and the filling line will come to a halt.

In addition to high quality and specific properties, customers also have specific requirements regarding the width of paper rolls and the paper's grammage.

A flexible production process makes it possible to produce kraft paper to a multitude of specifications and with different properties for an optimal match with each customer's production lines and processes.



Sack paper/MF paper

- Characterised by high elasticity and tear strength.
- Used in the production of sacks and other packaging solutions such as food packaging (e.g. potato and flour sacks), building materials (e.g. cement sacks), compostable bags and chemicals packaging.



MG paper

- Characterised by high strength, printability and a glossy surface.
- Used in the production of carrier bags and wrapping, lamination and protective paper.



Other speciality paper

Absorbent paper

- Used in many products in construction and in furniture manufacturing. Impregnated absorbent kraft paper creates a hard and durable surface. Laminates produced using our paper are used, for example, in moulds for casting concrete and in laminate flooring.
- The paper is also used for components in humidifiers and climate control systems.

Interleaving paper

- Used to protect the surface of stainless steel and aluminium.

Electrotechnical paper

- Used to insulate electrical components.



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Performance in 2024

The year began with a significant strengthening of the market situation compared to 2023, which was a weak year. Demand improved gradually during the first half of 2024 and the company was able to raise its selling prices during the year. After the summer demand slowed somewhat but remained good for the rest of the year. The restart at the Bäckhammar mill after the third quarter's maintenance shutdown was slower than planned, resulting in lower sales volumes in the fourth quarter. Prices for wood raw material continued to increase during the year, but due to the lower price of energy, chemicals and freight, the total variable costs were only marginally higher than in the previous year.

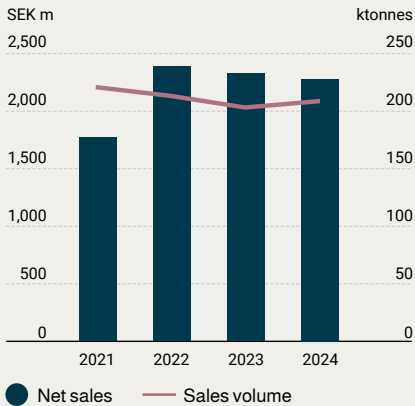


Key ratios

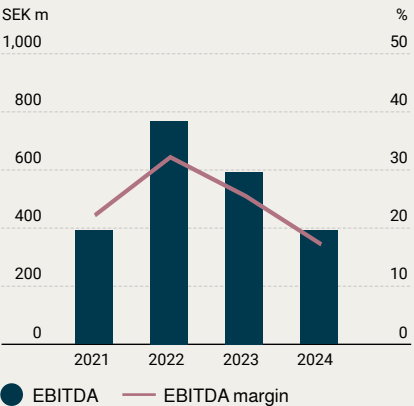
	2024	2023	Δ%
Net sales, SEK m	2,277	2,327	-2
EBITDA, SEK	392	594	-34
EBITDA margin, %	17.2	25.5	
Operating profit, SEK m	331	534	-38
Operating margin, %	14.5	23.0	
Sales volume*, ktonnes	208.8	203.2	3

*Includes intra-group deliveries.

Net sales and sales volume



EBITDA and EBITDA margin





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WermlandsChoklad prefers paper packaging

WermlandsChoklad is located just a stone's throw away from Nordic Paper's mill in Åmotfors. It is a small chocolate factory with roots in Värmland that makes chocolate ensuring fair and just conditions throughout the value chain – from their own eco-certified cocoa plantation at Santa Teresa in Ecuador to the end-product's packaging.

WermlandsChoklad is one of the many companies that prefer paper for packaging their products.

"Apart from the environmental aspect, I think choosing paper packaging over, for example, plastic gives the product a completely different feel," says Sebastian Bäckström, owner of WermlandsChoklad.

This is why the company uses paper packaging for its chocolate wherever possible. Filled chocolates, for example, are packaged in bags made from unbleached kraft paper.

"The look enhances the genuine feel and fits very well with our product in general as well as our approach to sustainability throughout the chain," says Sebastian.





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Natural Greaseproof

Greaseproof paper is a group of paper types that are impermeable to oil or grease. It is mainly used in the food sector, but also has a number of industrial applications. This segment accounts for around a third of our sales volume in tonnes, but represents about half of our sales revenue.

Nordic Paper's greaseproof products consist of baking paper, paper for baking cups, food packaging paper, barrier paper, bacon layout paper, paper for fabric rolls and lamination paper for building materials. Baking paper is the largest product category, with around 77 percent of net sales. Baking cup paper is the second largest, with around 16 percent.

Different end-use applications have different requirements with respect to the quality and properties of the paper. Baking and cooking papers, for example, are intended to facilitate food preparation and minimise clean-up afterwards. The paper therefore needs to tolerate both being heated and frozen, because food may go directly from the freezer to a microwave or conventional oven.

Baking paper also needs to be both greaseproof and non-stick to easily remove food such as baked goods from the paper.

Packaging for food requires paper that provides a barrier against grease, light, air and moisture so that the food stays fresh.

Our natural greaseproof paper meets global standards for food handling and has the flexibility to be adapted to provide the properties that customers require. It is characterised by high quality and can be adapted for many different manufacturing processes and application areas. It is also certified for use in food handling.

Natural Greaseproof is produced out our plants in Säffle, Gräskar and Québec. We do not add any fluorochemicals, known as PFAS, in our manufacturing processes. Instead the cellulose fibres are processed mechanically to achieve grease-proof properties.



Baking paper

- A biodegradable and compostable paper that has excellent heat stability and can be treated with silicone.
- Used by professional bakers and food manufacturers, as well as by home cooks and bakers.
- Customers include converters, distributors/wholesalers and ready meal manufacturers.



Baking cup paper

- Produced with properties that give the baking cups good stability and provide an excellent barrier against grease and moisture.
- Mainly sold to converters who produce baking cups.



Other

- Speciality paper such as for food packaging, paper for industrial thread cones, barrier paper and lamination paper for building materials.



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Performance in 2024

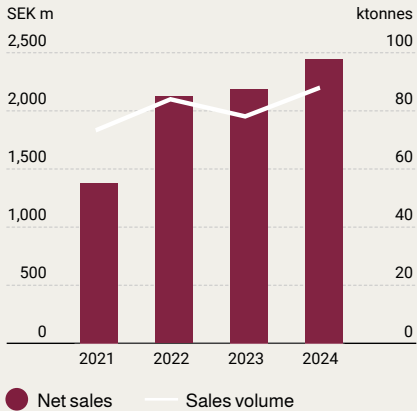
2024 was a strong year for Natural Greaseproof, with demand strengthening during the first half and then remaining stable at a good level for the rest of the year. We were able to increase our selling prices during the year, although the average prices were still slightly lower than in the previous year. Sales volumes increased by 13 percent and, with lower prices for the inputs paper pulp and energy than in 2023, the EBITDA margin increased to 18.2 percent for the full year.



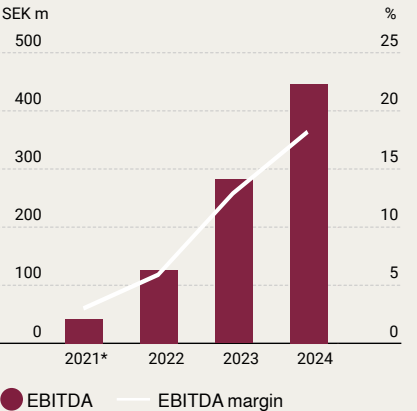
Key ratios

	2024	2023	Δ%
Net sales, SEK m	2,448	2,189	12
EBITDA, SEK	446	282	58
EBITDA margin, %	18.2	12.9	
Operating profit, SEK m	366	203	80
Operating margin, %	14.9	9.3	
Sales volume, ktonnes	88.0	78.1	13

Net sales and sales volume



EBITDA and EBITDA margin



* Adjusted by SEK 76 million for provisions in connection with the closure of the Säffle pulp mill



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The Swedish national team of bakers chooses Nordic Paper’s greaseproof paper

The Swedish national team of bakers (Bagarlandslaget) won the gold medal at the Nordic Championships in Berlin. The team has been using Nordic Paper’s natural greaseproof paper for some time and recently conducted quality testing on various types.

In addition to knowledge and skills, performing at the highest level requires really good materials. Alice Reinholdsson, a member of the Swedish team of bakers, knows this. “When we bake we’re very careful to always use good ingredients and materials. With Nordic Paper’s baking paper we know that we’re using a product that’s good for us, for our baked creations and for nature as well,” she says.

The right paper in the right place

The Swedish national team of bakers recently put natural greaseproof paper through some tough tests. The same sheet of paper was reused several times and careful notes were taken after each time it was used in the oven.

For some of the baking, extra amounts of butter and sugar were also used to test how the paper would react. “The paper performed just as well even when we used the large amount of butter,” says Alice.

The varieties tested were Ecobake, Silidor and Silidor Parchment. The first paper, Ecobake, is highly suited for unsweetened dough such as bread rolls and sourdough bread. The second, Silidor, is excellent for wheat dough and for rolled dough containing more fat and sugar. The third variety, Silidor Parchment, has similar properties to Silidor but is also excellent for moisture and freezing,” says Alice.

“Good sustainability aspect”

Alice says that she and her teammates choose Nordic Paper’s paper because it is of the highest quality, adding: “There is also a good sustainability aspect in that no PFAS chemicals have been added to the paper, which we appreciate.”





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Nordic Paper produces paper at the company’s five production plants. The paper is produced by a total of nine specially designed paper machines.

Bäckhammar

Integrated pulp and paper mill that produces unbleached kraft paper. Sulphate pulp is delivered to Åmotfors and Säfte and surplus pulp is sold externally.

Business segment:

Kraft Paper

No. of paper machines: 2

Products: Sack, MF and MG paper.

Åmotfors

This paper mill produces unbleached kraft paper from pulp, mainly from Bäckhammar.

Business segment:

Kraft paper

No. of paper machines: 2

Products: Technical kraft paper, such as absorbent kraft paper and interleaving paper for the steel industry.

Greåker

Paper mill that produces natural greaseproof paper from externally sourced paper pulp.

Business segment:

Natural Greaseproof

No. of paper machines: 2

Products: Baking paper, paper for baking cups and barrier paper.

Québec

Paper mill that produces natural greaseproof paper from externally sourced paper pulp.

Business segment:

Natural Greaseproof

No. of paper machines: 1

Products: Baking paper, interleaving paper for bacon, paper for baking cups and speciality paper for industrial and food-related applications.

Säfte

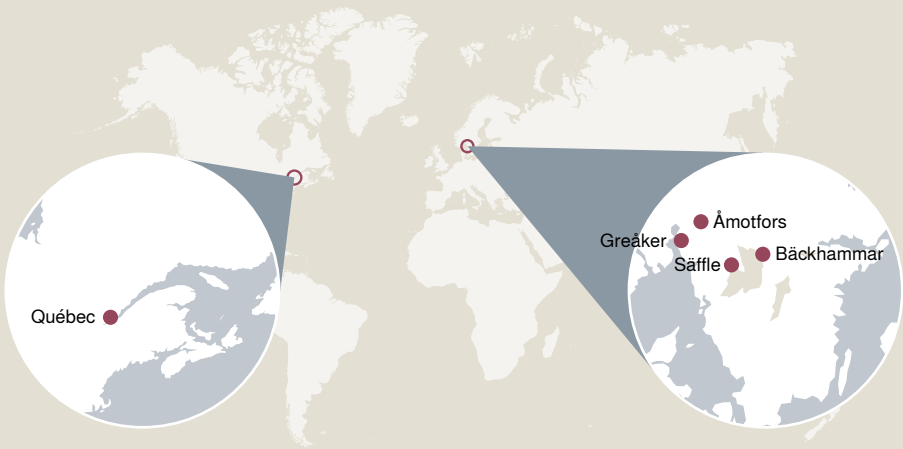
Paper mill that produces natural greaseproof paper. Paper pulp is delivered from Bäckhammar mill and also purchased externally.

Business segment:

Natural Greaseproof

No. of paper machines: 2

Products: Baking paper, paper for baking cups and packaging.

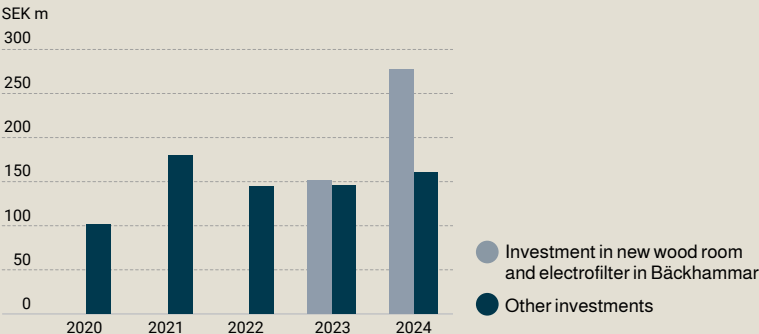


Investments in our mills

Nordic Paper invests continually to maintain and develop its production capacity further at the plants, to increase safety and reduce environmental impact from the operations. Investments are also aimed at raising the quality of our products or eliminating bottlenecks in production.

Ongoing investments amount to around SEK 140–160 million per year. In addition to the ongoing investments, strategic investments are also made for major restructuring or more extensive product development. These investments include the work carried out in 2021 and 2022 to streamline the handling of external pulp at Säfte, as well as the investments in progress at Bäckhammar totalling SEK 850 million for a new wood room and electrostatic filter. The ongoing investments will be completed in 2025 and will thereafter contribute around SEK 100 million in improved EBITDA annually.

Investments





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A paper machine forms a sheet of paper from a stock consisting of cellulose fibres in water. After the sheet is formed the paper machine squeezes out as much water as possible in what is called the press section, after which the paper web is dried indirectly with steam in the steam section.

The company has five paper machines to produce natural greaseproof paper and four paper machines for kraft paper. The company’s paper machines are all unique in terms of technical configuration and they therefore have differing capabilities in terms of paper quality, efficiency and capacity. It is possible to switch products to some extent between the machines that produce kraft paper and those that produce natural greaseproof paper.

Inputs of various types are needed to produce paper. The main ones are paper pulp, energy and paper chemicals. Nordic Paper is also responsible for much of the transportation to customers. Transport services are therefore purchased from external suppliers.

Paper pulp

We produce paper pulp at our mill in Bäckhammar and paper at all of our five production plants. The main inputs for pulp production are pulpwood and wood chips, but chemicals are also needed. Every year we use just over 928,000 cubic metres sub (solid under

bark) of wood raw materials to produce paper pulp. Paper pulp produced in Bäckhammar is mainly used in the plant’s paper production, but also in Åmotfors and to some extent in Säfte as well. The remaining paper production in Säfte, Greåker and Québec is based on market pulp purchased from other suppliers.

Energy

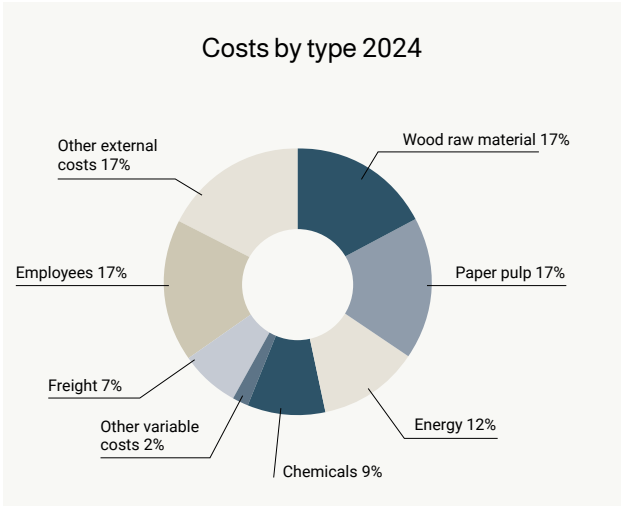
Pulp production in Bäckhammar generates surplus steam which the company uses in paper production and to produce electricity in a turbine. The electricity generated in Bäckhammar is equivalent to around 25 percent of Nordic Paper’s entire electricity requirement of 528 GWh/year. Electricity needed over and above that which the company generates is purchased.

The company has a hedging policy according to which 70 percent of the short-term electricity requirement is fully or partly hedged through various forms of price arrangements. The hedging level is reduced in steps over a five-year period and is continually being replenished.

Steam is also needed in paper production to dry the paper. Each of the mills has a different solution for meeting its steam requirements.

Bäckhammar gets most of its steam from the recycling process in pulp production, while in Åmotfors and Québec the

steam is supplied from nearby waste incineration plants owned by other actors. In Säfte and Greåker Nordic Paper has its own boilers to produce steam. The main fuel used in Säfte is biofuel and the plant in Greåker has the ability to produce steam using either natural gas or electricity.



Annual purchases:

Wood raw material:

around **928,000** m³ sub*

*cubic metres solid under bark

Externally purchased market pulp:

83,000 tonnes

Externally purchased electricity:

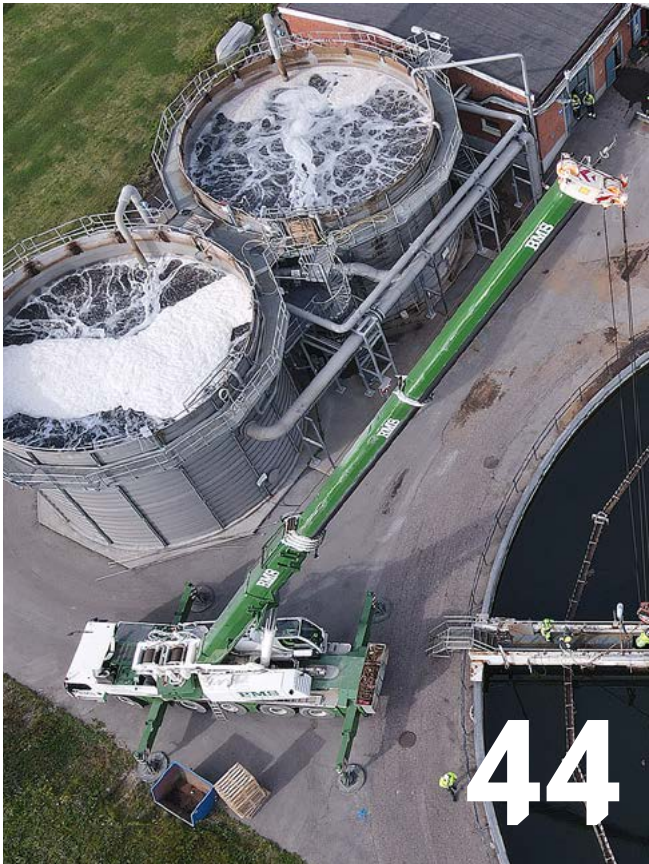
413 GWh

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Our sustainability approach

Nordic Paper turns renewable forest raw materials into speciality products focusing on economic, social and environmental sustainability. We are part of the circular, bio-based economy in which renewable fibres are processed into recyclable paper products that can replace fossil-based alternatives. Acting responsibly with consideration for both people and the environment is a natural part of our past and future.





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Circular flows are in our DNA

Nordic Paper’s business is built on more than a century of experience of turning renewable forest raw materials into speciality products. For us, treating natural resources with care and respecting our surroundings is the foundation for long-term value-creation and a business driver.

We are part of a circular, bio-based economy in which renewable fibres are processed into recyclable paper products that can replace fossil-based alternatives. After use, the fibres in our products become a high quality raw material for recycled paper. Process chemicals and water are largely reused in our own production processes, benefiting both our production finances and the environment.

Renewable fibres are our most important resource

We aim for sustained profitability, providing a basis for continual improvements in production and resource use. Nordic Paper is part of the forestry industry network in which one company’s by-product is another’s raw material. Around one third of our wood raw materials consists of wood chips that are a by-product of the sawmill industry. The remainder of our raw materials consist of pulpwood, which mainly comes from thinning out or narrower parts of trees which are not used by the sawmill industry.

A responsible employer in small communities

Several of Nordic Paper’s plants are located in rural communities where we play a significant role as an employer. Our company provides jobs and gives business to local suppliers of goods and

services. Our top priority is to ensure that the work environment is safe and healthy for everyone who works for us – not just our own employees but also contractors and temporary personnel – and for other visitors.

Products that make a difference

Our speciality paper creates value due to its technical performance, adaptability to customer needs and not least the sustainability performance it brings to our customers’ solutions.

Nordic Paper’s products are used mainly for packaging, and in particular packaging for food. Food packaging plays an important role in a sustainable food system by protecting the contents, maintaining high quality and safety, and by reducing food waste. The food itself may often be more carbon intensive than the packaging. By helping to ensure that more packaging is based on renewable raw materials, which also reduces food waste, Nordic Paper is helping to mitigate climate impact. After end use, our products are recyclable and can form part of new circular flows.



“The thing I’m most proud of in my role at Nordic Paper is making a difference. It is an honour to work on issues that are both business drivers and also vital for the future.”

Jenny Sjöstedt, Sustainability Manager, Nordic Paper



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Double materiality assessment – impacts and responsibility throughout the value chain

Nordic Paper’s operations have both a positive and a negative impact in all parts of the value chain, while at the same time the company is impacted financially by a variety of factors. The double materiality assessment we have performed in accordance with CSRD and ESRS brings to the fore our most material impacts and thus also our ability to make a difference. It also contributes to our long-term strategy work.

Identifying material topics

In a double materiality assessment conducted based on the requirements in the European Sustainability Reporting Standards (ESRS), Nordic Paper has identified the sustainability topics that we impact and are impacted by. The materiality assessment was conducted in several stages in autumn 2023 with the participation of various specialists and experts.

The first stage involved mapping our value chain and business activities to establish which of the reporting standards within ESRS apply to Nordic Paper. The next stage involved identifying relevant risks and opportunities to determine which activities in the value chain may have a material impact on people and the environment, and which financial risks and opportunities may exist. In the final stage, materiality was assessed, i.e. within which of the identified impact areas, risks and opportunities the company has the most impact and which of these areas have the greatest financial impact. For this a materiality threshold was set using a scale from one to five, where an average score of three or higher meant a material outcome.

Update in 2024

Our double materiality assessment was reviewed again in 2024 and assessed to still be relevant with one exception. In the earlier version, the assessment of workers in the value chain (S2),

Our material topics

ESRS	Standard	#	Sub-topic
E1	Climate change	1	Climate change mitigation
		2	Climate change adaptation
		3	Energy
E2	Pollution	4	Pollution of air
		5	Pollution of water
E3	Water and marine resources	6	Water
E4	Biodiversity and ecosystems	7	Direct impact drivers of biodiversity loss
E5	Resource use and circular economy	8	Resources inflows, including resource use
		9	Resource outflows related to products and services
S1	Own workforce	10	Working conditions
S2	Workers in the value chain	11	Equal treatment and opportunities for all
S3	Affected communities	12	Working conditions
		13	Communities’ economic, social and cultural rights
G1	Business conduct	14	Corporate culture
		15	Political engagement
		16	Management of relationships with suppliers
		17	Corruption and bribery



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which includes workers that are not part of the company’s own workforce, was assessed as not material. Taking into account the fact that Nordic Paper uses contracted labour to a large extent during maintenance shutdowns and investment projects, and that this involves an expanded work environment responsibility for these workers as well, the assessment has now been revised to material. The double materiality assessment will continue to be reviewed annually and this may lead to a revision of the assessment of material impacts, risks and opportunities.

The result of the double materiality assessment facilitates our task of setting priorities and allocating resources to the areas where they are most needed. The result shows that Nordic Paper has material topics in all topic-specific ESRS areas except for ESRS S4, which addresses consumers and end-users. Although consumers and end-users did not reach our threshold value for material topics under the assessment method used, we are aware that our products have a potential impact and we are taking active steps to ensure that our paper complies with relevant legal requirements and with the food safety certifications that the products are covered by.

Stakeholder engagement

To develop our sustainability efforts we are in continual dialogue with our various stakeholders. Stakeholder dialogue consists of both formal meetings and informal interaction, including regular checking-in and surveys such as customer and employee surveys. This dialogue provides us with valuable insights in order to develop our business in the future.

Governance

The Board’s overall responsibility

Nordic Paper’s Board has overall responsibility for ensuring that sustainability reporting is carried out in accordance with the laws and standards in force. The Board also reviews and approves the company’s double materiality assessment. Nordic Paper’s executive management provides ongoing progress reports to the company’s Audit Committee, which is responsible for overseeing sustainability reporting and internal control.

Stakeholder engagement

Stakeholder	Type of dialogue	Material topics
Investors/Shareholders	Stakeholder dialogue/Investor meetings ESG surveys Financial statements	Financial value growth that is sustainable long-term Reduced climate impact Risk management
Customers	Customer survey (CSI) Customer meetings Networks, trade fairs, customer events Customer projects	Climate performance of the products Products that meet requirements (certifications etc.) Resource efficiency
Employees	Meetings with managers and leaders Union cooperation Monthly and daily meetings Employee surveys (ESI) Performance and career development reviews CEO information meetings	Health and safety Diversity and inclusion Professional development Ethics and anti-corruption
Supervisory authorities	Permits New rules Supervision	Compliance audits Reporting Investigations
Suppliers	Supplier assessment Supplier audits Contract negotiation	Content of Supplier Code of Conduct Contract terms relating to the environment and sustainability
Communities/local residents	Cooperation meetings Social media	Crisis communication Pollution of air and water Permits

Statement on due diligence

Core elements of due diligence	Reference
a) Embedding due diligence in governance, strategy and business model	13–14, 62–63
b) Engaging with affected stakeholders in all key steps of the due diligence	32, 61
c) Identifying and assessing adverse impacts	31, 35–48, 54–63
d) Taking actions to address those adverse impacts	35–36, 40–42, 44, 47, 63
e) Tracking the effectiveness of these efforts and communicating	37–39, 42, 44, 47, 55–57, 59, 61–62



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Governing documents for sustainable business conduct

Governing document		Topic according to ESRS	Owner	Application in the business	Results of the governing document	
Code of Conduct Nordic Paper		All topics identified in the materiality assessment, see page 35.	CEO	The Code translates the company's values into actions. It describes how employees are to act and do business, expectations of employees and business partners, and what stakeholders can expect of the company.	<ul style="list-style-type: none">• Anti-corruption and Anti-bribery Guidelines• GDPR Guidelines• Promotion of health and safety	<ul style="list-style-type: none">• Conduct according to Nordic Paper's core values• Agent Code of Conduct• Supplier Code of Conduct• Deviation reporting• Membership of the UN Global Compact
Anti-corruption and Anti-bribery Guidelines	G1	Business conduct	CEO	The guidelines provide support and direction to the Board, management and employees for the avoidance and prevention of bribery and corruption. They also provide guidance to our external business partners.	<ul style="list-style-type: none">• Agent Code of Conduct• Supplier Code of Conduct	
Work Environment Policy	S1	Own workforce	CEO	The policy describes the company's basic principles for the work environment and how the company makes systematic efforts to create a work environment in which employees feel safe, motivated and valued.	<ul style="list-style-type: none">• Guidelines on the work environment and safety• Health, protection and safety targets• Cooperation meetings• Systematic emphasis on work environment	<ul style="list-style-type: none">• Local health and safety guidelines, procedures and instructions• Orientation and training• Deviation reporting
HR Policy	S1	Own workforce	Director of Human Resources	The HR Policy clarifies expectations and responsibilities within this area that are important for the company's employees and summarises the internal policy documents within the area of Human Resources.	<ul style="list-style-type: none">• Guidelines on diversity and non-discrimination• Guidelines on compensation• Guidelines for recruitment• Promotion of health and safety	<ul style="list-style-type: none">• Professional development• Pay mapping• Statutory employee rights• Zero tolerance for alcohol and drugs
Supplier Code of Conduct	S2	Workers in the value chain	Director of Supply Chain and IT	The code is an integral part Nordic Paper's business relationships with suppliers. The code states what the company requires of the suppliers for the purpose of creating a responsible and sustainable business relationship.	<ul style="list-style-type: none">• Supplier assessment• Supplier audit• Contract formulation	
Environmental and Energy Policy	E1 E2 E3 E4 E5	Climate change Pollution Water and marine resources Biodiversity and ecosystems Resource use and circular economy	CEO	The Environmental Policy describes the core values and approaches that guide efforts to reduce the company's environmental impact.	<ul style="list-style-type: none">• Producing and monitoring KPIs based on permits• External reporting• Internal deviation reporting	<ul style="list-style-type: none">• Steering group meetings for purchasing categories• Monitoring and evaluation of climate performance

UN Global Compact

Since 2022 Nordic Paper has been a signatory to the world's biggest sustainability initiative, the UN Global Compact, through which network we undertake to make active efforts in respect of sustainability topics and to report progress annually within the areas of human rights, labour, the environment and anti-corruption.

Agenda 2030

Agenda 2030 and the UN's 17 Sustainable Development Goals (SDGs) provide a common road map for all the world's nations and companies to achieve long-term sustainable development. Nordic Paper has the greatest capacity and potential to impact Goal 8 Decent Work and Economic Growth, Goal 12 Responsible Consumption and Production, and Goal 13 Climate Action.

Human rights

Nordic Paper applies the UN Framework Principles on Human Rights and complies with the eight core conventions of the International Labour Organization (ILO) as well as the OECD Guidelines for Multinational Enterprises.



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Our Code of Conduct and policies

Nordic Paper is to manage and develop the business in a responsible and sustainable way throughout the value chain. To ensure that this happens, we have 17 policies adopted by the Board, including the company’s Code of Conduct. Our Code of Conduct forms the framework that translates the company’s values into actions and describes how employees are to act and do business ethically and sustainably, based on a corporate culture focused on the core values of responsibility, respect, cooperation and development.

Nordic Paper works to achieve long-term business relationships in which, together with its business partners, the company lays the foundation for strong financial results while giving consideration to the environment and community engagement. We also require suppliers of goods and services to conduct business responsibly. These requirements are stated in the company’s Code of Conduct for Suppliers. The other policies are all based on the Code of Conduct.

From a sustainability perspective, as well as the Code of Conduct for Nordic Paper and its suppliers, it is above all the

company’s HR Policy, Work Environment Policy, Environmental and Energy Policy, and Anti-corruption and Anti-bribery Guidelines that provide guidance on doing business more sustainably. All of these documents are published on Nordic Paper’s external website. All the policies in the portfolio have been approved by the Board of Directors and have a designated owner who is responsible for implementation. Each year the CEO reports to the Board on compliance with this policy portfolio. For more information on the company’s policy portfolio see page 85.

Certifications

With the aim of maintaining high and consistent quality, our Scandinavian production units are certified to ISO 9001 Quality Management, with multi-site certification. Multi-site certification to ISO 22000 Food Safety Management for the plants in Säffle and Greåker and SQF (Safe Quality Food) certification in Québec guarantee that our products throughout the process, from paper production and transport to end use, can be used in direct contact with food.

It is important that the fibre raw material used originates from sustainable forestry. Nordic Paper is therefore certified and able to offer both Scandinavian and Canadian FSC™-certified paper (FSC-C102767, FSC-C112757) and Scandinavian PEFC-certified paper (PEFC/05-33-213). We also have sustainability decisions under the Swedish regulation on sustainability criteria for biofuels, bioliquids and biomass fuels, which means we have an approved control system for handling these fuels as well as evidence that they are sustainable. Our sustainability decision covers all liquid biofuels as well as spent liquor and biomass fuels.



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Environmental

Our ambition is to continually reduce our environmental impact in cooperation with stakeholders in the value chain – from extraction of raw materials to end-use and recycling. We also want to increase the positive impacts of our products, such as replacing fossil-based packaging materials.

E1 Climate change

Nordic Paper’s operations have a climate impact throughout the value chain. We strive to continually reduce our emissions in our own operations and in the value chain. At the same time, we also make it possible for consumers to reduce their climate footprint by using our products made from renewal raw materials instead of fossil-based alternatives.

Our transition plan
Nordic Paper’s climate impact is linked to our own production process and to purchased goods and services. Our overall target is for total emissions from operations, including emissions from purchased goods and services, to be reduced by 50 percent by 2030 compared with 2020. Direct emissions from the company’s own operations and from purchased energy are to be reduced by at least 50 percent during the same time period. At this time the overall target of a 50 percent reduction is broken down into an annual reduction of 5 percent. This broken down target is in turn broken down into activities that apply to different parts of the company.

SDG 13





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Risks and opportunities

Material impacts, risks and opportunities related to climate change have been identified in our double materiality assessment. The result showed that climate change may impact us, both through the consequences of a changed climate and through the actions needed to reduce greenhouse gas emissions. Our assessment is therefore that climate change has a major impact on our business, and that there are both risks and opportunities linked to the consequences that climate change brings. The method used for the double materiality assessment is described on page 31.

Nordic Paper’s operations have an impact in all parts of the value chain – from production of inputs, to the company’s own production and in transportation of products to customers. We face the challenge of adapting our business for the potential consequences of climate change.

Risks associated with climate-related changes in forests may impact us. We do not own any forests but instead buy in our fibre raw materials. Nordic Paper’s supply of pulpwood and sawmill chips is spread across some 40 suppliers with different sourcing areas, reducing the risk from geographically limited climate-related changes to forests. Potential risks linked to our raw material supply include increased insect infestation, drought, forest fires and floods. These risks could, for example, make it more difficult to secure a supply of pulpwood, reduce the supply available and increase raw material costs. New, more stringent control mechanisms, for example concerning greenhouse gases, and increased competition for renewable raw materials could also make conditions more difficult for our business. In summary, the impacts and risks are expected to be moderate in the short and medium term.

Climate change may, however, also lead to more positive effects, such as increased growth in Swedish forests, which constitute our main raw material source. Society’s actions to reduce GHG emissions may also have a positive impact on us as our products can replace fossil-based products. Climate performance, in the form of low GHG emissions, is in itself a competitive advantage for our products because the main competition comes from products made from fossil-based plastic. This means that an increased focus on and awareness of climate issues may create opportunities for our business.

Policies

Governance is based on our Environmental and Energy Policy and our Code of Conduct, which describe how our values and way of working guide us in our efforts to reduce climate impact and our carbon footprint. Read more about our Environmental and Energy Policy on page 33.

Actions and resources

Nordic Paper’s climate impact is associated mainly with our own production process and with purchased goods and services. Through constant improvements and targeted efforts at the mills, and by setting clear criteria in procurement, we are working to continually reduce our climate impact.

Own operations

The two most important areas for being able to reduce emissions from our operations are energy efficiency and increasing the share of renewable fuels. Today renewable fuels make up around 93 per cent of our own fuel use. A total of 75 percent of the electricity we purchase has guarantees of origin from hydropower and nuclear power, an increase of 9 percentage points compared with 2023. Over the past few years we have made active efforts to phase out fossil fuels in our own operations and at our mills.

We are also working to reduce the use of carbon-intensive chemicals that are used in larger volumes, including silicone. Nordic Paper is covered by EU’s Emissions Trading System (EU-ETS). All of our incineration facilities in Sweden and Norway are included, which means that emissions from these facilities are carefully controlled in order to ensure the right amount of emission allowances are drawn from the system. The reports are third-party audited and the purpose is for emissions to reduce over time.

Our value chain

We are always working to reduce our impact from upstream and downstream transport. We do this by, for example, increasing the share of intermodal transport; in other words, using combined means of transport such as road-rail. To reduce transport-related impacts we source materials locally to the greatest extent possible. Pulpwood is primarily sourced from the area surrounding

Bäckhammar and the average transport distance is 100 km. The majority of the external pulp purchased comes from Sweden and Europe, which also contributes to relatively short transport distances. In the procurement of items such as chemicals we have requirements of suppliers and we try to find common solutions to reduce climate impacts.

Our targets

Nordic Paper has adopted targets to reduce climate impact. Total GHG emissions from fossil sources from operations, including indirect emissions from purchased goods and services, are to reduce by 50 percent by 2030 compared with the base year 2020. Our direct emissions from our operations and from purchased energy are to be reduced by 50 percent during the same time period.

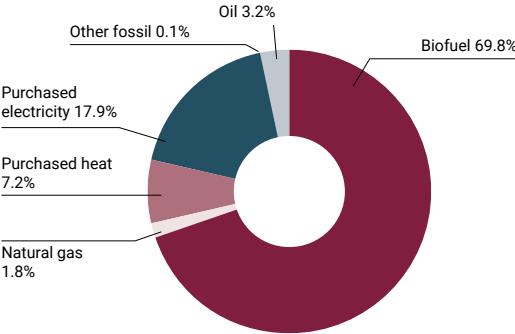


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Energy consumption

Multiple sources of energy are used in our pulp and paper production. The most important fuel is black liquor and bark originating from pulpwood at our mill in Bäckhammar. The mill also uses pitch oil, a by-product in pulp production, as fuel. At the Säffle and Greåker mills we have our own incineration facilities and in Säffle biofuel in the form of chips and briquettes is the main fuel used. Greåker uses natural gas, while the plants in Åmotfors and Québec purchase heat in the form of hot water and/or steam from external suppliers. The mills in Säffle and Bäckhammar also use a small percentage of oil. All mills purchase electricity from external suppliers. In Bäckhammar we also use electricity we generate ourselves from a steam turbine. This represents around 20 percent of our total energy consumption. The breakdown of fuels used is presented in the pie chart and table.

Breakdown of fuel and energy carriers, by energy value



Energy consumption and mix	2024	2023
(1) Fuel consumption from coal and coal products (MWh)	–	–
(2) Fuel consumption from crude oil and petroleum products (MWh)	74,229	57,137
(3) Fuel consumption from natural gas (MWh)	40,674	54,920
(4) Fuel consumption from other fossil sources (MWh)	2,033	1,995
(5) Total fossil energy consumption excl. fossil energy in purchased electricity and heat/steam (MWh) (calculated as the sum of lines 1 to 4)	116,937	114,052
(6) Consumption of purchased or acquired electricity (MWh) ¹	412,887	369,144
(7) Consumption of purchased or acquired heat, steam and cooling (MWh) ²	167,030	177,904
(8) Consumption from nuclear sources (MWh) ³	152,559	157,340
(9) Share of consumption from nuclear sources in total energy consumption (%)	6.6	7.0
(10) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) excl. renewable energy sources in purchased electricity and heat/steam (MWh)	1,494,836	1,463,511
(11) The consumption of self-generated non-fuel renewable energy (MWh)	115,424	113,508
(12) Total renewable energy consumption (MWh) (calculated as the sum of lines 10 to 11) ⁴	1,610,260	1,577,019
Total energy consumption (MWh) (calculated as the sum of lines 5, 6, 7 and 12)	2,307,115	2,238,119

1 Total purchased, not divided into fossil/renewable proportions
2 Total purchased, not divided into fossil/renewable proportions
3 Proportion of purchased electricity
4 Fuel from renewable energy sources used for the production of self-generated renewable electricity has been excluded from the summation to avoid double counting

Energy intensity	2024	2023
Total energy consumption per net revenue ⁵ (MWh/SEK m)	494	500

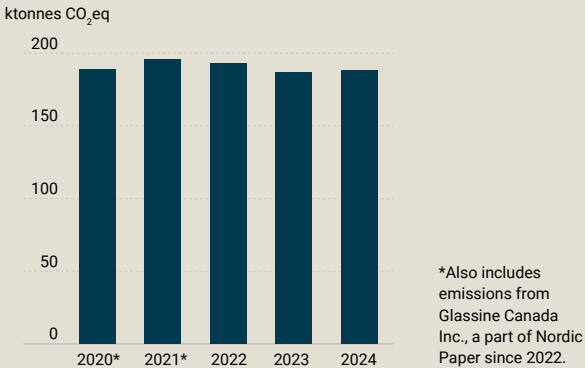
5 Net revenue according to Note 6 in the income statement



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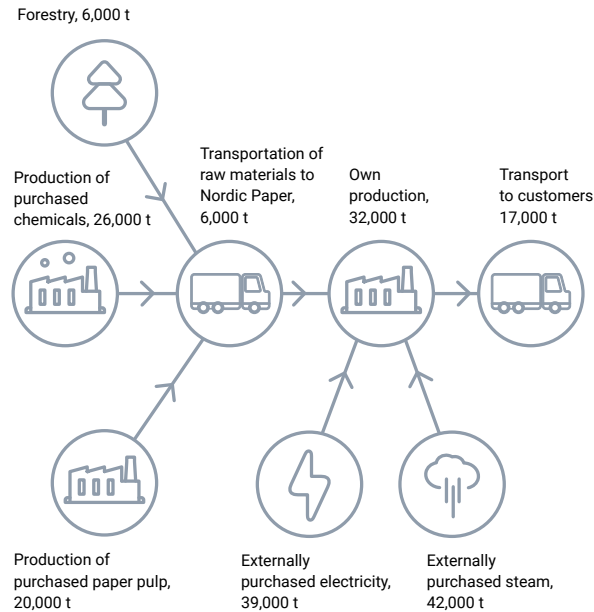


Total fossil GHG emissions from Nordic Paper's operations in 2020–2024



Fossil GHG emissions in the value chain 2024

tonnes CO₂eq market-based
Total 188,000 tonnes



Fossil GHG emissions

The breakdown of our fossil GHG emissions, using the market-based method, results in around 20 percent arising in our own operations, 40 percent from purchased energy and the remaining 40 percent from purchased goods, transportation to Nordic Paper and transportation to customers.

Our fossil GHG emissions in 2024 amounted to around 188,000 tonnes CO₂eq based on market-based Scope 2 emissions and around 150,000 tonnes based on location-based Scope 2 emissions. This means that market-based emissions were essentially unchanged compared with 2023 but there was an increase in location-based emissions. The biogenic carbon dioxide emissions from our own operations amounted to 604,000 tonnes during 2024.

Our Scope 1 emissions amount to around 32,000 tonnes CO₂eq, an increase compared with 2023. Two opposing factors explain the net increase: an increase in the use of fuel oil in Bäckhammar and Säffle, and a decrease in natural gas consumption in Greåker, which partly compensates for the increased oil use in Bäckhammar and Säffle.

Our Scope 2 emissions amount to around 81,000 tonnes using the market-based method or around 44,000 tonnes using the location-based method. Purchased heat amounts to around

42,000 tonnes CO₂eq. Our purchased heat is produced by recovering heat from waste that contains plastic, thereby giving rise to fossil carbon emissions. As renewable waste fractions are recycled, a greater share of the waste that is incinerated with energy recovery consists of fractions of fossil origin. Purchased electricity amounts to around 39,000 and 2, 000 tonnes of CO₂eq respectively. The big difference between location-based and market-based emissions is explained by the very different emission factors for residual and location-based electricity in Norway. Market-based Scope 2 emissions have decreased overall compared with 2023. A reduced need for purchased heat and an increased number of origin guarantees for electricity in Greåker have contributed to this reduction, while an increase in electricity consumption and higher emission factors for residual and purchased heat have partially mitigated the decrease.

Our Scope 3 emissions have increased compared with 2023. The increase is mainly due to purchased pulp and chemicals, and is mainly an effect of increased production and increased consumption of these. Increased Scope 3 emissions contributed to the increase in total location-based CO₂eq emissions compared with 2023.



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GHG emissions	Base year 2020 ⁹	2023 ¹⁰	2024	2024/2023 %
Scope 1				
Gross Scope 1 GHG emissions (tCO ₂ eq)	30,864	30,236	32,060	106
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	82	82	83	–
Scope 2				
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	41,022	43,127	43,515	101
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	90,589	88,099	81,124	92
Significant Scope 3 GHG emissions				
Total indirect gross GHG emissions (tCO ₂ eq)	68,036	68,817	75,130	109
1. Purchased pulp	14,978	18,403	20,128	109
2. Purchased chemicals	22,219	22,547	25,910	115
3. Forestry ⁶	6,457	5,451	5,599	103
4. Upstream transportation and distribution ⁷	6,611	5,875	6,130	104
5. Downstream transportation ⁸	17,771	16,540	17,362	105
Total GHG emissions				
Total GHG emissions (location-based) (tCO ₂ eq)	139,922	142,180	150,705	106
Total GHG emissions (market-based) (tCO ₂ eq)	189,489	187,152	188,315	101

GHG intensity	2024	2023
Total GHG emissions (location-based) per net revenue (tCO ₂ eq/SEK m)	32.3	31.8
Total GHG emissions (market-based) per net revenue (tCO ₂ eq/SEK m)	40.3	41.8
Total GHG emissions (location-based) per tonne of paper ¹¹ (kg CO ₂ eq/tonne paper)	521	513
Total GHG emissions (market-based) per tonne of paper ¹¹ (kg CO ₂ eq/tonne paper)	651	676

6 Refers to fertilisation and fossil emissions from felling and transportation to roads for pulpwood purchased by Nordic Paper.

7 Refers to transportation of chemicals, wood and pulp for Nordic Paper.

8 Refers to transportation to customers.

9 Adjustments for the base year 2020 have been made with respect to pulp purchased in Québec, compared with the 2023 sustainability report.

10 Adjustments have been made to the 2023 data on purchased heat in Åmotfors and purchased pulp in Québec, compared with the 2023 sustainability report.

11 Refers to tonnes of produced paper as well as pulp sold externally.

Explanation of calculations of climate impact

Scope 1 consists of emissions of CO₂ from combustion of fossil fuels in Nordic Paper’s incineration facilities as well as emissions of nitrous oxide, including from biofuels. Data is based on measuring and calculating fuel consumption as well as established emission factors.

Scope 2 consists of emissions from purchased energy. In Nordic Paper’s case this consists of purchased electricity as well as purchased heat and steam. Data is based on activity data for purchased amounts as well as the most recently available emission intensity for

electricity based on the location-based and market-based method according to the World Resources Institute, GHG Protocol Scope 2 Guidance.

Scope 3 consists of emissions from our value chain. Division into sub-categories is based on our own assessment of material categories within Scope 3. Activity data in the form of, for example, purchased amounts is based on data for 2024. Emission data such as emission per tonne of a certain chemical or pulp is collected from our pulp and

chemical suppliers, while transport-related emissions are based on calculations taking into account the type of fuel, fuel use and transport distance. Emission data is the most recently available, but does not always refer to 2024. The boundary for our estimated GHG emissions upstream in the value chain is fibre raw material extracted from forests, i.e. forestry production; felling and forwarding of the raw material is included, but not the impact of the forest’s capacity for carbon sequestration. The boundary downstream in the value chain is delivery to customers.



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Renewable fuels from forest to industry

Nordic Paper's pulpwood purchases are based on long-term relationships with local wood suppliers, who include both small and larger forest owners. One of our suppliers is the Diocese of Skara, which for some time has been requiring forestry contractors to use renewable fuels.

Thanks to 100 percent HVO for harvesters, forwarders and lorries, the Diocese of Skara has reduced its emissions by 83 percent. HVO stands for hydrotreated vegetable oil and is a renewable synthetic diesel fuel mainly manufactured from rapeseed oil and animal fat.

The Diocese of Skara's requirement for forestry contractors and freight companies to use renewable fuels has brought about a substantial decrease in emissions and, according to the Diocese's own calculations, represents a reduction of 541 tonnes of carbon dioxide, equivalent to 83 percent.

A higher additional cost for a greater value

The Diocese of Skara has focused for a long time on the use of HVO throughout the chain, from harvester to lorry. These fossil-free operations today involve increased costs for the Diocese and its contractors, but in return the machinery actually functions better than when conventional fuels are used. The Diocese of Skara believes that the higher cost is necessary in order to make a difference and expects all felling and transportation throughout the diocese to be fossil-free within a couple of years.

"To mitigate climate change it is vital for all in the value chain to work on this. The Diocese of Skara's initiative is appreciated and as purchasers of their pulpwood, we are positively impacted by this when we calculate our Scope 3 emissions," says Johan Ördell, Wood Procurement Manager.



Wood Procurement Manager, Johan Ördell



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E2 Pollution

Nordic Paper has an impact on air quality and causes pollution of air primarily in the form of sulphur, nitric oxides and dust. This pollution arises mainly from combustion in the mills’ various combustion furnaces. Our manufacturing processes also require large amounts of water that comes in contact with pulp and fibres. Pollution of water consists mainly of nutrients, substances that form sediment and those that consume oxygen when they break down in water.

Risks and opportunities

In the area of pollution we have identified emissions to air and emissions to water as material. The method used for the double materiality assessment is described on page 31.

The identified impact risks have been assessed as relatively low, while the financial risk is assessed as high. The reason the financial risks are higher is due to the risk of increased regulatory requirements on emissions to air as well as tougher control mechanisms in the form of environmental taxes with subsequent conceivable investment requirements.

The provisions stated in our production permits form the upper boundary for our emissions to air and water. Our ambition is for our impact to be within the permit limits with a safe margin. The provisions set out in our permits are based on assessments of what a plant with the best available techniques (BAT) can achieve for the type of production taking place. Since Nordic Paper produces speciality paper, the conditions differ from those imposed on typical plants in the paper industry. We therefore currently have six time-limited exemptions from the BAT levels in the production permits for the Swedish plants.

Pollution of air

Pollution of air from our plants arises mainly at the incineration facilities where combustion of various fuels takes place. Pollution

of air consists mainly of sulphur, nitric oxides, dust, carbon dioxide and noise. Emissions to air also take place earlier in the value chain in manufacturing processes for various inputs and products that Nordic Paper purchases, such as the production of fuels and chemicals. The diesel used as fuel in transportation, upstream and downstream, also gives rise to emissions of nitric oxides during combustion.

Pollution of water

We have an impact on water quality primarily through our own operations, but impacts may also occur upstream and downstream in the value chain. Pollution can have long-term effects on both water ecosystems and people’s health. Most of Nordic Paper’s plants purchase paper pulp and chemicals from external suppliers where the manufacture of these inputs can lead to emissions to water containing various environmental pollutants.

Our environmental permits for our own operations contain restrictions regarding permitted emissions to and environmental impact on water for the most common emissions, such as suspended solids, oxygen consuming substances, pH and nutrients such as nitrogen and phosphorous.

Policies

Our work relating to pollution is based on our Code of Conduct and our Environmental and Energy Policy. We are working continually to reduce pollution of air and water. Read more about our Environmental and Energy Policy on page 33.

Actions and resources

To meet the requirements regarding pollution of air, measures are taken and emissions checked under established control programmes. Active treatment to clean emissions to air focus mainly on dust, i.e. particles in the air, but in some cases include nitric oxides.

To meet the new requirements for treatment of emissions to air which will go into effect in 2026, in 2024 we started reconstruction in Bäckhammar to install new electrostatic filters for dust removal. These are expected to be put into operation in autumn 2025. Read more on page 43.

Pollution of water is also measured and monitored based on control programmes for our permit provisions. Polluted water is treated in the company’s own treatment facilities to limit emissions to water recipients at our mills in Bäckhammar, Säffle and Åmotfors. Alongside this a fairly small amount of water is sent for external treatment at municipal treatment plants.



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Our targets

As a company in the process industry Nordic Paper is affected by various legal frameworks. The Land and Environment Court issues the production permits for our Swedish plants, while the County Administrative Board is the supervisory authority and also the authority to which we report compliance with the conditions imposed. Our production permits stipulate upper limits for the our emissions to air and water, and for other impacts such as noise. We are striving to reduce our emissions to air and water and our ambition is for our impact to be within the permit limits with a safe margin.

Since we produce speciality paper, the conditions differ from those imposed on typical plants in the paper industry. We therefore currently have six time-limited exemptions from our BAT (best available techniques) levels in the production permits for the Swedish plants. In Norway permits and supervision are dealt with by the Norwegian Environment Agency and in Québec mainly by municipal bodies.

Pollution of air and water

Measurements of air pollution are taken on an ongoing basis according to the respective plant’s established supervision programme, which is reviewed by the supervisory authorities. We take preventative action to avoid incidents and unexpected events in production that may result in odours or in permit levels being exceeded. Any deviations are managed systematically as a natural part of our ongoing work with continuous improvements. With one exception Nordic Paper conducted its operations in 2024 in accordance with the applicable production permits. The exception was benchmark values for emissions of suspended solids and chemical oxygen demand (COD), which were temporarily exceeded for two months at the Åmotfors Mill. The exceeded limits have been reported to the County Administrative Board in the routine manner and a number of measures have been taken. On an annual basis, however, the operations are within the permitted levels.

Pollution of air	2024	2023
Sulphur dioxide SO ₂ (tonnes)	90	74 ¹²
Nitric oxide NO _x (tonnes)	274	262
Particles (tonnes)	101	151

Pollution of water	2024	2023
Nitrogen	57	61
Phosphates	1	1
COD	1,529	1,564
Suspended solids	219	187

12 In the 2023 sustainability report indicated as tonnes S.



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New technology provides cleaner air, a better work environment and consumes less energy

Investment in new electrostatic filters that employ electricity to capture particles from the recovery boiler will reduce our emissions of dust by two thirds at the Bäckhammar mill.

Briefly, we will use electricity that charges the particles in the flue gas. The particles will in turn stick to a plate with the opposite charge, and by knocking on the plates the dust will fall to the bottom for collection. The amount of particles in the air is reduced and the ash particles captured can be collected.

Better capacity, lower energy consumption

With new environmental requirements and future increased production capacity, there are several advantages to investing in new electrostatic filters. As well as improving our capacity to limit the amount of dust, our employees will have a better work environment as it becomes easier to reach and inspect surfaces around the filter. This will also affect the life of the equipment.

Improved safety system

Another advantage is resource efficiency. Two filters will replace the three in use today. Ingrid Olsson, the project manager, explains:

“The effect will be at least as good with the new filters, and we will have lower energy consumption as well as an entirely new safety system. There will be a new type of shutdown system between the soda recovery boiler and the filter, which can be activated when needed,” says Ingrid. The plan is to connect the new filter when the boiler is shut down for inspection in autumn 2025.

“There has been a lot to think about, and of course there still is – but this is an exciting and interesting project. This will be a fantastic investment for Bäckhammar mill,” she concludes.



Ingrid Olsson



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E3 Water and marine resources

A supply of water is essential for paper and pulp production as water is used in multiple ways in the production process. Among the ways we use water at our mills are for boiling wood to make pulp, for transporting and washing fibres, as a heat carrier in the form of steam, and for heating and cooling. A stable supply of water is therefore a key element of our business.

Risks and opportunities

Within the topic of water and marine resources we have identified water use as material. In our double materiality assessment, stricter rules around water use for our production facilities is assessed as a risk, but the likelihood is small as all plants are located close to water sources. The financial impact is also assessed as low. The method for the double materiality assessment is described on page 31.

The Scandinavian mills are supplied with water from nearby lakes and watercourses. This means that no groundwater is used, and all of our mills are located in areas with low water risk¹³.

Municipal water is used at the mill in Québec and for sanitary purposes at our Scandinavian mills. The water used in our processes is treated and returned to the watercourse that it was taken from. A small amount evaporates in the process or binds to products in pulp and paper manufacturing.

Policies

Our work on water consumption is informed by our Code of Conduct and our Environmental and Energy Policy. These policies outline our aim to manufacture products with the lowest possible impact on water.

Actions and resources

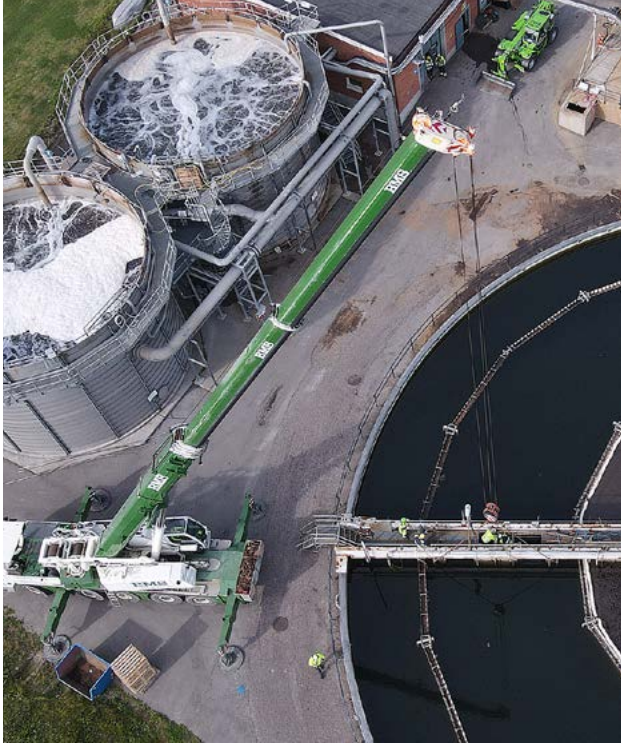
Nordic Paper aims to manage water as resource-efficiently as possible. In both pulp and paper production water is recycled multiple times with the aim of reducing water use and loss of fibres through drains, and to reduce the energy required to heat new water. The process water that contains fibres is treated in our treatment plants and the cooling water and surface water which is not polluted in the process is released to the water recipient. Water used for sanitary purposes is sent to municipal treatment plants. Nordic Paper measures and monitors extraction and release of water to ensure that relevant requirements are met.

Our targets

Nordic Paper aims to use water as efficiently as possible. Water court decisions have been issued for our Scandinavian mills, and for our largest mill in Bäckhammar the water court decision also regulates water withdrawals.

Water consumption

The amounts of water withdrawn and discharged by the company are presented in the table alongside.



Withdrawal and discharge of water from and to our water sources	2024	2023
Water withdrawal ¹⁴ (millions m³)	17.0	17.3

13 As defined by the Aqeduct Water Risk Atlas from the Water Resources Institute.

14 Referred to as water consumption in previous report.



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E4 Biodiversity and ecosystems

Within the topic biodiversity and ecosystems, we have identified direct impact factors that lead to loss of biodiversity as material. Nordic Paper’s impact on biodiversity is mainly through the wood raw materials used at the pulp mill in Bäckhammar and indirectly through the paper pulp purchased externally.

We consumed 928,000 cubic metres sub (solid under bark) of wood raw materials in 2024, and also a certain amount of fuel wood. 100 percent of the wood raw material comes from Swedish sources.

Nordic Paper champions sustainable forestry that gives consideration to biodiversity and the protection of ecologically valuable environments. The company therefore requires all fibre raw material to be traceable and to fulfil the criteria for FSC™ Controlled Wood and PEFC Controlled Sources. All wood raw material also complies with the EU’s timber legislation EUTR.

Nordic Paper has started work to ensure that we will comply with new EUDR legislation when it is implemented at the end of 2025. The method for the double materiality assessment is described on page 31.



Percentage of Swedish wood raw materials:

100%

Number of cubic metres sub* of wood raw material consumed in 2024:

928,000

*cubic meters solid under bark

SDG 12

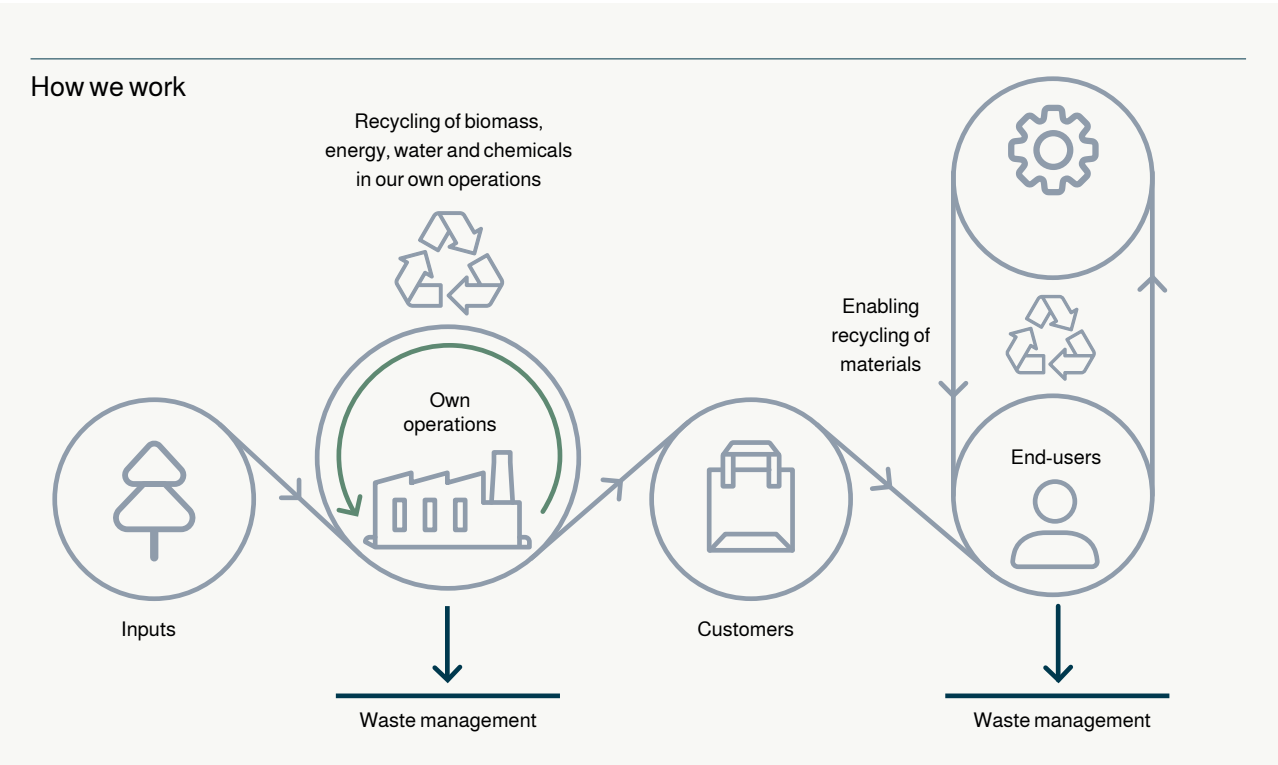




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E5 Resource use and circular economy

Nordic Paper endeavours to use resources such as raw materials and energy as efficiently as possible, and recycles fibres, water and chemicals in our process. Our products are also recyclable, and a very substantial portion of our product portfolio competes directly with other materials in the end-user phase, primarily with fossil-based plastics. By enabling our products to be used instead of fossil-based alternatives, we create value.



Risks and opportunities

An increased focus on circularity and resource use in society opens up opportunities for those of us largely using renewable raw materials to produce products that are recyclable and biodegradable. At the same time, the main resources used in our business are forest raw materials, energy and water, which can involve risks such as increased prices – particularly for forest raw materials and energy. The method for the double materiality assessment is described on page 31.

Policies

Our work on resource use and circular economy is informed by our Environmental and Energy Policy. Much of our Code of Conduct for suppliers also addresses resource use and circular economy aspects.

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Actions and resources

We are constantly working to improve our business and increase the resource efficiency of our products. Measures to increase resource efficiency are linked both to our own operations and to facilitating high resource efficiency downstream in the value chain. Resource efficiency is improved by recycling as much as possible of the biomass, energy, water and chemicals, and using by-products, but also by minimising spills and waste and by managing the waste that is created responsibly. This is done in part by requiring suppliers to make active efforts to use resources such as raw materials and energy efficiently, and taking preventive action to avoid accidents that could have negative environmental impacts.

Our targets

Continuous improvement in resource efficiency is essential for a profitable business. We are taking active steps to maximise the benefits of our products in replacing other fossil-based alternatives, and to increase resource efficiency downstream in our value chain among our customers so that end-users and other actors can reuse the products and recycle the materials. We have no specific system for monitoring our products in terms of reuse and recycling, but within the EU our recycling rate in 2022¹⁵ was 83 percent for paper packaging as compared with 64 percent for all types of packaging.

Resource inflows

Resource inflows consist of inputs for our processes. The main inputs for our processes are sawmill chips, pulpwood, purchased pulp and chemicals.

The sawmill chips we purchase and use in our processes are a residual product from other companies' sawn timber. We use chemicals both in various process steps and also to give the products desirable properties. In terms of volume, the most important purchased chemicals are lime, aluminium sulphate and silicone. In the production processes at the mills, used chemicals are recycled and returned to the process, while other by-products are extracted.

Water is also an important resource for our processes. Our water use is described in more detail on page 44. Purchased electricity, heat and fuel are reported together with our GHG emissions on pages 35–38. Alongside our own pulp manufacturing in Bäckhammar we also purchase pulp from external suppliers. In 2024 we purchased 83,000 tonnes of external pulp. Pulpwood and sawmill chips for our own pulp production during the year amounted to 928,000 cubic metres sub (solid cubic metres under bark) of wood raw material consumed.

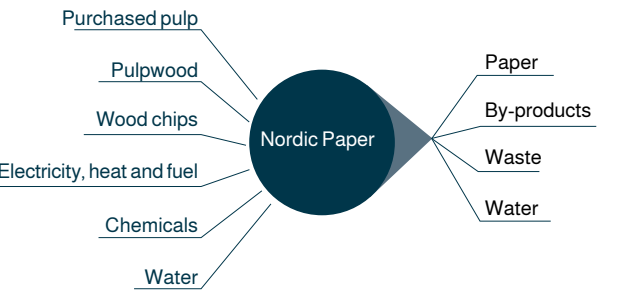
Resource outflows

Resource outflows are mainly related to our sold products, with a small portion related to waste arising from our operations.

Product outflows

Our most important product outflow consists of our paper products. In 2024 Nordic Paper produced 285,000 tonnes of paper. Sulphate pulp production in Bäckhammar also generates by-products in the form of tall oil and turpentine. Tall oil generated is sold for further processing of products, with the remainder becoming pitch oil that is reused as fossil-free fuel at the mill. Turpentine is also sold for use in the manufacture of various products and can be used, for example, in the production of cosmetics. Our processes also generate other by-products that we sell, such

Resource flows



as fibre sludge, lime mud residues and lime, which can be used, for example, as fertiliser and for soil improvement. Nordic Paper's products are recyclable, and a very substantial portion of the company's product portfolio competes directly with other materials in the end-use phase, primarily with fossil-based plastics.

Waste

The waste generated in the company's operations consists of three parts:

- Industry-specific waste such as sludge from various parts of the process and drain cleaning, as well as ash and lime mud
- Other non-hazardous waste from operations
- Hazardous waste

All of our waste is managed by contractors that are approved waste recipients. Much of our industry-specific waste is used today as capping material for an older landfill. Other non-hazardous waste consists of metal, paper, plastic and building materials. The hazardous waste generated in our operations consists mainly of oil-related waste such as waste oil and impregnated wood waste.

Waste	2024	2023
Non-hazardous waste (tonnes) ¹⁶	32,000	42,000
Hazardous waste (tonnes)	619	406

¹⁶ Excluding excavated materials

¹⁵ Most recently available statistics from Eurostat, 2022



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Can algae’s ability to bind carbon dioxide contribute to a more circular future?

Linnéa Pettersson, who completed her bachelor degree thesis at Nordic Paper, has investigated the possibilities of industrial algae cultivation in Bäckhammar. The starting point was the ability of the algae to convert carbon dioxide and light into oxygen and organic matter via photosynthesis.

By directing exhaust gases and process water from the pulp and paper industry to an algae farm, carbon dioxide and nutrients can be bound directly to the algae instead of being released into nature. End-of-life algae can then be used for a variety of end-products.

“The potential is huge and there are currently several pilot facilities. The challenge is that, at present, very large areas are required to accommodate the amount of algae needed for it to work well in practice,” says Linnéa.

Linnéa is studying for a bachelor’s degree in Innovation, Technology and Design. She concludes that more research is needed into industrial algae cultivation, but also that there is great potential in the circularity that the technology provides. Carbon dioxide emissions could be reduced, while at a plant like Bäckhammar the end-products could be turned into chicken feed or biochar.

Linnéa predicts new solutions in the future that will facilitate carbon sequestration in algae within smaller areas and lead to increased circularity that benefits local communities.

“Imagine if one of the oldest life forms on earth could contribute to a solution to the greatest challenges of our time. That would be cool,” Linnéa concludes.



Linnéa Pettersson



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Taxonomy

The EU Taxonomy Regulation contains rules for deciding when an economic activity is to be considered environmentally sustainable. Since 2023 the reporting requirement includes all six environmental objectives – with the exception that the reporting requirement only covers those activities that are aligned with the Taxonomy’s requirements for the two objectives climate change mitigation and climate change adaptation.

Identification and assessment of Taxonomy-eligible activities

Nordic Paper’s activities have been assessed based on the Taxonomy Regulation (2020/852/EU) and associated delegated acts. Nordic Paper’s primary economic activity, manufacture of paper, is not included in the current version of the Taxonomy even though use of the renewable paper products can replace products made from fossil-based plastics and thus contribute to society’s transition away from dependence on fossil raw materials.

As Nordic Paper’s net sales consist entirely of sales of goods and do not include other income from activities that could be Taxonomy-eligible, for example transmission and distribution of electricity or production of heat/cool from bioenergy, no material net turnover from activities that are Taxonomy-eligible has been identified.

The Taxonomy-oriented initiatives that have been applicable, however, relate to activity 6.5 Transport by motorbikes, passenger cars and light commercial vehicles. Nordic Paper leases hybrid and electric vehicles that form part of the company’s right-of-use assets, these being included in the reporting for Taxonomy-eligible economic activities. The Taxonomically-aligned OpEx was SEK 1 million and CapEx was SEK 2 million. The second activity is 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached

to buildings). In 2024 Nordic Paper completed the installation of charging stations for electric vehicles adjacent to our plants. The Taxonomy-aligned CapEx amounted to SEK 1 million.

Definitions

CAPEX

Defined as capital expenditure for acquiring assets recognised in accordance with IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets and IFRS 16 Leases, including assets added through business combinations.

OPEX

Defined as the sum of costs for maintenance and repair as well as other direct costs necessary for effective daily operation of tangible fixed assets.



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Taxonomy tables

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosures covering year 2024

2024	Year		Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	Turnover (3)	Proportion of turnover in 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover, year n-1 (18)	Category: enabling activity (19)	Category: transitional activity (20)
		SEK m	%	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)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–		
Of which enabling activities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	E	
Of which transitional activities	–	–	–	–						–	–	–	–	–	–	–	–		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Activity 1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
A. Turnover of Taxonomy-eligible activities (A.1+A.2)	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		4,668	100%																
Total		4,668	100%																

Proportion of turnover/total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	–	–
CCA	–	–
WTR	–	–
CE	–	–
PPC	–	–
BIO	–	–



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Proportion of **CapEx** from products or services associated with Taxonomy-aligned economic activities – disclosures covering year 2024

2024	Year		Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	CapEx (3)	Proportion of CapEx 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover, year n-1 (18)	Category: enabling activity (19)	Category: transitional activity (20)
		SEK m	%	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)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	1	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2	0%	0%	—	—	—	—	—	Y	Y	Y	Y	Y	Y	Y	1%		
Of which enabling activities		1	0%	0%	—	—	—	—	—	Y	Y	Y	Y	Y	Y	Y	1%	E	
Of which transitional activities		—	—	—						Y	Y	Y	Y	Y	Y	Y	—		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Activity 1																			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		—	—	—	—	—	—	—	—								—		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		2	0%	0%	—	—	—	—	—								1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		503																	
Total		504	100%																

Proportion of CapEx/total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	—	—
WTR	—	—
CE	—	—
PPC	—	—
BIO	—	—



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Proportion of **OpEx** from products or services associated with Taxonomy-aligned economic activities – disclosures covering year 2024

2024	Year		Substantial contribution criteria							DNSH criteria (Does Not Significantly Harm)									
Economic activities (1)	Code(s) (2)	OpEx (3)	Proportion of OpEx in 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Taxonomy-aligned (A.1) or Taxonomy-eligible (A.2) proportion of turnover, year n-1 (18)	Category: enabling activity (19)	Category: transitional activity (20)
		SEK m	%	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)																			
Transport by motor-bikes, passenger cars and light commercial vehicles	CCM 6.5	1	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1	0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0%		
Of which enabling activities		–	–	–	–	–	–	–	–								–	E	
Of which transitional activities		–	–	–													–		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Activity 1																			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		–	–	–	–	–	–	–	–								–	–	
A.OpEx of Taxonomy-eligible activities (A.1+A.2)		–	–	–	–	–	–	–	–								–	0	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		436	100%																
Total		437	100%																

Proportion of OpEx/total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0%	0%
CCA	–	–
WTR	–	–
CE	–	–
PPC	–	–
BIO	–	–



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Nuclear and fossil gas related activities

Nuclear energy related activities		
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



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Social

In our materiality assessment we identified working conditions and equal rights and opportunities for all as material topics for our own workforce. Both sub-topics are exactly on the threshold value and we have not identified any financial risk associated with these. Our approach to determining material impacts, risks and opportunities is described on page 31.

S1 Own workforce

Our employees are our greatest asset

We must offer a sustainable work environment where our employees feel safe, motivated and appreciated. By letting our core values permeate our daily work, we can together create a better future. Nordic Paper's core values are responsibility, respect, cooperation and development. Our Code of Conduct provides guidance to apply in day-to-day work and also explains what is expected of our employees. Responsible behaviour towards both internal and external stakeholders is paramount in all of our operations. All employees must have the same rights, obligations and opportunities regardless of gender, transgender identity or expression, ethnic affiliation, religion or other belief system, disability, sexual orientation and age. Respecting human rights, Nordic Paper makes efforts to achieve a working climate that is based on the equal value of all people, in which employees are our most important asset.

Interests and views of stakeholders

Nordic Paper has well-established procedures for co-determination in working life and cooperation with employee organisations.

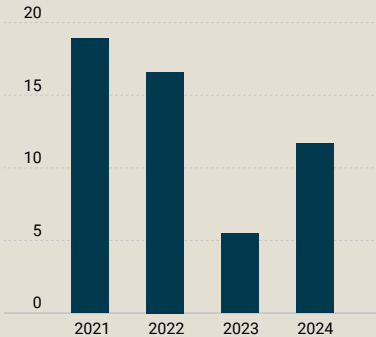




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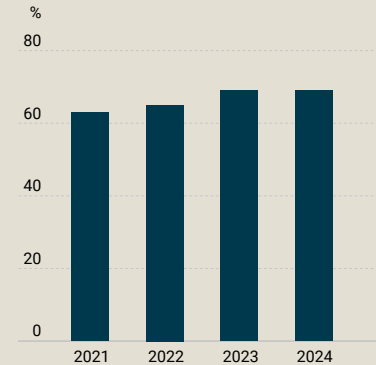


LTIFR*



*Lost Time Injury Frequency Rate – accidents resulting in sickness absence per million hours worked

ESI*



*Employee satisfaction index

Under this model, cooperation takes place on all decisions that entail major changes to the organisation’s or the employees’ terms of employment and/or working conditions.

The employee organisation also represents the interests of employees through statutory representation on the Board, via two appointed board members and two deputies.

Nordic Paper also works to create an informal organisational culture with little perceived distance between employees and management. We encourage and value direct dialogue across organisational boundaries and levels.

Risks and opportunities

Nordic Paper’s workforce is affected by a number of policies and guidelines, but in particular our Code of Conduct, Work Environment Policy and HR Policy. We follow the principles of the UN Universal Declaration of Human Rights and the fundamental principles and labour standards of the International Labour Organization (ILO). We have undertaken to ensure fair and equal pay and benefits, freedom of association and collective bargaining, and we must offer safe working conditions. We never accept forced labour, child labour or human trafficking. All associations with our company are to be voluntary and the workplace is to be free from discrimination and harassment.

Nordic Paper is to contribute to a sustainable and safe work environment for employees as well as contractors, temporary personnel and visitors. We have a zero vision for accidents at work and make systematic efforts to create a workplace where nobody’s health or safety is put at risk. Our overall long-term goal is to offer a workplace free from ill health and accidents, with zero accidents that result in sickness absence.

Nordic Paper’s employees and contractors can, however, be exposed to risky situations and we therefore work proactively on preventing ill health and accidents. We work continually to identify risks and prevent accidents in our production plants, and we have department-specific targets for the number of recorded risk observations throughout the Group.

Protection and safety work

Nordic Paper is to offer and maintain a safe and healthy work environment that meets or exceeds standards and legal requirements in the countries where we operate. A sustainable work environment with employees who feel safe, motivated and appreciated creates an attractive workplace. We prioritise and work systematically on creating a safe workplace free from accidents, where there is a high level of healthy attendance and minimal safety risks.

Nordic Paper’s vision is a workplace free from ill health and

accidents. All incidents and accidents are to be systematically investigated to identify any sources of risk that could potentially expose employees to health hazards or accidents, so that preventive measures can be implemented. There were, however, 13 lost-time injuries in 2024, which is double the previous year’s figure. The number of accidents represents an LTIFR of 11.7 and the incidents resulted in a total of 83 days of sickness absence during the year. The dominant causes of lost-time injuries were crushing accidents, i.e. getting caught or crushed between objects. These accounted for 38% of total lost-time injuries and mainly caused crushing, pinching or other soft tissue damage. There was one serious incident during the year that was sufficiently severe for a report to be made to the Swedish Work Environment Authority. After the company had shown that it had investigated the incident, no subsequent investigation was required on the part of the authority.

Identifying risk is an important aspect of efforts to prevent accidents and in 2024 the production plants had established targets for the number of risk observations reported. A total of almost 800 risk observations were reported, which meant that at least as many preventive measures were taken to prevent these risks from causing incidents and/or accidents within our operations.

In 2024 we also continued skills enhancing efforts in order to secure our knowledge in the area of occupational health



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and safety. During the year nearly 90 percent of all managers, leaders and health and safety officers completed our internal two-day training in systematic work environment management. We continue to have high ambitions regarding training in safety and security. With the training conducted during the year, more than 500 employees have now completed various standardised occupational health and safety courses aimed at meeting legal requirements and continuing to minimise the risk of ill health and accidents.

Nordic Paper has zero tolerance for alcohol and drugs in the workplace. Random alcohol tests were conducted during the year for employees at all Swedish plants and offices. During the maintenance shutdowns, both the company’s employees and contractors were likewise subject to random alcohol and drug tests. A total of 18,000 alcohol tests and 200 drug tests were conducted during the year, which is an increase in the number of tests compared to the previous year for both categories. On a few occasions, individual employees and contractors tested positive. This was dealt with in accordance with established procedures. The number of positive test results in 2024 was less than half that of the previous year. The downward trend in positive results for both alcohol and drug tests indicates that preventive measures and established procedures are having good results.

Whistleblower service

Nordic Paper has for several years had a whistleblower service, allowing employees and external stakeholders to report suspected irregularities that have occurred or are in the process of occurring and which involve a risk of harm to individuals, the company, the community or the environment. Examples could include breaches of the Code of Conduct, bribery or corruption, major deficits in safety or serious environmental breaches. The whistleblower service is available on our intranet and our website but is managed by an external provider. All reports are made anonymously and if cases of a whistleblowing nature are received, these are processed anonymously according to established procedures. During 2024 one case of a whistleblowing nature was received. The matter was investigated in accordance with established procedures.

Diversity and non-discrimination efforts

Nordic Paper makes active efforts to improve diversity and to



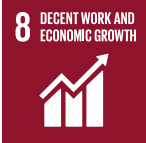
Outcome of ESI*:

69
*Employee satisfaction index

Percentage of leaders trained during the year:

90%

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create workplaces that are free from harassment, degrading treatment and discrimination, where everyone has and is ensured equal value and where differences and diversity are considered assets. Nordic Paper endeavours to maintain gender equality throughout the company and each year tracks important KPIs for this area, including but not limited to the proportion of men and women within different departments and at different organisational levels, the ratio of men to women in the recruitment process and the outcome of annual employee surveys. Nordic Paper also produces an action plan every year containing activities to improve gender equality. These include various actions such as initiatives to promote female leadership, enhanced employer branding in respect of selected target groups and analysis of pay structures (pay mapping). Of Nordic Paper’s employees, 22 percent are women. Overall, women hold one third of the managerial roles within the company.

Employee survey and performance and career development reviews

To gain an understanding of the company’s strengths and development potential as an employer, every year an employee survey takes place. The survey is completed anonymously, with some possibility of results at departmental level provided that there are enough respondents to maintain anonymity. In alternate years the survey is more extensive, while in the interim years it is more a case of “taking the pulse” with fewer questions.

In 2024 a more extensive survey was conducted, resulting in an employee satisfaction index (ESI) of 69, which is in line with the results for the previous year. The response rate for this year’s survey was 78 percent, which gives the survey high legitimacy. The scope of leadership-related questions was expanded in the 2024 survey, resulting in all managers receiving an individual evaluation based on the company’s eight leadership skills. For the third year in a row, the index that measures how likely it is that employees would recommend Nordic Paper as an employer also increased. Performance and career development reviews are an additional important tool for developing a sustainable work environment and encouraging employees’ personal development. Nordic Paper aims for all employees to have a performance and career development review annually, and this was achieved in 2024.

Employee overview

	2024	2023	2022
Average number of employees	706	677	680
of which women, %	22	23	21
of which men, %	78	77	79
Temporary employment ¹⁷	22	25	16
Number of new recruitments (permanent employment)	55	35	69
Employee turnover, %	7	6	10
Average age ¹⁸	45	45	45
Up to 30 years, %	19	18	18
31–50 years, %	39	38	37
51 years and older, %	42	44	45

17 Number of temporary employees at year-end (Sweden only, does not include holiday workers – only substitute and part-time jobs)
18 Average age refers to Sweden

Health and wellness activities

Nordic Paper’s employees have good access to occupational health services close to the workplace. Occupational health services provide us both with clinics adjacent to our plants and with specialist support and advice in various forms. Our employees are also offered a wellness benefit along with other health-promoting activities at the company’s plants and in the vicinity, to encourage exercise and healthy leisure activities.

Salary setting

Nordic Paper works actively to ensure that employees receive remuneration in line with market standards for the region, that their remuneration is sufficient for a good standard of living and that it meets the requirements set out in laws and collective bargaining agreements.

We carry out ongoing surveys and market comparisons to ensure that we offer adequate remuneration. We also conduct open dialogue and negotiations with relevant trade unions on working conditions and fair wages.

Social protection

Nordic Paper sees social protection as a fundamental part of our responsibility as an employer and a part of society. By ensuring fair working conditions and access to social safety nets, we contribute to the wellbeing of our employees and to long-term value creation in the communities where we operate.

Through our collective agreements and policies we offer comprehensive pension and insurance benefits for the various stages of life and for events that can affect our employees’ health and livelihoods.

In large parts of the Group we enhance publicly funded parental benefits, and we work to create opportunities for a good work-life balance.



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Increased knowledge for a better work environment

A basic prerequisite for a good work environment is well-functioning cooperation between employer and employees. Nordic Paper trains managers, employees and health and safety officers together, to encourage a shared viewpoint and improved cooperation.

Over the past five years Nordic Paper has trained up to 40 or so people a year on the Better Work Environment course, often referred to by the abbreviation BAM. In total, nearly 150 employees have now completed the basic course. The aim of the training is to provide participants with better knowledge of basic work environment issues and a basis for improved cooperation between different parts of the organisation – from employees to health and safety officers and managers.

A good mix of course content and participants

Staffan Wallström, who has held and presented the course at Nordic Paper since 2019, also has his own goal – to make occupational health and safety something fun. The course therefore consists of a mix of formal legal requirements, support for occupational health and safety management and various group exercises.

“The unique thing about Nordic Paper compared with many other companies is that people in different positions from a variety of parts of the business actually participate together. It’s not everywhere that a CEO takes the time for a three-day BAM course, but that’s the case at Nordic Paper,” says Staffan.

A basic course that is expanded and repeated

After completing the basic course, the training is supplemented with a more tailored two-day course within the company aimed at increasing knowledge of the company-specific procedures and processes that exist. The basic course is then repeated every five years. One change that has taken place during the 25 years that Staffan has devoted to BAM is that today there is a greater focus on the safety culture, i.e. the interaction between attitudes, values and perceptions in the company. This fits in well with employees from different parts of the operations participating together. In 2025 two more rounds of the basic course are planned, along with a number of tailor-made courses within the company.





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S2 Workers in the value chain

Our materiality assessment identified working conditions as material for workers in the value chain. Our approach to determining material impacts, risks and opportunities is described on page 31.

Working conditions

Nordic Paper purchases raw materials and services primarily from Europe, but also to some extent from North America. These include fibre raw material, chemicals, transportation and energy. It is important for us to collaborate with suppliers who share our values and meet our requirements in terms of sustainability and responsible enterprise. We have established procedures to identify suppliers that are critical to the business, that reach a certain threshold level for business volume or that are deemed to pose a risk. This evaluation takes the form of a desktop audit when new suppliers are engaged and also includes screening against current sanction lists.

Risks and opportunities

Nordic Paper applies the UN Framework Principles on Human Rights and complies with the eight core conventions of the International Labour Organization (ILO) as well as the OECD Guidelines for Multinational Enterprises. Respecting human rights, we make efforts to achieve a working climate that is based on the equal value of all people – and this also includes our workers in the value chain.

An important group of workers in the value chain are maintenance contractors who are engaged to carry out maintenance-related work on our production equipment, mainly during the annual breaks when production is temporarily stopped. These jobs are often associated with risk, which is why it is critical that our safety culture also includes them. Contractors, including subcontractors and suppliers, are responsible for complying with Nordic Paper’s policies, guidelines and procedures and with applicable Swedish laws and regulations. Nordic Paper always has a coordination responsibility and all work to be carried out is risk assessed according to established procedures. All contractors must also undergo training before access to the plants is granted and we always set clear requirements for personal protective equipment.

Results of this year’s supplier audits

In 2024 a total of 30 suppliers were audited, with 23 percent being classified as Very Good and 77 percent as Approved. No supplier’s results led to an action plan being required.

Supplier Code of Conduct

All contractors and suppliers who enter into agreements with Nordic Paper must comply with the laws and regulations that the business is subject to. This includes areas such as labour rights, human rights, occupational health and safety, and environmental legislation. Our Supplier Code of Conduct requires that the supplier’s employees and business partners study relevant legislation and receive training where required, and ensures that workers are given the opportunity to report irregularities within the Code of Conduct. The Code of Conduct also demands good business practice, with no form of corruption or fraud occurring. In order to enter into an agreement with Nordic Paper, suppliers must ensure that human rights are protected and that legally binding employment contracts are provided that secure the employees’ terms and conditions. Health and safety are to be a priority, and suppliers are expected to implement precautions to avoid ill health and accidents and to prevent and mitigate environmental impacts of



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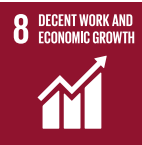
their operations. Violations of the Code of Conduct can lead to immediate termination of the business relationship.

Our interaction with workers in the value chain

We conduct continuous dialogue with our suppliers and contractors to increase their awareness of our Supplier Code of Conduct and our sustainability efforts. Nordic Paper also conducts annual supplier audits to evaluate suppliers' ability to meet our expectations and requirements. The audit covers different subject areas and time intervals depending on the supplier's criticality.

Channels for raising issues

Nordic Paper has a whistleblowing service that is available to employees as well as workers in the value chain and other stakeholders. Through the whistleblower function, which is available on our external website 24/7, all violations of our Code of Conduct or other serious violations of laws and regulations can be communicated anonymously and are handled according to established guidelines. We require our business partners to also provide similar services for their employees and other stakeholders. Within Nordic Paper we also have a system for handling supplier deviations, to draw attention to other types of deviations that do not fall within the definition of a whistleblowing case. These cases are registered and an investigation is carried out with a view to preventing the deviation from occurring again.





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S3 Affected communities

In our materiality assessment we identified the economic, social and cultural rights of affected communities as material, without material financial risk. Our approach to determining material impacts, risks and opportunities is described on page 31.

Interests and views of stakeholders

Most of Nordic Paper’s production plants are located in small cities or rural communities where we are often a very substantial employer and a significant client for suppliers. This means that we also have a significant direct and indirect impact on these communities and the surrounding environment. We endeavour to minimise the negative impact and maximise the positive impact in these affected areas, and engage in continuous dialogue with relevant stakeholders to enable consensus on expectations and needs. Each year Nordic Paper welcomes both students and interns who get to know different areas of the business, and we also collaborate with schools to enable study visits. We support local organisations, associations and clubs, helping children and young people to pursue leisure activities near to where they live. Our involvement with schools and universities also helps to build knowledge and develop skills in our local communities.

Risks and opportunities

As our production plants are directly adjacent to built-up areas, there is a risk that production disturbances, such as noise or odours, could cause inconvenience to people round about. Within our type of industry, more serious environmental and safety risks can also arise that may impact the surrounding community. In the event of serious incidents, in addition to alarm and rescue plans there are also established crisis management plans and procedures that ensure correct and prompt communication with the authorities. We strive to achieve clear communication with the public not only in the event of a disturbance, but also preventively, for example, ahead of our annual maintenance stops at the plants, which can cause an increase in traffic on the roads as well as noise and odours.

Temporary substitutes and interns

38

In 2024 we welcomed 38 temporary substitutes and interns, who gained insight into different parts of the company’s operations.

Number of local organisations, associations and clubs that we supported in 2024

≈20

During the year Nordic Paper sponsored around 20 clubs and associations in the areas surrounding our Scandinavian plants. The majority of the sponsorship was allocated to small sports clubs in the areas around our mills, to help create vibrant and sustainable communities.



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Nordic Paper strives to maintain an open business climate and responsible business conduct. We act reliably and our success is based on long-term business relationships with both customers and suppliers. Our employees are expected to act in line with our values and guidelines in all situations.

G1 Business conduct

Nordic Paper’s view and expectation of responsible behaviour from our employees is described in our Code of Conduct. This is to provide guidance on how values are transformed into action and how we should act and conduct business ethically and sustainably based on our corporate culture, which is built upon our core values of responsibility, respect, cooperation and development.

The business conduct of Nordic Paper’s employees impacts the value chain both downstream and upstream. In several cases multiple parts of the value chain are impacted, for example when suppliers use subcontractors. Our relationships with customers are through agents around the world. The Code of Conduct provides a basis for selecting the partners we choose to work with.

Risks and opportunities

Unethical behaviour, or shortcomings in sustainability management by Nordic Paper or our suppliers, could lead to the company’s brand and reputation being damaged and it becoming more difficult to retain and attract customers and employees. The company may also be subject to fines and other legal sanctions. The likelihood is considered low, as we have robust processes, policies and monitoring in place.

Nordic Paper’s operations

In many cases we have long relationships with both suppliers and customers. Responsible conduct by Nordic Paper, with respect for our partners’ situation, leads to long-term business. The benefits of these long relationships can be seen, for example, in periods of weaker demand. In Nordic Paper’s experience, the company wins more of the available business at such times than

its competitors. As many of our suppliers are smaller companies that operate close to our plants, responsible conduct by Nordic Paper can also spread to the local business community. The company may also be subject to fines and other legal sanctions. The likelihood is considered low, as we have robust processes, policies and monitoring in place.

Metrics and targets

- The Code of Conduct covers all employees and is confirmed in writing
- All suppliers with a contract volume greater than SEK 1 million per year or with more than 24 orders confirm the Code of Conduct in writing
- Nordic Paper regularly reviews its customer and supplier lists against current sanctions



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Corporate culture and policies related to business ethics

Nordic Paper has group-wide values, policies and ways of working that impact the employees’ behaviour and combine to shape our corporate culture.

Core values

Responsibility – We take responsibility for the wellbeing of our people and others, and we provide safe and attractive workplaces. Our responsibility includes ensuring quality and delivery reliability and this leads to satisfied customers. Acting responsibly to protect the environment for current and future generations creates sustainable profits.

Respect – The equal value of all people is self-evident for us. We respect each other and treat all people as we ourselves would like to be treated.

Cooperation – We work in cooperation with each other and our stakeholders to create success. Dialogue with our customers is essential for increasing the value of our offering. By embracing each other’s differences and strengths we become better together.

Development – We challenge ourselves in our work today and set new goals for future growth. We reach new heights through our constant focus on improvement.

Whistleblowing

Nordic Paper has a whistleblower service, allowing employees and external stakeholders to report any suspected irregularities that have occurred or are in the process of occurring and which involve a risk of harm to individuals, the company, the community or the environment. Examples could include breaches of the Code of Conduct, bribery or corruption, major deficits in safety or serious environmental breaches. The service is available on the company’s intranet and website, and is managed by an external provider. All reports are made anonymously. In 2024 one whistleblower case was reported.

Supplier relationships

Responsible production also involves choosing the right raw materials to minimise any indirect negative impact. Nordic Paper has high and clear requirements in the Supplier Code of Conduct. Suppliers must abide by the Guiding Principles on Business and Human Rights as well as the ILO Declaration on Fundamental Principles and Rights at Work, and must work to combat all forms of child and forced labour, corruption and bribery. In addition, suppliers are to make active efforts to use resources such as raw materials and energy efficiently and must take preventive action to avoid accidents that could have negative environmental impacts. Failure to comply with the Code could result in contracts being cancelled.

Each year an evaluation is also conducted for suppliers deemed to affect the quality of what is delivered to Nordic Paper’s customers. This evaluation is based partly on the supplier non-conformance reports received during the year, i.e. the documented complaints that Nordic Paper makes when a supplier fails to deliver as agreed or to meet other agreed requirements, and partly on interviews with customers and those receiving goods and services. The parameters used in this assessment include quality, technical support, lead times and sustainability aspects such as certifications.

In 2024 a total of 30 suppliers were evaluated, seven of which were rated very good and the remaining ones received a passing rating.

Anti-corruption and anti-bribery efforts

Nordic Paper has zero tolerance for corruption and bribes. The Company’s guidelines regarding anti-corruption and bribes state that employees are expected to observe proper business ethics in their actions to avoid and prevent bribes and corruption. Our Supplier Code of Conduct also takes a clear stand against all forms of corruption and bribery.

In 2024 no violations of our anti-corruption and anti-bribery guidelines have been identified and we have not been made aware of any case of convictions or fines for violations of anti-corruption and anti-bribery laws for any actor in our value chain where Nordic Paper’s employees would have been involved.

Political influence and lobbying activities

Nordic Paper is affected by political decisions that can have positive or negative consequences for the company. An example of a policy decision that came at the end of the year and which affects us positively is the EU Packaging and Packaging Waste Regulation (PPWR) which, among other things, prohibits the use of fluorochemicals in packaging materials, thereby favouring alternatives to fluorochemical-treated paper, such as the types of paper supplied by Nordic Paper.

We are not individually involved in any advocacy action, we make no political contributions and we are not listed in the EU Transparency Register. Nordic Paper is a member of industry associations and other industry-wide initiatives that drive advocacy efforts to influence changes in laws at the EU and national level. Our CEO is responsible for oversight of our commitments and memberships.

In 2024 Nordic Paper was a member of the Confederation of Swedish Enterprise, Paper Province, Värmland Chamber of Commerce, the Swedish Forest Industries Federation and CEPI Eurokraft. Both the Swedish Forest Industries Federation, which is active within the framework of the Confederation of Swedish Enterprise, and CEPI Eurokraft are listed in the EU Transparency Register.



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BP-1 About the report

In 2024 we have further adapted our sustainability report to the structure required by the European Sustainability Reporting Standards (ESRS) and the requirements set out in the EU Corporate Sustainability Reporting Directive (CSRD). Nordic Paper's sustainability reporting is prepared at a consolidated company level. The scope of consolidation is the same as the scope for financial reporting.

Preparations for implementing CSRD

As part of the preparatory work for the implementation of CSRD, in this report we have expanded our reporting in following sections:

- Climate change
- Pollution of air and water
- Water and marine resources
- Resource use and circular economy
- Business conduct

Time horizons

The reporting period applicable to the sustainability report is the same as the accounting period used for financial reporting.

Sources for estimating data

The preparation of the sustainability report requires a certain degree of assessment, estimation and assumptions for the reported data. The estimates and assumptions are based on experience and in certain cases on reasonable industry practices, which are verified and reviewed on an ongoing basis. The material impacts, risks and opportunities within our value chain have been assessed and a detailed description of the double materiality assessment as well as an overview of our most material ESRS topics is given on page 31.

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ESRS disclosures

The table provides a list of all ESRS disclosure requirements in ESRS 2 and nine current thematic topics that are material for us. We have excluded all the disclosure requirements in the current S4 standards.

The table shows where to find information concerning a specific disclosure requirement that is provided not in the sustainability report but elsewhere. This information is “incorporated by reference” to either the Directors’ Report or the financial statements, or to the remuneration report that is published separately. Where we do not yet have information related to a disclosure requirement, no reference is given.

ESRS	Disclosure requirement	Name of disclosure requirement	Page	Comments
General information				
ESRS 2	BP-1	General basis for preparation of sustainability statements	64	
ESRS 2	BP-2	Disclosures in relation to specific circumstances		No specific circumstances in 2024
ESRS 2	GOV-1	The role of the administrative, management and supervisory bodies	81	Corporate Governance Report
ESRS 2	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	33–34	
ESRS 2	GOV-3	Integration of sustainability-related performance in incentive schemes		To be added
ESRS 2	GOV-4	Statement on due diligence		To be added
ESRS 2	GOV-5	Risk management and internal controls over sustainability reporting		To be added
ESRS 2	SBM-1	Strategy, business model and value chain	12–13	
ESRS 2	SBM-2	Interests and views of stakeholders	32, 61	
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	87–95	
ESRS 2	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	31–32	
ESRS 2	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	31	
Environmental information				
Climate change				
ESRS E1	E1-1	Transition plan for climate change mitigation	35	
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	36	
ESRS 2	IRO-1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	31–32	
ESRS E1	E1-2	Policies related to climate change mitigation and adaptation	33	



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ESRS disclosures

ESRS	Disclosure requirement	Name of disclosure requirement	Page	Comments
ESRS E1	E1-3	Actions and resources in relation to climate change policies	36	
ESRS E1	E1-4	Targets related to climate change mitigation and adaptation	17, 36	
ESRS E1	E1-5	Energy consumption and mix	37	
ESRS E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	39	
Pollution				
ESRS 2	IRO-1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	31–32	
ESRS E2	E2-1	Policies related to pollution	41	
ESRS E2	E2-2	Actions and resources related to pollution	41	
ESRS E2	E2-3	Targets related to pollution	42	
ESRS E2	E2-4	Pollution of air, water and soil	42	
Water and marine resources				
ESRS 2	IRO-1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	31–32	
ESRS E3	E3-1	Policies related to water and marine resources	44	
ESRS E3	E3-2	Actions and resources related to water and marine resources	44	
ESRS E3	E3-3	Targets related to water and marine resources	44	
ESRS E3	E3-4	Water consumption	44	
Biodiversity and ecosystems				
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	31–32	
ESRS 2	IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	31–32	
Resource use and circular economy				
ESRS 2	IRO-1	Description of the process to identify and assess material climate-related impacts, risks and opportunities	31–32	
ESRS E5	E5-1	Policies related to resource use and circular economy	46	
ESRS E5	E5-2	Actions and resources related to resource use and circular economy	47	
ESRS E5	E5-3	Targets related to resource use and circular economy	47	
ESRS E5	E5-4	Resource inflows	47	
ESRS E5	E5-5	Resource outflows	47	



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ESRS	Disclosure requirement	Name of disclosure requirement	Page	Comments
Social information				
Own workforce				
ESRS 2	SBM-2	Interests and views of stakeholders	32, 54	
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	55	
ESRS S1	S1-1	Policies related to own workforce	33, 85	
ESRS S1	S1-2	Processes for engaging with own workforce and workers’ representatives about impacts	56–57	
ESRS S1	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	56–57	
ESRS S1	S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	54–57	
ESRS S1	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	17, 55	
ESRS S1	S1-6	Characteristics of the undertaking’s employees	57	
ESRS S1	S1-7	Characteristics of non-employees in the undertaking’s own workforce	57	
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	57	
ESRS S1	S1-9	Diversity metrics	56	
ESRS S1	S1-10	Adequate wages	57	
ESRS S1	S1-11	Social protection	57	
ESRS S1	S1-13	Training and skills development metrics		To be added
ESRS S1	S1-14	Health and safety metrics		To be added
ESRS S1	S1-15	Work-life balance metrics		To be added
ESRS S1	S1-16	Remuneration metrics (pay gap and total remuneration)		To be added
ESRS S1	S1-17	Incidents, complaints and severe human rights impacts		To be added
Workers in the value chain				
ESRS 2	SBM-2	Interests and views of stakeholders	32, 60	
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	59	
ESRS S2	S2-1	Policies related to value chain workers	59	
ESRS S2	S2-2	Processes for engaging with value chain workers about impacts	60	
ESRS S2	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	60	



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ESRS	Disclosure requirement	Name of disclosure requirement	Page	Comments
Affected communities				
ESRS 2	SBM-2	Interests and views of stakeholders	61	
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	61	
ESRS S3	S3-1	Policies related to affected communities		To be added
ESRS S3	S3-2	Processes for engaging with affected communities about impacts	32, 61	To be added
ESRS S3	S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	61, 63	To be added
ESRS S3	S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions		To be added
ESRS S3	S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		To be added



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List of datapoints in cross-cutting and topical standards that derive from other EU legislation

ESRS	Disclosure Requirement	Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference/ Not material
ESRS 2	GOV-1	ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		82
ESRS 2	GOV-1	ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		98
ESRS 2	GOV-4	ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex I				Not stated
ESRS 2	SBM-1	ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicator number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not stated
ESRS 2	SBM-1	ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not stated
ESRS 2	SBM-1	ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 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	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	E1-1	ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Not stated
ESRS E1	E1-1	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: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12(1) (d) to (g), and Article 12(2)		Not stated



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ESRS	Disclosure Requirement	Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference/ Not material
ESRS E1	E1-4	ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		36
ESRS E1	E1-5	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 number 5 Table #2 of Annex I				37
ESRS E1	E1-5	ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex I				37
ESRS E1	E1-5	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				37
ESRS E1	E1-6	ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicator number 1 and indicator number 2 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		39
ESRS E1	E1-6	ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicator number 3 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 3: Banking book – Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		39
ESRS E1	E1-7	ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1	E1-9	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		Not stated
ESRS E1	E1-9	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) 2020/2453 paragraphs 46 and 47: Template 5: Banking book – Climate change physical risk: Exposures subject to physical risk			Not stated
ESRS E1	E1-9	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: Banking book – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not stated



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ESRS	Disclosure Requirement	Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference/ Not material
ESRS E1	E1-9	ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II; Delegated Regulation (EU) 2020/1816, Annex II		Not stated
ESRS E2	E2-4	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				42
ESRS E3	E3-1	ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex I				44
ESRS E3	E3-1	ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table #2 of Annex I				Not material
ESRS E3	E3-1	ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex I				Not material
ESRS E3	E3-4	ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex I				Not stated
ESRS E3	E3-4	ESRS E3-4 Total water consumption in m³ per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex I				Not stated
ESRS 2 ESRS E4	SBM-3, E4	ESRS 2 – SBM-3 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex I				Not stated
ESRS 2 ESRS E4	SBM-3, E4	ESRS 2 – SBM-3 – E4 paragraph 16 (b)	Indicator number 10 Table #1 of Annex I				Not stated
ESRS 2 ESRS E4	SBM-3, E4	ESRS 2 – SBM-3 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex I				Not stated
ESRS E4	E4-2	ESRS E4-2 Sustainable land/ agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex I				Not stated
ESRS E4	E4-2	ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex I				Not stated
ESRS E4	E4-2	ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex I				Not stated
ESRS E5	E5-5	ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				Not stated



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ESRS E5	E5-5	ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex I				47
ESRS 2 ESRS S1	SBM-3, S1	ESRS 2 – SBM-3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material
ESRS 2 ESRS S1	SBM-3, S1	ESRS 2 – SBM-3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material
ESRS S1	S1-1	ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and indicator number 11 Table #1 of Annex I				33
ESRS S1	S1-1	ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		33,55,59,63
ESRS S1	S1-1	ESRS S1-1 processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I				55
ESRS S1	S1-1	ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				33,54-56
ESRS S1	S1-3	ESRS S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Not stated
ESRS S1	S1-14	ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		55
ESRS S1	S1-14	ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				55
ESRS S1	S1-16	ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not stated
ESRS S1	S1-16	ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not stated
ESRS S1	S1-17	ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not stated
ESRS S1	S1-17	ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	Indicator number 10 Table #1 and indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818 Article 12(1)		Not stated



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ESRS	Disclosure Requirement	Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference/ Not material
ESRS 2 ESRS S2	SBM-3, S2	ESRS 2 – SBM-3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicator number 12 and indicator number 13 in Table #3 of Annex I				Not stated
ESRS S2	S2-1	ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and indicator number 11 Table #1 of Annex I				Not stated
ESRS S2	S2-1	ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and indicator number 4 in Table #3 of Annex I				Not stated
ESRS S2	S2-1	ESRS S2-1 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		Not stated
ESRS S2	S2-1	ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not stated
ESRS S2	S2-4	ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex I				Not stated
ESRS S3	S3-1	ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 and indicator number 11 Table #1 of Annex I				Not stated
ESRS S3	S3-1	ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		Not stated
ESRS S3	S3-4	ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex I				Not stated
ESRS S4	S4-1	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 I				Not material
ESRS S4	S4-1	ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II; Delegated Regulation (EU) 2020/1818 Article 12(1)		Not material



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ESRS	Disclosure Requirement	Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference/ Not material
ESRS S4	S4-4	ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex I				Not material
ESRS G1	G1-1	ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				33,63
ESRS G1	G1-1	ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex I				Not stated
ESRS G1	G1-4	ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		63
ESRS G1	G1-4	ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex I				33,63,93



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Auditor’s opinion regarding the statutory sustainability report

To the general meeting of the shareholders in Nordic Paper Holding AB (publ), corporate identity number 556914-1913

Engagement and responsibility

It is the board of directors who is responsible for the sustainability report for the year 2024 on pages 29–74 and that it is prepared in accordance with the Annual Accounts Act.

The scope of the examination

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report 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 opinion.

Opinion

A statutory sustainability report has been prepared.

Karlstad March 21 2025

KPMG AB

Mattias Eriksson
Authorised Public Accountant



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Directors' Report

The Board of Directors and the Chief Executive Officer of Nordic Paper Holding AB, 556914-1913, with its registered office in Karlstad, Sweden, hereby submit the following Annual Report and consolidated financial statements for the 2024 financial year.

Significant events in the 2024 financial year

On 11 October 2024 Coniferous Bidco AB, a company wholly owned by Strategic Value Partners, LLC, announced a voluntary public takeover offer for all shares in Nordic Paper AB.

Operations and organisational structure

Nordic Paper Holding AB (publ) is the parent company of the speciality paper group Nordic Paper. In addition to the parent company, the Group also consists of Nordic Paper Bäckhammar AB, Nordic Paper Åmotfors AB, Nordic Paper Seffle AB, Nordic Paper AS in Greåker, Norway and Nordic Paper Québec in Canada.

The Group is active in production and sales of kraft paper and natural greaseproof paper. Nordic Paper reports in two segments. The Kraft Paper segment produces sulphate pulp and kraft paper in Kristinehamn municipality in Bäckhammar and kraft paper in Eda municipality in Åmotfors. The Natural Greaseproof segment manufactures greaseproof paper in Säffle, Sweden, in Greåker, Norway and in Québec, Canada.

In 2024 the Kraft Paper segment accounted for 48 percent (51) of net sales and the Natural Greaseproof segment for 52 percent (49).

The parent company's operations consist of management services and it has two employees, the CEO and CFO. For effective currency management, all of the Group's currency hedging is handled by the parent company.

Market

Nordic Paper operates in selected niches within the global speciality paper market, and manufactures kraft paper and

greaseproof paper. The company sells to customers in around 90 countries. There was good demand for Nordic Paper's products in all geographies in 2024. Selling prices were able to be increased in 2024 compared with the level at the end of 2023, but compared with average prices for full-year 2023, prices in 2024 were lower.

Consumers' growing interest in sustainability and a desire to reduce plastic consumption are having a positive impact on demand for Nordic Paper's products.

Sales and earnings

The Group's sales increased by 4 percent in 2024 to SEK 4,668 (4,472) million compared to 2023. On average, selling prices were 5 percent lower. Sales volume and product mix had a total positive effect of 9 percent. Currency had no effect on net sales compared with 2023.

The geographical distribution of net sales in 2024 was essentially the same as in 2023. Net sales increased in all geographies. Europe accounted for 66 percent of net sales during the year. North and South America accounted for 19 percent, Asia-Pacific for 9 percent and Africa and the Middle East for 6 percent. A more detailed geographical breakdown is presented in Note 6.

EBITDA increased by 4 percent to SEK 806 (775) million and the EBITDA margin was 17.3 percent (17.3). EBITDA was positively affected mainly by the higher sales volume and changed



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product mix. Market prices were in general lower than in the previous year. The cost of inputs developed in different directions. The price of pulpwood and wood chips was significantly higher than in 2023, which affected the Kraft Paper segment, and the price of paper pulp increased, which is a negative development for Natural Greaseproof. Prices for energy, freight and chemicals decreased.

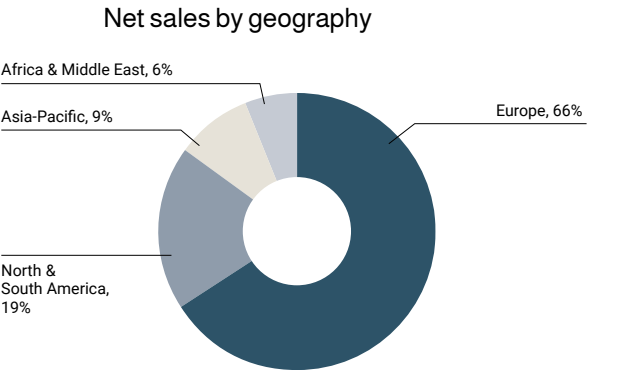
SEK m	2024	2023
Net sales	4,668	4,472
EBITDA	806	775
EBITDA margin, %	17.3	17.3
Operating profit	654	623
Operating margin, %	13.9	13.8
Profit for the period	465	416
Earnings per share before and after dilution, SEK	6.96	6.22

Change in net sales

Jan-Dec 2023, SEK m	4,472
Sales volume	7 %
Product mix	2%
Selling price	-5%
Currency	0%
Jan-Dec 2024, SEK m	4,668

The year's planned maintenance and production shutdowns took place in the third quarter. The 2024 maintenance shutdown in Bäckhammar incurred higher costs than in the previous year and a slow ramp-up after the shutdown had a negative impact on sales volume.

Operating profit amounted to SEK 654 (623) million. Profit for the year amounted to SEK 465 (416) million and earnings per share were SEK 6.96 (6.22).



Net sales

SEK m	2024	2023
Kraft Paper segment	2,277	2,327
Natural Greaseproof segment	2,448	2,189
Eliminations	-57	-44
Total Group	4,668	4,472

EBITDA

SEK m	2024	2023
Kraft Paper segment	392	594
Natural Greaseproof segment	446	282
Parent company and undistributed items	-55	-83
Eliminations	22	-17
Total Group	806	775

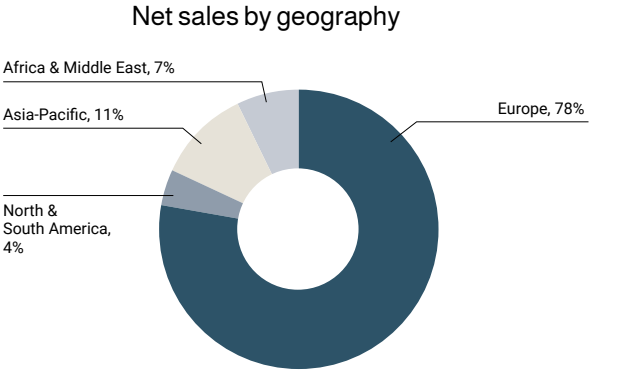
Kraft Paper segment

Net sales in the Kraft Paper segment decreased by 2 percent to SEK 2,277 (2,327) million, mainly due to lower selling prices. EBITDA decreased by 34 percent to SEK 392 (594) million. The decrease in EBITDA is also mainly due to the lower product prices. The EBITDA margin decreased to 17.2 percent (25.5). Operating profit amounted to SEK 331 (534) million and the operating margin was 14.5 percent (23.0).

The majority of sales for the Kraft Paper segment are in Europe. The geographical distribution in 2024 was essentially the same as in 2023.

Change in net sales

Jan-Dec 2023, SEK m	2,327
Sales volume	3%
Product mix	2%
Selling price	-7%
Currency	0%
Jan-Dec 2024, SEK m	2,277





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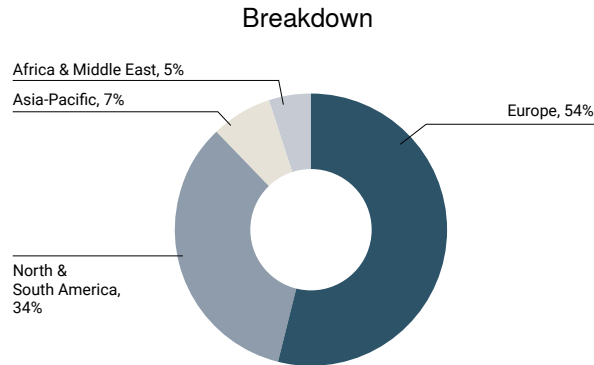
Natural Greaseproof segment

Net sales in the Natural Greaseproof segment amounted to SEK 2,448 (2,189) million, an increase of 12 percent.

The increase in sales volume and improved product mix contributed 14 percent. EBITDA increased by 58 percent to SEK 446 (282) million. A higher sales volume together with lower costs for energy and freight had a positive impact on EBITDA, while somewhat lower selling prices had a negative impact. The EBITDA margin increased to 18.2 percent (12.9). Operating profit increased to SEK 366 (203) million and the operating margin to 14.9 percent (9.3). The majority of sales for the Natural Greaseproof segment are in Europe, but North America is also an important market. The geographical distribution in 2024 was essentially the same as in 2023.

Change in net sales

Jan-Dec 2023, SEK m	2,189
Sales volume	14%
Product mix	0%
Selling price	-2%
Currency	0%
Jan-Dec 2024, SEK m	2,448



Financial targets

- Annual net sales growth of 2–4 percent over the long term. Nordic Paper also intends to grow by taking advantage of opportunities for selective acquisitions. For 2024 an increase of 4 percent was noted.
- For 2024 an EBITDA margin of 17.3 percent was noted.
- Net debt in relation to EBITDA is not to exceed 2.5x. Net debt in relation to EBITDA may, however, exceed 2.5x temporarily, for example in connection with acquisitions. Net debt in relation to EBITDA at year-end was 1.5x.

Cash flow, financial position and financing

Cash flow from operating activities amounted to SEK 333 (765) million for full-year 2024. As a result of an increased sales volume, the value for trade accounts receivable increased compared with 2023 and working capital increased to SEK 571 (225) million.

As of 31 December, the Group had net debt of SEK 1,197 (751) million.

Interest-bearing liabilities amounted to SEK 1,594 (1,247) million, of which SEK 40 (23) million was attributable to lease liabilities according to IFRS 16. Cash and cash equivalents were SEK 398 (496) million. The equity/assets ratio was 32.9 percent (31.1) and the net debt/EBITDA ratio was 1.5 (1.0).

During the fourth quarter of 2024, so-called "change-of-control provisions" in the financing agreements were actualized when Strategic Value Partners, LLC, through Coniferous Bidco AB, obtained a controlling shareholding in Nordic Paper. Based on these conditions, the financing is presented in the balance sheet as current liabilities as of December 31, 2024, and no available

unutilized credits are reported. Negotiations on new financing agreements were initiated during the fourth quarter and completed in January 2025. The new financing, which is effective as of February 2025, includes a loan of SEK 1,400 million and a revolving credit facility of EUR 65 million that replaces utilized and unused facilities. The new agreement includes a pledge of shares in subsidiaries and is valid until 2026.

Investments in property, plant and equipment

Investments in property, plant and equipment and intangible non-current assets amounted to SEK 438 (298) million in 2024. The increase was mainly driven by the start of an investment in a new wood room and electrofilter at the Bäckhammar mill.

Currency hedging

The Group hedges future net flows in foreign currencies. Typically, 50–75 percent of the net flows are hedged for the next six-month period and 25–50 percent for the subsequent seven months to a year.

EBITDA includes an earnings effect from realised currency hedges of SEK -3 (-95) million.

For the coming 12-month period the hedges are as shown in the graph below (or above).

Tax situation

Tax expense for the year amounted to SEK 132 (120) million, which corresponded to a tax rate of 22.2 percent (22.4). The Nordic Paper Group operates in Sweden, Norway and Canada. In 2024 the income tax rate for companies in Sweden was 20.6

Currency hedges for the next 12 months

Currency	Average rate for currency hedges	FX rate, 31 Dec	Local currency total, m	Total, SEK m	Fair value, net, SEK m	Currency hedge as % of estimated net exposure, 1–6 months	Currency hedge as % of estimated net exposure, 7–12 months
EUR	11.38	11.49	93	1,058	-10	67	40
USD	9.78	11.00	1	12	-1	48	–
GBP	13.30	13.85	12	160	-5	72	48
				1,230	-16		



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percent, in Norway 22 percent and in Canada 26.5 percent. There are no accumulated loss carryforwards within the Group.

Seasonal effects

Nordic Paper is impacted to a certain extent by seasonal variations over its financial year, primarily due to planned production shutdowns. The company's plants in Åmotfors and Greåker both have summer holiday shutdowns falling in the third quarter and lasting three to four weeks. Much of the annual maintenance work at the plants is also carried out during these shutdowns. The plants in Bäckhammar, Säffle and Québec operate all year round and therefore have an annual maintenance shutdown which generally falls in the third quarter. Shutdowns normally last between one and just under two weeks.

During both maintenance shutdowns and holiday period shutdowns, production comes to a standstill and operating profit is negatively affected by lower contribution margins and by slightly lower delivery volumes.

At the facilities that have production shutdowns during the summer holiday period, the third quarter is also affected by lower personnel costs.

Activities subject to permit or notification

The Group has activities subject to permit or notification under the Environmental Code (Sweden), the Environmental Act (Norway) and the Environmental Protection Act (Canada).

Environmental impact occurs mainly through emissions to water and air as well as noise. The operations subject to permits account for the Group's entire net sales. Production volumes for 2024 were within the limits of approved permits.

Sustainability Report

Nordic Paper has prepared its Sustainability Report for 2024 which is incorporated into the Annual Report on pages 29–74. The business model is described on page 13 and risks on pages 87–95.

The Nordic Paper share

The number of shares in Nordic Paper Holding AB is 66,908,800 ordinary shares. Each share entitles the holder to one vote in shareholder meeting resolutions. There are no restrictions in law or the Articles of Association on the transferability of shares.

On 31 December the largest shareholder in the company, Coniferous Bidco AB, held 75.9 percent of the total shares on the market. There were no other shareholders with a holding of 10 percent or more of the total shares as of 31 December 2024. Nordic Paper does not hold any shares in treasury.

More information about the Nordic Paper share is available on page 144 and on Nordic Paper's website, www.nordic-paper.com.

Proposed appropriation of profit

The Board of Directors proposes that the available earnings (SEK):

Retained earnings	507,231,708
Profit for the year	306,598,905
	813,830,613
be distributed as follows:	
carried forward	813,830,613
	813,830,613

Events after the end of the financial year

On 9 January 2025 Strategic Value Partners, LLC, through Coniferous Bidco AB, announced the closing of the public cash offer and that the final outcome of the offer was that holders of 85.67 percent of the shares and votes in Nordic Paper had accepted the offer.

At the request of Strategic Value Partners, LLC, through Coniferous Bidco AB, an Extraordinary General Meeting was held on 13 January 2025. Resolutions at the meeting included the election of Tim Stubbs, Russell Wanke, Omar Hoek, Christer Simrén, Alexandre Mignotte, Ricardo Mateiro and Riccardo Franchi as new members of the Board of Directors, with Tim Stubbs as Chair. The meeting also resolved to abolish the company's nomination committee.

Nordic Paper has entered into a new financing agreement, as described in the notes.

The Board of Directors has decided to remove the company's dividend policy. The board will continue to evaluate long-term financing options in 2025.



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Corporate Governance Report

Nordic Paper’s vision is to be the natural leader in speciality paper, with our work being based on the core values of responsibility, respect, cooperation and development. The company offers effective and environmentally responsible products and solutions within its Kraft Paper and Natural Greaseproof segments. The company works towards clear growth, profitability and return targets and there are also explicit requirements for Nordic Paper to act in a way that is sustainable over the long term for shareholders, as well as for employees, customers, suppliers and other stakeholders.

The framework for the company’s actions is set out in laws and regulations such as the Swedish Companies Act, the Swedish Annual Accounts Act, stock exchange rules and the Swedish Corporate Governance Code (hereinafter referred to as the Code). Furthermore, the company’s own governance follows internal rules and guidelines set out in governing documents such as the Board’s and CEO’s rules of procedure and policies, as well as processes for areas such as control and risk management.

This Corporate Governance Report aims to describe the framework in place, the distribution of responsibilities as well as interactions between the Annual General Meeting, the Board of Directors and the CEO. The report is reviewed by the company’s auditors. Preparing a corporate governance report is required under the Swedish Annual Accounts Act. The Corporate Governance Report follows the rules and instructions set out in the Code.

Nordic Paper Holding AB is a public Swedish limited liability company that has been listed on the Stockholm stock exchange, Nasdaq Stockholm, since October 2020. Nordic Paper has applied the Code since the Annual General Meeting on 12 March 2020.

This Corporate Governance Report has been prepared observing the company’s application of the Code in 2024. Nordic Paper has no deviations from the Code to report for the period. No violations of applicable stock exchange rules or of good practice

in the stock market have been reported regarding Nordic Paper by Nasdaq Stockholm’s Disciplinary Committee or the Swedish Securities Council in 2024.

Shareholders

At the end of 2024 Nordic Paper Holding AB had 6,887 shareholders. Swedish individuals were the largest category, in terms of the number of shareholders.

On 13 December 2024 Coniferous Bidco AB (corp. reg. no. 559492-5330), a wholly owned subsidiary of Strategic Value Partners, announced the outcome of the offer to shareholders in Nordic Paper Holding AB. Following extension of the acceptance period, on 9 January 2025 Coniferous Bidco AB announced the final outcome of the offer. At the end of the extended acceptance period shareholders representing a total of 57,322,377 shares in Nordic Paper AB, corresponding to around of 85.67 percent of the total number of shares and votes in Nordic Paper Holding AB, had accepted the offer. At year-end Coniferous Bidco AB was the largest shareholder in Nordic Paper Holding AB and controlled a total of 75.88 percent of the total number of shares and votes in Nordic Paper Holding AB.

The next three largest shareholders were Nordnet Pensions-försäkring with 3.2 percent, Nordea Fonder with 2.4 percent and JPMBL SA with 0.9 percent.

The employees of Nordic Paper have no shares in Nordic Paper Holding through pension funds or any similar investments. There is no limit on the number of votes each shareholder may cast at the Annual General Meeting.

More information about the share and the ownership structure is presented on page 144.

On 13 December, at the request of Strategic Value Partners, Coniferous Bidco AB convened an Extraordinary General Meeting of shareholders in Nordic Paper that was to be held on 13 January 2025. The Extraordinary General Meeting resolved to elect a new board of directors consisting of seven members elected by the general meeting. The meeting also resolved to abolish Nordic Paper’s principles for the nomination committee and resolved that in future Nordic Paper would have no nomination committee. The descriptions in this Corporate Governance Report relate to the previous Board of Directors and how work was conducted in 2024.

Shareholders' meeting

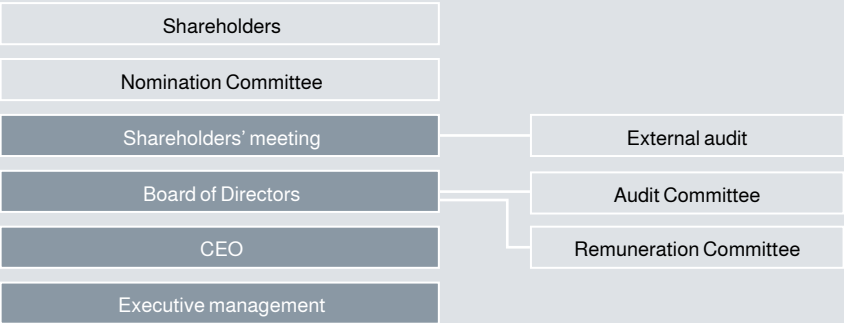
Notice of the Annual General Meeting is issued no earlier than six weeks and no later than four weeks before the planned meeting date. The notice contains:

- a) information about registration and the right to vote and attend the meeting;
- b) a numbered agenda with the matters to be dealt with;



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Governance structure



Board meetings

In 2024 the Board held 29 meetings, four of which were held in connection with the company presenting a quarterly report. A number of the board meetings were devoted fully or partly to the sale process initiated by the Board of Directors in March 2024 after Shanying International Holding Co., Ltd announced its intention to divest all or part of its shareholding in Nordic Paper Holding AB, amounting at that time to 48.16 percent of the total votes and shares in Nordic Paper Holding AB. One meeting was devoted to the company's long-term strategic plan and to the Group's budget. In addition, the Board devoted particular attention to sustainability and to financial and accounting matters, monitoring of the business and major investment matters. The Board also addressed risk and matters concerning the company's internal control. The company's auditor reported to the Board on the review of the accounts and internal control. The Board also dealt with matters related to the company's preparations for the implementation of reporting according to CSRD.

c) information on the proposed dividend and the main content of the other proposals.

Shareholders or proxies can vote for the full number of owned or represented shares. Shareholders may register for the meeting by letter or at nordic-paper.se.

The 2024 Annual General Meeting took place on 23 May 2024 and addressed the usual agenda items for AGMs. At the 2024 AGM the Board of Directors was given authorisation until the next AGM, on one or more occasions, to take decisions to acquire treasury shares in an amount such that at any time the number held does not exceed 10 percent of the total number of shares in the company.

The Board was also given authorisation until the next AGM, on one or more occasion, to take decisions on the transfer of treasury shares. Acquisitions and transfers are only to be executed on Nasdaq Stockholm. The authorisation was not used.

At the 2024 AGM the Board of Directors was given authorisation until the next AGM, on one or more occasions, to take decisions on issuing new shares for a combined maximum of 10 percent of the total number of shares in the company outstanding as of the date of the AGM decision. The authorisation was not used.

The 2025 AGM will be held on 28 May 2025.

Nomination Committee

Instructions for the company's Nomination Committee were adopted at the Annual General Meeting.

According to the instructions, the Nomination Committee may consist of up to four representatives. The company's four largest shareholders in terms of voting rights as of 31 August 2024 may each appoint one of the representatives. The composition of the Nomination Committee ahead of the 2025 Annual General Meeting is Andreas Kihlblom for Sutriv Holding AB (chair), Caroline Sjösten for Swedbank Robur and Patricia Hedelius for AMF.

The Nomination Committee's task is to submit proposals for the election of board members, the Board Chair, board fees and audit fees, as well as for the election of an auditor. The proposals are presented in the notice of the Annual General Meeting.

The Nomination Committee will apply Rule 4.1 of the Code as a diversity policy when preparing its proposal for the Board. This means that the Board must have an appropriate composition that takes into account the company's operations, stage of development and other circumstances, and that is characterised by diversity and breadth with respect to the expertise, experience and background of the members elected by the Annual General Meeting.

Attaining gender balance was a priority.

Work of the Board of Directors

The Board of Directors is the company's highest decision-making body after the shareholders' meeting. According to the Swedish Companies Act the Board of Directors is responsible for the administration and organisational structure of the company. This means

that the Board is responsible for, among other things, establishing targets and strategies, ensuring that routines and systems are in place to evaluate performance in relation to established targets, and ongoing evaluation of the company's financial performance and position as well as its operational management. The Board also dealt with matters related to the company's preparations for the implementation of reporting according to CSRD.

The Board's work follows a plan which, among other things, is to ensure that the board members receive all necessary information. The Board decides annually on the written rules of procedure and issues written instructions regarding the division of work between the Board and the CEO, as well as information that the Board must receive on an ongoing basis on current financial developments and other important events. Company officials report on company matters at board meetings.

In order to develop the Board's procedures, an annual evaluation is carried out where each member answers a questionnaire with relevant questions concerning the Board's work and is given the opportunity to submit proposals on how the Board's procedures can be further developed. The results are presented and discussed at a board meeting. The results of the 2024 evaluation form the basis for the planning of the Board's work over the coming years.

The Chair of the Board has presented the results of the evaluation to the Nomination Committee. An annual evaluation of the CEO is also carried out by the Board.



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Chair of the Board

The Chair leads the Board's work so that it is carried out in line with applicable laws and regulations, the Code and the Board's own rules of procedure. The Chair ensures that the work is well organised, conducted efficiently and that the Board fulfils its tasks.

In dialogue with the company's CEO, the Chair monitors the development of the business and is responsible for ensuring that other members receive on an ongoing basis the information required for the Board's work to be conducted in the best possible manner. Together with the company's CEO, the Chair also approves a proposed agenda for the Board's meetings. The Chair is responsible for the evaluation of the Board's work and checks that board decisions are implemented, and is also the company's representative in matters relating to ownership.

Composition of the Board

The members of the Board are elected annually by the Annual General Meeting for the period lasting until the next AGM is held. According to the Articles of Association, the Board is to consist

of three to ten AGM-elected members, without deputies. The Articles of Association do not contain any other provisions on the appointment or dismissal of board members, changes to the Articles of Association or restrictions on how long a member can sit on the Board.

The 2024 Annual General Meeting resolved to re-elect the board members Per Bjurbom, Ying Che, Stefan Lundin, Karin Eliasson, Thomas Körmendi and Helene Willberg. Per Bjurbom was re-elected as Chair of the Board.

In addition to the six members elected by the Annual General Meeting, local workers' organisations have the right to appoint two members and two deputies. All of the six members elected by the AGM are deemed to be independent in relation to the company and four members to be independent in relation to the owner as per the Code's definition. None of the board members, other than the employee representatives, work operationally within the company. More information about the board members can be found on page 98.

Board members after the 2024 Annual General Meeting						
Members	Elected	Position	Independent in relation to		Audit Committee	Remuneration Committee
			company and management	major shareholders		
Per Bjurbom	2019	Chair of the Board	Yes	No ²	—	—
Karin Eliasson	2020	Board member	Yes	Yes	—	Chair
Helene Willberg	2020	Board member	Yes	Yes	Chair	—
Thomas Körmendi	2023	Board member	Yes	Yes	—	—
Ying Che	2019	Board member	Yes	No ²	—	Member
Stefan Lundin	2019	Board member	Yes	Yes	Member	—
Per Gustafsson ¹	2013	Board member	—	—	—	—
Tom Rød ¹	2019	Board member	—	—	—	—
Nicklas Backelin ¹	2013	Deputy board member	—	—	—	—
Ann-Charlotte Kullander ¹	2022	Deputy board member	—	—	—	—

1 Employee representative

2 Employed by Sutriv Holding AB

Board committees

The Board has established two board committees – a Remuneration Committee and an Audit Committee – so as to streamline and deepen the Board's work on certain issues. The committee members are appointed for one year at a time at the statutory board meeting. The committees' work and their decision-making powers are regulated by annually established committee instructions, which are reviewed and adopted each year.

The committees have preparatory and administrative roles. Matters addressed at committee meetings are documented in the meeting minutes and reported at the subsequent board meeting, where decisions are made in applicable cases.

Audit Committee

Nordic Paper has an Audit Committee with two members: Helene Willberg (chair) and Stefan Lundin.

The Audit Committee's duties, which are not to affect the Board's general responsibilities and duties, consist of overseeing the company's financial reporting and the efficiency of the company's internal control and risk management, and of staying informed about the audit of the annual accounts and consolidated accounts, reviewing and monitoring the auditor's impartiality and independence, and paying particular attention if the auditor is providing the company with services other than audit services, and assisting in the preparation of proposals for the election of auditors at the AGM.

The work of the Audit Committee in 2024

In 2024 the Audit Committee held 13 meetings. During the year the committee addressed various accounting matters, planning of the external audit and the results of assurance procedures executed, internal control over financial reporting, financing, currency hedging, taxation and external reporting. The committee also dealt with matters related to the company's preparations for the implementation of reporting according to CSRD, which is one reason why more meetings were held than in the previous year.

The chair of the Audit Committee regularly reported to the Board on matters addressed at the committee's meetings.

Remuneration Committee

The main task of the Remuneration Committee is to prepare for Board decisions on remuneration principles, remuneration



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Attendance and fees

					Attendance at meetings			Annual fee adopted at AGM, SEK 000	
Members	Elected	Position	Audit Committee	Remuneration Committee	Board of Directors	Audit Committee	Remuneration Committee	Fee	Committee work
Per Bjurbom	2019	Chair of the Board			21/29			580	
Karin Eliasson	2020	Board member		Chair	28/29		8/8	320	75
Helene Willberg	2020	Board member	Chair		29/29	13/13		320	185
Thomas Körmendi	2023	Board member			24/29			320	
Ying Che	2019	Board member		Member	21/29		8/8	320	36
Stefan Lundin	2019	Board member	Member		29/29	13/13		320	89
Per Gustafsson ¹	2013	Board member			28/29				
Tom Rød ¹	2019	Board member			27/29				
Nicklas Backelin ¹	2013	Deputy board member							
Ann-Charlotte Kullander ¹	2022	Deputy board member							

1) Employee representative

In 2024 the Board held 29 meetings. A number of the board meetings were devoted fully or partly to the sale process initiated by the Board of Directors in March 2024 after Shanying International Holding Co., Ltd announced its intention to divest all or part of its shareholding in Nordic Paper Holding AB. In view of the fact that Per Bjurbom and Ying Che are representatives of Shanying International Holding Co., Ltd, Per Bjurbom and Ying Che were considered to have a conflict of interest as set out in section II.18 of the Takeover Rules. Accordingly, they did not participate in any discussions or decisions on the sale process after Shanying International Holding Co., Ltd signed an irrevocable commitment with Coniferous Bidco AB, which is the reason for the large number of board meetings that Per Bjurbom and Ying Che did not attend.

packages and other remuneration-related employment terms for executive management.

The committee is to monitor and evaluate the application of guidelines for remuneration to senior executives, remuneration structures and remuneration levels. The committee proposes to the Board an overall policy regarding salaries, other remuneration and employment benefits in general at Nordic Paper and guidelines for remuneration to senior executives. The committee also prepares the CEO's proposal for salaries and other remuneration for executive management. The committee also submits proposals to the Board which decides on the salary and remuneration for the CEO. The Remuneration Committee consists of the members Karin Eliasson (chair) and Ying Che.

The work of the Remuneration Committee in 2024

In 2024 the Remuneration Committee held eight meetings. Throughout the year the Remuneration Committee made preparations for decisions on remuneration and other employment terms for the CEO and other senior executives.

The Remuneration Committee evaluated the application of

both the policy and the guidelines established by the Annual General Meeting for remuneration to senior executives. More information on remuneration within the Group can be found in the Remuneration Report, in Note 9 on pages 119–122 and also on the company website under General meeting – Documentation.

Executive management

The Board has delegated operational responsibility for the company's and the Group's management to the company's CEO. Instructions regarding the division of work between the Board and the CEO are approved annually by the Board. Nordic Paper Holding's executive management consists of the company's CEO and seven other members. Information about the CEO and other members of executive management can be found on page 99.

External audit

The external auditor's task is to review the Group's annual and sustainability reports and accounts, the consolidated and parent company accounts, as well as the Board's and the CEO's administration of the company. After each financial year, the auditor is to

submit an audit report to the Annual General Meeting.

The principal auditor participates in meetings with the Audit Committee and presents the annual audit to the Board. The Board also meets with the auditor without management being present.

At the 2024 Annual General Meeting, the auditor KPMG was re-elected as external auditor until the 2025 Annual General Meeting in accordance with a proposal from the Nomination Committee.

The principal auditor is Mattias Eriksson.

Other than in regards to the audit assignment, Nordic Paper Holding has only consulted KPMG to a limited extent. The fees and compensation paid to KPMG for 2024 are set out in Note 8 on page 118.

Internal control processes

An annual review of the strategy of each business segment is carried out, including objectives for the business. The strategy is discussed by the Board and forms the foundation for what is expected of each area.

Based on the expectations, each unit sets targets and iden-



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tifies success factors to achieve the targets. Key performance indicators (KPIs) are linked to these success factors to measure and show development.

The strategy review also forms the basis for the budget, where decisions on resource allocation are made and goals for the coming year are set. Through internal reporting for continuous monitoring, it is ensured that the entire organisation sets relevant priorities so as to achieve the targets set.

Code of Conduct

Nordic Paper's Code of Conduct provides guidance to apply in day-to-day work and explains what is expected of the employees. Responsible behaviour towards both internal and external stakeholders is paramount in all of Nordic Paper's operations. All employees must have the same rights, obligations and opportunities regardless of gender, transgender identity or expression, ethnic affiliation, religion or other belief system, disability, sexual orientation and age.

The Supplier Code of Conduct covers business ethics, anti-corruption, human rights, health and safety, the work environment

and the environment. Respecting human rights, Nordic Paper makes efforts to achieve a work environment that is based on the equal value of all people.

Policies

Nordic Paper uses policies adopted by the Board, guidelines and instructions for the Group to clarify how the Board, CEO, management and the employees are to act in basic and critical areas, which include the following.

The Corporate Governance Policy covers aspects such as how the CEO organises the Group's operations, goal management and monitoring, risk management and internal control, and monitoring of compliance with the policy. The division of responsibility between the Board and CEO is described in more detail in the instructions for the CEO adopted by the Board.

The company's Financial Policy covers financial risk as it relates to areas such currency risk, liquidity planning and credit risk.

The Insider Policy and Communication Policy address the company's internal and extern communication. The Insider Policy specifically covers communication of regulatory information,

compliance with MAR (Market Abuse Regulation) as well as with rules and instructions from ESMA (European Securities and Markets Authority).

A safe work environment is fundamental for the company's operations. The company's Work Environment Policy describes how the company ensures a safe work environment, including the company's and the employees' responsibility for and commitment to maintaining a safe and healthy workplace.

Compliance

Nordic Paper's Code of Conduct, policies and the company's core values are all included in new employee orientation. Compliance with policies and guidelines is monitored by all of the Group's entities, including through annual self-assessment processes, and is reported to the Board. All policies are adopted annually by the Board.

Whistleblower service

Nordic Paper has a whistleblower service to which employees and external stakeholders can anonymously report any suspected serious irregularities, such as breach of the company's Code of Conduct or other policies/guidelines, or any behaviour not consistent with the company's values.

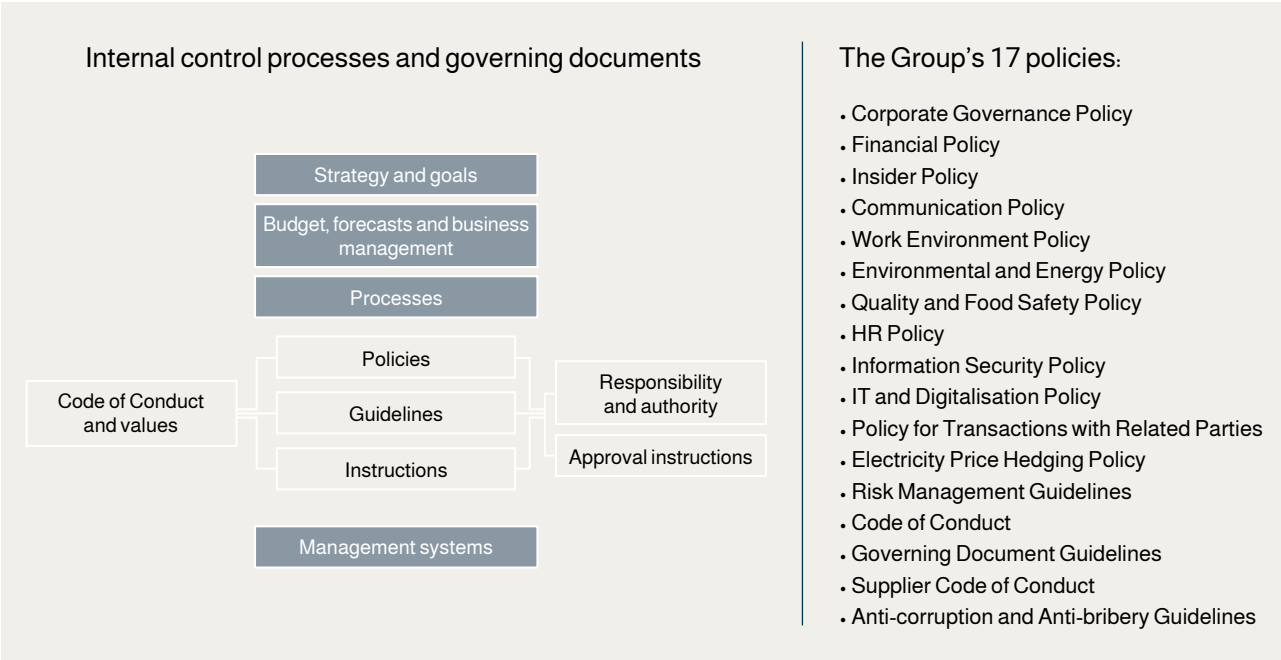
The service, which is provided by an external party, is available through Nordic Paper's intranet and on the company's website. Reports can be made online or by phone.

The Board's report on internal control over financial reporting

This section has been prepared in accordance with the Swedish Corporate Governance Code and the Swedish Annual Accounts Act, and describes the company's internal control and risk management with respect to financial reporting. The purpose is to give owners and other stakeholders an insight into how internal control over financial reporting is organised at Nordic Paper.

Internal control over financial reporting

The Board's responsibility for internal control and financial reporting is regulated in the Swedish Companies Act and in the Code. According to the Code, it is also the Board's responsibility to ensure that the company is managed sustainably and responsibly. Ongoing responsibility for all of these issues has been delegated to the CEO.





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Purpose and structure

The purpose of internal control is to ensure that Nordic Paper maintains reliable and accurate financial reporting, that the company's and Group's financial reports are prepared in accordance with laws and applicable accounting standards, that the company's assets are protected and that other requirements are complied with. The system for internal control is also intended to monitor that company and Group policies, principles and instructions are being complied with. Internal control also includes risk analysis. The Group identifies, assesses and manages risk based on the Group's vision and goals.

The finance department coordinates and monitors the process for internal control in financial reporting. The company's framework is based on the framework for internal governance and control developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Internal control work mainly follows COSO's framework for internal control in financial reporting. The framework consists of five basic elements: control environment, risk assessment, control activities, information and communication, and monitoring and evaluation. The framework has been adapted to Nordic Paper's various operations.

Nordic Paper's framework for internal governance and control has five basic elements:

- Control environment
- Risk assessment
- Control activities
- Information and communication
- Monitoring and evaluation

Control environment

A good control environment lays the foundation for efficiency in a company's internal control systems. A good control environment is based on an organisation having clear decision paths and powers and responsibilities being distributed through governing documents, and on a corporate culture with a common set of values.

The Board's rules of procedure and instructions for the CEO establish the division of roles and responsibilities to ensure effective control and management of the company's risks. The Board

has also established a number of basic policies and governing documents that are important for maintaining effective control. These include the Financial Policy, IT Policy and Communication Policy. In addition, management has established guidelines and instructions that help to make individuals aware of their role in maintaining good internal control.

These documents must also ensure that financial reporting complies with the laws and regulations that apply to companies listed on Nasdaq Stockholm, as well as any local rules where operations are carried out.

Risk assessment

Financial reporting risks are assessed annually and control activities are strengthened or introduced. The risk assessment process aims to identify and assess risks that may lead to the Group's goals for financial reporting not being met.

The results of risk management work are compiled and evaluated under the direction of the finance department and are reported to the Audit Committee and the Board in its entirety. For a description of the Group's risk and risk management, see the section Risk and risk management on page 87.

Control activities

To ensure that Nordic Paper Holding's objectives for financial reporting are met, control requirements are built into the processes that are deemed relevant: sales, purchasing, investment, HR, annual accounts, payments and IT.

Control activities aim to prevent, detect and correct errors and deviations.

Control activities are performed at all levels within Nordic Paper and at different stages of business processes.

Information and communication

Nordic Paper regularly provides financial information through annual reports, interim reports, press releases and announcements on the company website. Efficient and correct dissemination of information, both internally and externally, is central to ensuring complete, correct and timely financial reporting. The company's rules, guidelines and manuals are communicated through several internal channels.

The Group's finance department has direct operational responsibility for current financial reporting and for the application

of the Group's guidelines, principles and instructions for financial reporting. Operating units regularly submit financial and operational reports to executive management, which in turn reports to the Board through the CEO. The communication policy and associated guidelines aim to ensure that external communication is accurate, relevant, transparent and reliable, and otherwise lives up to the requirements set out for Nordic Paper as a Nasdaq Stockholm listed company.

Monitoring and evaluation

All of the Group's units carry out self-assessment that is adapted to their specific operations, indicating which control requirements apply to each process in order to ensure that the controls are effective and appropriate.

The results of the self-assessment are monitored on an ongoing basis and deviations are reported annually to executive management and to the Audit Committee. Tests are carried out on the accuracy of the self-assessment. Self-assessment of internal control over financial reporting takes place on an ongoing basis during the year, and any shortcomings are reported quarterly to executive management and the Audit Committee. The report shows any identified shortcomings in internal control as well as action plans decided on to address these shortcomings. A report compiling all self-assessment is presented annually to the Audit Committee and the Board.

Monitoring is an important tool to identify any shortcomings within the Group and to manage them by drawing up new control requirements.

Internal audit statement

Nordic Paper currently has no established internal control unit. The Board addressed this during the year and concluded that existing structures for monitoring and evaluation provide a satisfactory basis for internal control, and nothing within the organisation, or other conditions in the company, warrants implementation of a special internal audit unit. The Group's existing internal control processes are considered to be sufficient.

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Risk and risk management

Nordic Paper is exposed to a number of risks that may have a material impact on the company. This section describes the most material risks that affect Nordic Paper's ability to reach established goals and implement strategies, and explains how each risk is to be managed.

Nordic Paper's Board of Directors has overall responsibility for identifying and managing the company's risks. The CEO has the overall operational responsibility. The risk management process is part of the company's annual procedures, and is initiated when risk is identified and a risk assessment made by the company's executive management. At this stage the overall risks identified are assessed based on the likelihood that the risk will materialise and the expected impact on the company's ability to achieve its goals and to implement adopted strategies. The time horizon for the assessment is up to five years into the future.

The identified risks break down as industry and market risks, operational and business risks, legal and regulatory risks, and financial risks. Many of the identified risks can affect the company both positively and negatively.

After the initial annual risk identification and risk assessment, the risks are broken down into relevant processes. The process owners in different parts of the company design, develop and maintain measures and controls to manage the identified risks. An evaluation of these controls is carried out once a year. The results of the risk management evaluation are compiled and reported to the Board's Audit Committee and then to the entire Board in the form of an annual risk report.





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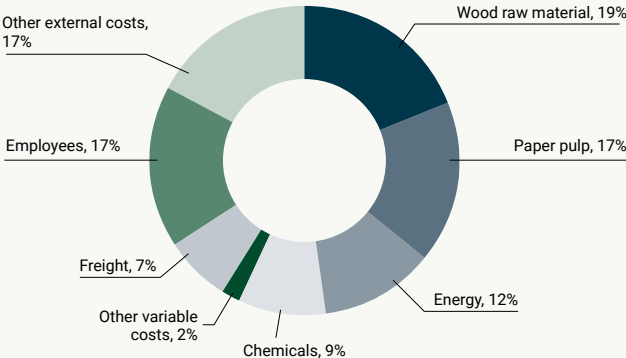
Industry and market risks

Risk	Description of risk	ESRS	Management of risk
Geopolitical risk	<p>Nordic Paper is in many ways dependent on there being stable conditions for international trade in order to maintain its production and to be able to sell its products throughout the world.</p> <p>Changes in the geopolitical situation, such as through various types of trade barriers, sanctions or military actions, can impact these conditions as a result of limitations on the supply of raw materials, energy or other goods and services, or restrictions on sales due to sanctions or voluntary restrictions. Nordic Paper sells natural greaseproof papers to the USA. The production of these papers takes place in Québec, Greåker and Säffle. In the event of US tariffs on imported products, the competitiveness of these papers will be negatively affected in relation to local production.</p>		<p>Most of Nordic Paper's purchases are made locally in a stable Nordic and North American environment. When sourcing from other areas Nordic Paper aims to minimise risk – both risks associated with individual suppliers and with geographical areas. In addition, a large percentage of sales are concentrated on countries with stable political systems in Western Europe.</p> <p>Nordic Paper monitors geopolitical developments in order to react to changes in the risk situation.</p> <p>The fact that Nordic Paper has production in three different countries provides some flexibility to move volumes between production facilities as a function of specific trade barriers for a given country.</p>
Variations in demand and product prices	<p>The strength of demand for Nordic Paper's products is impacted by the general state of the economy and by changes in end-consumer use of the products in question. Short-term demand can also be affected by changes in inventories further along the value chain, which can reinforce the effect of underlying economic fluctuations. As an example, customers will often wait to place an order if prices are expected to fall in the future. This in itself has a negative impact on market mood. In an economic upswing customers are keen to build up their inventories when they see opportunities to purchase paper before prices increase.</p> <p>Nordic Paper's product prices are the result of negotiations between the company and its customers. These negotiations are affected, among other things, by the general supply and demand situation for the products in question, and by the actions of Nordic Paper's competitors. From time to time there may be price movements that do not correlate with Nordic Paper's cost base. If negative price development for the company's products cannot be offset by reduced costs, this could lead to decreased earnings for the Group.</p>		<p>Nordic Paper targets highly specialised niche markets where the speciality paper the company delivers creates value for the customer. Price variations are often less volatile in these markets as the products are not easy for the customers to replace.</p> <p>Nordic Paper's products are also used in a wide variety of downstream application areas. This provides overall stability and reduces the risk of industry-specific demand disruptions. More than half of the company's products are used in food handling contexts, such as for food packaging. This also provides stability and mitigates the impact of economic fluctuations.</p> <p>Geographically the company's sales are concentrated in Western Europe, but the company has sales channels throughout the world and has the ability to offset shrinking demand in one geography with increased sales volumes in others.</p> <p>At times of temporary low demand and pressure on product prices Nordic Paper has always chosen to hold off on some production in order to maintain a good balance between supply and demand.</p>
Pandemic risks	<p>Covid 19, the most recent global pandemic, had no impact on Nordic Paper's production capacity, nor any significant impact on Nordic Paper's financial position.</p> <p>Nordic Paper experienced a certain shift in demand within Natural Greaseproof from the professional food sector to the consumer-driven retail sector during the pandemic.</p>		<p>During the most critical periods of the pandemic, alternative workplaces were used when this was possible and if local circumstances required it. Due to the pandemic, all maintenance shutdowns were carried out applying extensive safety measures.</p>



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Industry and market risks

Risk	Description of risk	ESRS	Management of risk																	
Cost of inputs and services	<p>The market price for many inputs and services used in the manufacture of Nordic Paper's products varies over time, which can affect the company's earnings.</p>  <table><caption>Cost Breakdown by Category</caption><tr><th>Category</th><th>Percentage</th></tr><tr><td>Wood raw material</td><td>19%</td></tr><tr><td>Paper pulp</td><td>17%</td></tr><tr><td>Energy</td><td>12%</td></tr><tr><td>Chemicals</td><td>9%</td></tr><tr><td>Freight</td><td>7%</td></tr><tr><td>Employees</td><td>17%</td></tr><tr><td>Other external costs</td><td>17%</td></tr><tr><td>Other variable costs</td><td>2%</td></tr></table>	Category	Percentage	Wood raw material	19%	Paper pulp	17%	Energy	12%	Chemicals	9%	Freight	7%	Employees	17%	Other external costs	17%	Other variable costs	2%	<p>Nordic Paper aims to put all procurement out to tender in order to reduce costs and not be dependent on an individual supplier.</p> <p>WOOD RAW MATERIAL – Nordic Paper's wood supply is associated with long-term relationships with local wood suppliers, a few of which are large forest owners. The long-term relationships and local sourcing provide stability in both volumes and costs. At the plant in Bäckhammar there is a degree of flexibility in that the amount of pulpwood and wood chips from sawmills that are accepted can be varied depending on market conditions. This has a stabilising effect on the company's fibre raw material costs. This flexibility will increase significantly with the ongoing investment in a new wood handling area.</p> <p>PAPER PULP – The net exposure to the pulp market is relatively limited as the company has its own pulp production plant in Bäckhammar. Nordic Paper buys pulp from a number of suppliers, which reduces risk.</p> <p>ELECTRICITY – Around 20 percent of the company's electricity consumption is supplied through the electricity it produces from a turbine in Bäckhammar. The remainder is purchased on the market and is hedged to a large extent through contracts with fully or partly predetermined prices. The hedged portion is around 70 percent in the short term and then falls to zero over a time horizon of five years.</p> <p>FREIGHT – Nordic Paper transports its products by road, rail and sea to deliver them to the customers. The company has some flexibility to vary the mode of transport depending on how attractive one mode is relative to the others. Within each mode of transport there are also opportunities for optimisation, for example by opting for bulk transport and container transport of paper reels by sea. If the cost of freight increases temporarily, adding a freight surcharge on top of Nordic Paper's product prices is another instrument to manage this risk.</p> <p>CHEMICALS – Nordic Paper uses chemicals in the production of both paper pulp and paper. The chemicals used in pulp production are largely recycled internally to minimise chemicals consumption. The company also aims to have multiple suppliers for its more important chemicals.</p>
Category	Percentage																			
Wood raw material	19%																			
Paper pulp	17%																			
Energy	12%																			
Chemicals	9%																			
Freight	7%																			
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Competition	<p>Nordic Paper operates in a competitive industry. The company's customer survey showed that the product quality and the stability of product properties across different deliveries is very important to the customers, followed by runnability in the customers' processes and delivery predictability.</p> <p>Any increased competition due to a possible increase in the production capacity of Nordic Paper's competitors, and thus of the paper supply on the market, may impair the ability to achieve planned revenues and to realise the financial and operational assumptions made.</p> <p>Technical developments in competing types of paper, such as through advanced surface treatment methods, also present a risk.</p>		<p>Nordic Paper operates in niche segments within the speciality paper market and has over time moved towards areas with high entry barriers. The barriers are to some extent technical in nature, but the fragmentation of the markets is a significant entry barrier.</p> <p>As part of annual strategy work, the company conducts market analysis and identifies its most important competitors. Long-term customer relationships are strengthened through the delivery of high-quality speciality paper and a high level of service. Nordic Paper follows technical developments and also carries out its own development work, often in cooperation with customers.</p>
Talent supply	<p>Nordic Paper needs talented and motivated employees as well as good leaders to achieve its set strategic and operational goals and targets. It is thus important that Nordic Paper succeeds in recruiting and retaining employees with the appropriate skills.</p> <p>A lack of qualified staff due to reduced interest in the industry or shortcomings in the education sector could lead to difficulties in the future.</p>	ESRS S1	<p>Nordic Paper works continuously to manage professional development and to plan for generational change at Nordic Paper's facilities. To ensure that Nordic Paper attracts people with the desired skills, the company is working to strengthen its brand as an employer.</p> <p>Personnel planning is an ongoing process and every year an employee survey is carried out and followed up both centrally at the Group level and in various parts of the organisation. The company has processes to ensure that salaries and other employment terms are appropriate for each market and are linked to the company's priorities.</p>

Operational and business risks

Risk	Description of risk	ESRS	Management of risk
Health and safety	<p>Nordic Paper's ambition is to have zero injuries at the company's workplaces. To achieve this the company has set short-term targets to reduce the frequency of accidents that result in sickness absence (the lost time injury frequency rate or LTIFR).</p>	ESRS S1	<p>Nordic Paper works actively to reduce the number of accidents and to increase employees' attendance in good health. Health and safety are a priority and are an integral part of day-to-day operations.</p> <p>To reduce accidents and increase attendance rates, Nordic Paper applies clear strategies to set targets and monitors performance in relation to these, provides staff training, and routinely reports and follows up on incidents and accidents.</p> <p>The company's efforts are based on an action plan for intensifying preventive and systematic health and safety initiatives. Based on this plan, the systematic approach to health and safety has been improved by, among other things, revising procedures and instructions, producing checklists and updating risk management processes. Initiatives are being implemented within training and professional development.</p>



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Risk	Description of risk	ESRS	Management of risk
Loss of production at the production plants	<p>Nordic Paper has five production plants: three in Sweden, one in Norway and one in Canada. Fires, machine breakdowns, power outages and other types of incidents could damage facilities and also cause delivery problems, reduced customer confidence or increased costs. Lack of ability to produce the quality specified by customers could also result in similar problems.</p> <p>Annual maintenance shutdowns are carried out at the plants as a means of counteracting these types of incidents. However, the maintenance shutdown itself is a risk and can cause unforeseen, major equipment failures or accidents. If the maintenance shutdown lasts for longer than planned or if additional maintenance requirements are discovered, this can have a negative effect on production, and the maintenance can lead to increased costs compared with previous years.</p>		<p>An assessment is made annually of the maintenance requirements of the plants for the next few years. This work includes identifying ongoing annual investments, expansion investments and investments that aim to increase quality and safety.</p> <p>Annual maintenance shutdowns are carried out to ensure a high and stable production rate. Maintenance shutdowns are carefully planned in advance to minimise maintenance time.</p> <p>Further preventive activities include an annual inspection of the plants together with the company's insurance firms. Nordic Paper has active property and interruption insurance that covers the risk of damage to property, including machine stoppages, fires and business interruptions, including equipment breakdowns.</p>
Climate risk	<p>The ongoing climate change may affect Nordic Paper in a number of ways. Climate performance is a competitive advantage for the company and its products because the main competition comes from products made from fossil-based plastic which often has a significantly higher climate impact. A greater focus on the climate issue in society may be a positive trend for Nordic Paper's products.</p> <p>The company's supply of wood raw material may be impacted by a potential increase in the growth rate in the forest from which Nordic Paper buys its pulpwood as a result of climate change, but may also be negatively impacted as the likelihood of insect infestation, drought, forest fires or sudden events increase the raw material supply risk profile. Climate-related floods may also impact Nordic Paper by, for example, affecting the company's raw material supply.</p>	ESRS E1	<p>Nordic Paper's supply of pulpwood and sawmill chips is distributed over some 40 suppliers with various separate sourcing areas, reducing the risk of geographically limited events.</p> <p>The watercourses close to Nordic Paper's plants in Sweden are subject to government regulations. When designing these regulations, flood risks are also taken into account.</p>
IT systems and cyber threats	<p>IT attacks on businesses are increasing in general. Security is managed through the use of various security and anti-virus programmes, as well as firewalls. IT systems and interruptions or errors in critical systems could lead to disruptions in production and in important business processes. Nordic Paper is dependent on IT systems for its ongoing operations. Improper handling of financial systems may also affect Nordic Paper's accounts. The risk of intrusion and cyber attacks by unauthorised persons in Nordic Paper's systems can cause financial losses.</p>		<p>Nordic Paper has a management model for IT with control, standardised processes and information security. Technical controls are continuously updated to maintain effective perimeter protection.</p> <p>The IT strategy includes a long-term plan to replace systems and make the company less dependent on individual suppliers.</p>
Customer structure, customer and agent relations	<p>Maintaining strong relationships with existing agents and customers, and building relationships with new agents and customers, are necessary to ensure that Nordic Paper's products are presented in the best way to customers and are available for purchase.</p> <p>Being highly dependent on certain individual, major customers, agents, industries or geographical markets can have a significant impact on revenues and earnings.</p>		<p>Nordic Paper has good commercial risk distribution over several hundred customers. Geographically, the company has established sales channels to customers in markets throughout the world and although sales are concentrated in volume terms within Western Europe, it is possible to increase sales to other areas in the world if necessary. At the same time, product development is under way to develop customised or new products for new customers and segments.</p> <p>The customer base is stable in both business segments based on long historical relationships. The majority of the company's customers have purchased products from Nordic Paper for 10 years or more.</p>



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Suppliers	<p>Nordic Paper is dependent on suppliers for input goods and services such as pulpwood, sawmill chips, paper pulp, chemicals, energy, natural gas and other fuels. For certain input goods, there is a risk that Nordic Paper will become too dependent on a few or a single individual supplier.</p> <p>A loss of one or more important suppliers can lead to increased costs and manufacturing problems for Nordic Paper. It could be problematic for Nordic Paper if suppliers fail to follow the company's Code of Conduct.</p>	ESRS G1	<p>Nordic Paper aims to avoid being dependent on any one individual supplier. The company uses multiple suppliers for its most important inputs. By signing contracts of different lengths, supplier risk can be reduced.</p> <p>The suppliers are evaluated regularly based on established criteria.</p> <p>Nordic Paper's Supplier Code of Conduct describes what the company requires of its suppliers. The Code is signed by all suppliers in a written agreement (unless the supplier can demonstrate it has its own code of conduct that at least matches the requirements in Nordic Paper's Code) and those with an annual contract volume in excess of SEK 1 million or with more than 24 orders per year.</p>
Strategy implementation	<p>Ineffective implementation of strategic plans, poor investment decisions and an inability to generate commitment to adopted strategies could adversely affect operations.</p>		<p>Nordic Paper's annual strategy work is based on a five-year perspective. It is based on the stakeholders' needs and expectations identified through external and stakeholder analysis. The focus is on developing the business segments, volume development in production and investment planning.</p> <p>Final strategy decisions are made by the company's Board and, based on the adopted strategy, management sets overall goals for the business for upcoming calendar years. These goals and the strategy are communicated once a year. Each department or entity within the company breaks down these overall goals into goals that are relevant for their specific area of operations.</p>
Implementation and integration of acquisitions	<p>In an acquisition process, knowledge about the operations of the entity to be acquired is normally asymmetric because the seller is more knowledgeable about this than the buyer. The buyer is therefore not always aware of the risks associated with the entity. These transactions are also associated with contractual risks.</p> <p>If integration is not completed successfully, significant value can be lost through, for example, failures in governance, declining commitment among employees or loss of customers.</p>		<p>The company has experience in implementing acquisition projects and ensures that external expertise is brought in to assist in relevant areas based on a risk analysis of the respective initiative.</p> <p>Those responsible for the integration phase have already participated in the transaction phase.</p>
Implementing strategic investment projects	<p>The risk aspect is included in the planning, implementation and monitoring of larger investment projects. There may be a risk that the project will take longer than planned, that costs will be higher than planned or that the investment will not have the intended effect on earnings. There are also protection and security risks during the implementation of investment projects.</p>		<p>Nordic Paper has procedures for carrying out investment projects as effectively as possible and these procedures are updated based on experience from projects implemented in the past. Also, Nordic Paper ensures that external expertise is used in the areas that are deemed relevant according to a risk analysis for each initiative, both when planning and when implementing larger investment projects.</p>



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Legal and regulatory risk

Risk	Description of risk	ESRS	Management of risk
Business ethics	<p>Unethical behaviour, or shortcomings in sustainability management by Nordic Paper or its suppliers, could lead to the company's brand and reputation being damaged and it becoming more difficult to retain and attract customers and employees. The company may also be subject to fines and other legal sanctions.</p> <p>Nordic Paper's operations in the global paper market, especially given the Group's geographical spread, expose Nordic Paper to risks attributable to, among other things, sanctions and corruption.</p> <p>Economic sanctions have in recent years become a significant risk factor for companies trading internationally, not least in light of the Russian attack on Ukraine. Although Nordic Paper's products are seen as low risk, from a sanctions point of view, trade with sanctioned countries can entail significant sanction risks for a company in terms of the identity of local business associates and customers' business sectors, which may be subject to targeted sanctions.</p> <p>Nordic Paper is also subject to competition laws, and competition authorities have the authority to issue fines and other sanctions as a result of violations of provisions in current regulations.</p>	ESRS G1	<p>The Nordic Paper Code of Conduct describes how the company and its employees should act and how business is conducted. The Code applies to all employees and all the employees confirm this in writing. All suppliers with a contract volume exceeding SEK 1 million per year or who have more than 24 orders a year are also required to confirm in writing that they will comply with Nordic Paper's Code of Conduct.</p> <p>Nordic Paper has also produced anti-corruption and anti-bribery guidelines and the company has routines to ensure that no products are sold to countries or customers subject to sanctions. All customers – existing and new – are continually checked against updated sanction lists.</p> <p>The company also has a whistleblower service where both employees and external stakeholders can report any irregularities relating to the company or its actions. The service is not connected in any way to the company's IT system and web services. Reports are handled confidentially and it is not possible to investigate the whistleblower's identity.</p>
Environment	<p>If there are shortcomings in environmental matters, trust in the company and the brand can be negatively affected. Nordic Paper's operations affect air, water, land and biological processes.</p> <p>Nordic Paper's industrial operations require permits from relevant authorities. Permits granted set limits on the scope of operations and their impact on the environment. In the event of expanded or changed operations, additional measures may be required.</p>	ESRS E2	<p>Nordic Paper's must operate in a responsible manner with regard to all stakeholders as well as the external and internal environment.</p> <p>Confidence in Nordic Paper as a responsible company strengthens the company's role in society and in the market, and promotes employee engagement. Nordic Paper communicates regularly with its stakeholders to maintain an open and positive relationship. The units have environmental roles that are responsible for contact with the supervisory authorities.</p>
Legal and administrative procedures including food safety	<p>The company has production plants in Sweden, Norway and Canada and the products are sold to around 80 countries – many in stable mature markets, but there are also sales to emerging markets with less stable political situations. Nordic Paper can be called on as a counterparty in multiple jurisdictions. Consequently, Nordic Paper risks from time to time becoming involved in civil rights, work-environment related and administrative procedures that arise as part of day-to-day operations.</p> <p>Disputes may arise due to customers claiming that Nordic Paper's products are defective, inadequate or do not meet the level of quality, safety and reliability that the customer expected, which could result in significant claims for damages or other compensation claims. This in turn could lead to other product-related litigation, major product recalls and food safety disputes.</p>		<p>Nordic Paper works actively to ensure that Code of Conduct and values are observed, not only among company's employees but also by its agents and suppliers. Nordic Paper continually monitors developments in a number of areas and, together with external legal advisers, manages any legal risks that may arise. Products for use in the food industry are approved by the FDA and BFR.</p> <p>The company's management system for food safety (Säffle and Greåker are certified to ISO 22000 and Québec to SQF) includes quality control and product safety in purchasing and delivery.</p>



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Risk	Description of risk	ESRS	Management of risk
Sustainability reporting	A correct assessment of Nordic Paper relies on its sustainability reporting being accurate and being prepared in accordance with issued standards and rules.	ESRS E1-5,S1-3 and G1	The Group develops procedures for internal control over sustainability reporting to ensure that the reporting is correct. External expertise is brought in to provide advice if needed. In 2025 the company's auditor will be engaged to provide limited assurance of the sustainability reporting.

Financial risk

Risk	Description of risk	ESRS	Management of risk
Credit risk	Credit risk is the risk of losses due to Nordic Paper's customers or counterparties in financial contracts not fulfilling their payment obligations, thereby causing the Group a financial loss.	ESRS G1	<p>Nordic Paper has established guidelines to ensure that products and services are sold to customers with good creditworthiness, and payment terms vary between 0–90 days depending on the counterparty.</p> <p>Nordic Paper takes out credit insurance for most of its customers and otherwise uses letters of credit, bank guarantees, advance payments, etc. to secure payments and minimise the risk of credit losses. In terms of Nordic Paper's net sales, credit losses, or provisions made for them, have historically been limited.</p> <p>Nordic Paper has no significant concentration of credit risk.</p>
Currency risk – transaction exposure	<p>Currency risk arises from payment flows in foreign currencies, known as transaction exposure, and from the translation of balance sheet items in foreign currencies, which primarily consists of transactions in the currencies EUR, USD and GBP. Currency risk also arises when translating the foreign subsidiaries' income statements and balance sheets into the Group's reporting currency, which is Swedish kronor (SEK). This is called translation exposure.</p> <p>Nordic Paper is exposed to currency risk in transactions in currencies other than SEK. This could have a negative impact on Nordic Paper's future profits, cash flow and the value of assets and liabilities. The Group operates internationally and is exposed to currency risk from both sales and purchases in various currencies, but primarily the euro (EUR), US dollar (USD), British pound (GBP), Norwegian kroner (NOK) and Canadian dollar (CAD).</p>		<p>Nordic Paper manages currency risk from transaction exposure and translation exposure through currency hedging in the currencies where there is material exposure, in accordance with the company's Financial Policy.</p> <p>The Group hedges future net flows in foreign currencies. Typically, 50–75 percent of the net flows are hedged for the next six-month period and 25–50 percent for the subsequent seven months to a year.</p>
Liquidity and financing risk	<p>Liquidity risk is the risk that Nordic Paper will not have sufficient cash to cover its ongoing costs or that the company will not obtain credit facilities.</p> <p>Financing risk is the risk that Nordic Paper will violate agreed covenants, which would negatively affect its ability to finance the business.</p>		<p>Nordic Paper manages its liquidity risk by endeavouring to hold sufficient assets and short-term investments in liquid markets and have the necessary financing through credit facilities.</p> <p>Nordic Paper monitors and forecasts liquidity and financing needs in order to detect risks of impaired covenants in a timely manner and take the necessary action, and reports these forecasts to the Board.</p>



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Interest rate risk	Interest rate risk is the risk that fair value or future cash flows from a financial instrument will vary due to changes in market interest rates. A significant factor that affects interest rate risk is the fixed interest period.		<p>The Group's loans have variable rates of interest in which the margin is determined by the covenant of net debt divided by EBITDA.</p> <p>The Group can sign agreements on variable interest and also hedge interest rate levels for all or parts of the loan structure.</p>
Financial reporting	A correct assessment of Nordic Paper relies on its financial statements being accurate and being prepared in accordance with issued standards and rules.		<p>The Group uses procedures for internal control over financial reporting to ensure that financial statements are correct. External expertise is brought in to provide advice if needed. The company's auditors also provide a layer of supervision.</p>
Impairment risk	Impairment risk is the risk of a decline in the value of intangible non-current assets.		<p>The Group monitors and forecasts earnings development for the Group's segments and reports these to the Board. Follow-up and forecasts provide early signals of any impairment risk, giving the Group the opportunity to act.</p>



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Remuneration guidelines

Introduction

These guidelines cover remuneration to the Chief Executive Officer (“CEO”) and other members of Nordic Paper’s executive management (“senior executives”). The guidelines are forward-looking, which means that they are to be applied to any remuneration agreed, and changes made to already agreed remuneration, after the guidelines were adopted by the Annual General Meeting held on 23 May 2024.

The guidelines do not cover remuneration decided on by the Annual General Meeting, such as programmes for long-term variable remuneration.

Remuneration principles

The remuneration plus other terms of employment for the CEO and senior executives must be sufficiently competitive that Nordic Paper can attract, employ and retain competent executive management, which is essential for successful implementation of the company’s business strategy and for safeguarding Nordic Paper’s long-term interests, including its sustainability.

The total remuneration must also be market-based and give senior executives joint responsibility for and ownership of the company’s overall results, which are aligned with the shareholders’ interests.

Total remuneration

The total remuneration to the CEO and senior executives must be competitive in the market in the country where the person is located. The total remuneration consists of a fixed cash salary, variable cash remuneration as part of incentive schemes, pension benefits and other benefits. In addition, and independently of these guidelines, the Annual General Meeting may decide on, for example, share or share price-related remuneration and other forms of remuneration without restrictions.

Fixed cash salary

The fixed cash salary for the CEO and senior executives is to be reviewed each year. When determining and reviewing fixed cash salaries, the total remuneration – including pension – and information concerning local market salaries, mainly for a relevant comparison group of companies, will be taken into account. Salary increases (expressed as a percentage of existing fixed cash salary) are usually to be based on external market practice, other employees in relevant markets and positions, and individual performance.

Variable cash remuneration

Variable cash remuneration, as part of annual incentive schemes, must be linked to predetermined and measurable criteria related to the company, designed to create value for the company and strengthen links between performance targets achieved and rewards.

The criteria for incentive schemes are decided on annually by the Board and designed so that they promote the company’s business strategy and long-term interests, including its sustainability, by, for example, having a clear connection to the business strategy or promoting the person’s long-term development.

The extent to which the criteria for allocating variable cash remuneration have been met is to be measured over a period of one year and evaluated following the measurement period. Annual variable cash remuneration is to be limited and the maximum payment may not exceed 30 percent of the fixed cash salary for senior executives and 50 percent for the CEO.

The Board has the right to deny a person the right to variable cash remuneration, in whole or in part, in the event that the person has acted in violation of Nordic Paper’s Code of Conduct, to recover variable cash compensation paid to a person on incorrect grounds, such as recalculation of financial results due to incorrect

financial reporting, non-compliance with financial reporting requirements etc.

Pensions and other benefits

Nordic Paper is aiming to gradually move towards defined-contribution pension solutions, meaning that Nordic Paper would pay premiums corresponding to a specific percentage of the employee’s salary. Pension benefits will be defined-contribution and entitle the individual to a pension from the age of 65, unless the individual is covered by a defined-benefit pension plan in accordance with mandatory collective agreement provisions or mandatory local regulations.

The CEO has a defined-contribution pension plan with a premium limited to 40 percent of annual fixed base salary. Variable cash remuneration will not form a basis for pension benefits, except where this follows from the provisions of a general pension plan (such as the Swedish ITP plan). Other benefits may include, among other things, life insurance, health insurance and car benefits. Such benefits are maximised at 15 percent of annual fixed cash salary.

Conditions for termination of employment

The period of notice for the CEO and other senior executives is six (6) months if employment is terminated by the company and six (6) months if employment is terminated by the employee. In addition, severance pay of a maximum of twelve (12) months’ fixed cash salary may be paid to the CEO and a maximum of six (6) months’ salary to senior executives if the employment ends at the company’s request.

The company’s CEO and senior executives are to be covered by a non-compete clause that is legally binding for six (6) months following termination of employment, as well as a ban on recruiting relevant parties during this period. The company may



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unilaterally waive the non-compete clause at its own discretion. In compensation for the non-compete clause the CEO will be entitled to remuneration at 60 percent of the monthly remuneration (calculated on fixed cash salary and variable salary) and senior executives at 75 percent (calculated on fixed cash salary).

Board member remuneration in addition to board fees

Board members elected at the Annual General Meeting may in certain cases receive a fee for services performed within their respective areas of expertise, but beyond their board duties. Compensation for these services is to be paid on market terms and approved by the Board.

The decision-making process

The Board has appointed a Remuneration Committee. The committee prepares the Board's proposals for guidelines on remuneration and other terms of employment for the CEO and senior executives.

The committee also monitors and evaluates programmes for variable remuneration paid to executive management, the application of guidelines for remuneration, current remuneration structures and remuneration levels within the company. The Board is to prepare proposals for new guidelines at least every four years and submit the proposal for resolution at the Annual General Meeting. The guidelines apply until new guidelines have been adopted by the Annual General Meeting.

The Remuneration Committee is also to prepare for the Board's decision to publish and present an annual remuneration report for approval by the Annual General Meeting.

The members of the Remuneration Committee are independent in relation to the company and executive management. The CEO or other members of executive management are not present when the Board considers or makes decisions on

remuneration-related matters insofar as they are affected by the matters.

Deviations from the guidelines

The Board of Nordic Paper AB considers it its responsibility to apply discretion and make well-founded assessments regarding individual remuneration packages or salary levels that may deviate from time to time either above or below the established salary strategy, in whole or in part, if there are specific reasons for deviation in an individual case and a deviation is necessary to meet the company's long-term interests, including its sustainability, or to ensure the company's financial viability, and may be based on such factors as:

- Individual performance and potential in relation to the market
- Long-term succession planning and strategic talent supply
- Business conditions in the industry or the market in general, as well as commercial or regulatory requirements within the senior executive's area of responsibility
- Circumstances where people are asked to assume a new role, or take responsibility for specific projects or strategic initiatives

Salary and employment terms for employees

In preparing the Board's proposal for these remuneration guidelines, salaries and employment terms for the company's employees in Sweden are taken into account in that information on employees' total income, remuneration components and the remuneration increase over time have formed part of the Remuneration Committee's and Board's decision basis in the evaluation of the guidelines' sustainability and the restrictions arising from them.



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Board of Directors

from 13 Jan 2025



From the left: Riccardo Franchi, Alexandre Mignotte, Russell Wanke, Christer Simrén, Per Gustafsson, Omar Hoek, Tim Stubbs, Tom Rød, Ricardo Mateiro

Tim Stubbs
Chair of the Board since 2025.
Born: 1967
Education: Bachelor of Arts in Metallurgy and Science of Materials, Oxford University. Master of Business Administration, London Business School.
Background: Former Partner, Head of Global Operations, Sun Capital Partners. Prior to this, President & CEO, Sapa Group (SEK 70bn global aluminium products company now part of Norsk Hydro).
Other current positions: Chair of Vita Group. Various advisory roles to Coveris (European flexible packaging), ESIM Chemicals (Austrian specialist CDMO), K3 Capital Group (UK professional services group), MegaGroup (European specialist distributor of water solutions).
Independent in relation to the company/major shareholders: Yes/No
Shareholding: –

Riccardo Franchi
Board member since 2025, member of the Audit Committee.
Born: 1990
Education: Master of Engineering in Mechanical Engineering, Queen Mary University of London.

Background: Member of the European Investment Team at Strategic Value Partners. Prior to Strategic Value Partners, Vice President in the Investment Banking division of J.P. Morgan.
Other current positions: –
Independent in relation to the company/major shareholders: Yes/No
Shareholding: –

Omar Hoek
Board member since 2025.
Born: 1969
Education: Bachelor in Business Administration (OUBS).
Background: Executive management positions, previously Business Unit Leader Paper Laminates at Avery Dennison 1993–2010, Divisional President Specialties & R&D at Ahlstrom 2011–2020, CEO and COO of MATIV (SWM + Neenah Paper) 2020–2023.
Other current positions: CEO of Vita Group since 2023, board member at Europur, member of Advisory Board at Anabio.
Independent in relation to the company/major shareholders: Yes/No
Shareholding: –

Ricardo Mateiro
Board member since 2025, member of the Remuneration Committee.
Born: 1984
Education: Master of Business Administration, Northwestern University's Kellogg School of Management. BA Business, Universidade Tecnica de Lisboa.
Background: Managing Director and member of the European Operating Team at Strategic Value Partners. Prior to Strategic Value Partners, Executive Vice President at the Kuwait Investment Office in London, the direct investment arm of the Kuwait Investment Authority. Previous roles at Bain & Company and Portugal Telecom.
Other current positions: Board member at APCOA.
Independent in relation to the company/major shareholders: Yes/No
Shareholding: –

Alexandre Mignotte
Board member since 2025, member of the Audit Committee and Remuneration Committee.
Born: 1982
Education: Master of Arts in Management, ESSEC Business School.

Background: Managing Director and member of the European Investment Team at Strategic Value Partners. Prior to Strategic Value Partners, Managing Director in the Alternative Investments division of Goldman Sachs.
Other current positions: Board member at APCOA and Vita Group.
Independent in relation to the company/major shareholders: Yes/No
Shareholding: –

Christer Simrén
Board member since 2025, chair of the Audit Committee.
Born: 1961
Education: Doctor of Philosophy in Industrial Management and Economics, Chalmers University of Technology. Master of Science in Electrical Engineering and Computer Science, Chalmers University of Technology. Bachelor of Science in Business Administration and Economics, University of Gothenburg.
Background: Several senior positions for more than 20 years in the pulp and paper industry. Former CEO of CellMark, CEO of Korsnäs, COO of Billerud and CEO of Wermland Paper.

Other current positions: Chair of Cellcomb AB. Board member at CellMark International. Member of the Royal Swedish Academy of Engineering Sciences (IVA)
Independent in relation to the company/major shareholders: Yes/Yes
Shareholding: –

Russell Wanke
Board member since 2025, member of the Remuneration Committee.
Born: 1961
Education: Bachelor of Science in Paper Science & Engineering, University of Wisconsin.
Background: 40 years' experience in the pulp and paper industry. Various senior management roles within Consolidated Papers, Stora Enso and NewPage. General manager of specialty paper producer Thilmany Papers 2008–2013. CEO Expera Specialty Solutions 2013–2018 and served on senior executive team at Ahlstrom-Munksjo after acquisition of Expera Specialty Solutions.
Other current positions: –
Independent in relation to the company/major shareholders: Yes/Yes
Shareholding: –

Per Gustafsson
Board member since 2013. Employee representative for Pappers Bäckhammar.
Born: 1959
Other current positions: –
Shareholding: 1

Tom Rød
Board member since 2022. Employee representative for GAF Greåker.
Born: 1966
Other current positions: –
Shareholding: –

Deputies

Nicklas Backelin
Deputy board member since 2013. Employee representative for Unionen Ämotfors.
Born: 1974
Other current positions: –
Shareholding: –

Lotta Kullander
Deputy board member since 2022. Employee representative for Unionen Säffle.
Born: 1959
Other current positions: –
Shareholding: –



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From the left: Niclas Eriksson, David Högström, Linda Nordqvist, Christian Persson, Henrik Essén, Anita Sjölander, Daniel Lindkvist, Markus Larin Rosendahl, Peter Warren¹.

Anita Sjölander
Chief Executive Officer since 2019, member of executive management since 2018.
Born: 1965
Education: Master of Science in Chemical Engineering, Chalmers University of Technology, Gothenburg.
Background: Mill manager, Gruvön Mill, BillerudKorsnäs.
Other current positions: Board member of Swedish Forest Industries Federation.
Shareholding: 19,000

David Högström
Director of Supply Chain & IT since 2023.
Born: 1979
Education: Courses in systems science, Karlstad University.
Shareholding: 3,300

Niclas Eriksson
Chief Financial Officer since 2018.
Born: 1967
Education: Bachelor of Science in Business Administration and Accounting, Karlstad University.
Shareholding: –

Markus Larin Rosendahl
Director of Strategy and Business Development since 2023.
Born: 1981
Education: Master of Science in Business Administration from University of Gothenburg, School of Business, Economics & Law.
Shareholding: 5,781

Henrik Essén
Director of Sustainability and Communication since 2022, member of executive management since 2021.
Born: 1974
Education: Master of Science in Chemical Engineering, KTH Royal Institute of Technology, Stockholm.
Shareholding: 17,000

Daniel Lindkvist
Director of Human Resources since 2022.
Born: 1975
Education: Courses in business administration, HR, leadership and informatics, Karlstad University.
Shareholding: –

Linda Nordqvist
Director of Sales and Marketing since 2024, member of executive management since 2022.
Born: 1973
Education: Bachelor of Science in Business Administration, Karlstad University.
Shareholding: –

Christian Persson
Director of Operations since 2019.
Born: 1972
Education: Forest industry programme specialising in pulp and paper, Karlstad University.
Shareholding: –

¹ Peter Warren held the position of Director of Sales Natural Greaseproof until 30 November 2024.



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Consolidated income statement

SEK m	Note	2024	2023
Net sales	5, 6	4,668	4,472
Other operating income	7	27	36
Raw materials, energy and consumables		-2,299	-2,151
Change in inventories of work-in-progress and finished goods		29	28
Other external costs	8	-945	-925
Personnel costs	9, 10	-665	-602
Other operating expenses	11	-10	-83
EBITDA		806	775
Depreciation/amortisation	12	-152	-152
Operating profit		654	623
Financial income and expense, net	13	-56	-87
Profit before tax		598	536
Income tax	14	-132	-120
Net profit for the year		465	416
Net profit for the year attributable to:			
Owners of the parent		465	416
Earnings per share before and after dilution, SEK	15	6.96	6.22

*) Net sales consist, in their entirety, of the sale of goods.

Consolidated statement of comprehensive income

SEK m	Note	2024	2023
Net profit for the year		465	416
Other comprehensive income			
Items that have been or may be reclassified to profit or loss			
Changes in the fair value of cash flow hedges	24	-50	71
Translation differences on translation of foreign operations	24	1	-11
Tax attributable to items that have been or may be reclassified to profit or loss		10	-15
Total		-39	45
Items that will not be reclassified to profit or loss			
Remeasurement of pension plan		12	2
Tax attributable to items that will not be reclassified to profit or loss	14	-3	0
Total		10	2
Other comprehensive income for the year		-29	47
Comprehensive income for the year		436	464
Comprehensive income for the year attributable to:			
Owners of the parent		436	464



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Consolidated balance sheet

SEK m	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Brands	16	34	33
Customer relationships	16	165	187
Goodwill	16	737	734
Other intangible assets	16	32	24
Buildings and land	17	36	29
Plant and machinery	17	613	547
Equipment, tools and installations	17	13	6
Work in progress	17	550	315
Right-of-use assets	18	39	23
Shares in associated companies	19, 32	–	15
Deferred tax assets	14	11	3
Other financial assets	19	104	10
Total non-current assets		2,244	1,927
Current assets			
Inventories	20	739	661
Accounts receivable	4	618	496
Other receivables	22	114	187
Derivatives	21	2	44
Prepaid expenses and accrued income	23	22	26
Cash and cash equivalents	34	398	496
Total current assets		1,893	1,910
TOTAL ASSETS		4,137	3,837

SEK m	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	24		
Share capital		19	19
Reserves		-18	20
Retained earnings including net profit for the year		1,361	1,154
Equity attributable to owners of the parent		1,362	1,193
Non-current liabilities			
Liabilities to credit institutions	26, 30	–	950
Long-term lease liabilities	18, 21	26	13
Obligations relating to employee benefits	10	4	14
Deferred tax liabilities	14	240	229
Provisions	21	98	112
Total non-current liabilities		368	1,319
Current liabilities			
Liabilities to credit institutions		1,550	–
Factoring loan	26, 30	–	260
Accounts payable	21	443	569
Current tax liability	14	3	75
Current lease liabilities	18, 26	14	10
Derivatives	21	18	22
Other liabilities	28	11	14
Accrued expenses and deferred income	29	367	375
Total current liabilities		2,407	1,325
TOTAL EQUITY AND LIABILITIES		4,137	3,837



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Consolidated statement of changes in equity

Equity attributable to owners of the parent						
SEK m	Share capital	Reserves Translation reserve	Reserves: Hedging reserve	Other paid-in capital	Retained earn- ings including profit for the year	Total
Equity 1 January 2023	19	5	-28	1	1,045	1,041
Net profit for the year					416	416
Other comprehensive income for the year		-11	56	–	2	47
Comprehensive income for the year		-11	56	–	418	464
Transactions with owners of the parent						
Issue of warrants in conjunction with incentive programmes				0	–	0
Dividend					-311	-311
Total transactions with owners	–	–	–	–	-311	-311
Equity 31 December 2023	19	-8	29	1	1,154	1,193
Equity 1 January 2024	19	-8	29	1	1,154	1,193
Net profit for the year					465	465
Other comprehensive income for the year		1	-40	–	10	-29
Comprehensive income for the year		1	-40	–	475	436
Transactions with owners of the parent						
Dividend					-268	-268
Total transactions with owners	–	–	–	–	-268	-268
Equity 31 December 2024	19	-7	-11	1	1,361	1,362

See also Note 24



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Consolidated statement of cash flows

SEK m	Note	2024	2023
Operating activities			
Operating profit		654	623
Interest received		7	13
Interest paid		-61	-74
Adjustments for non-cash items	34	133	136
Paid income tax		-196	-72
Cash flow from operating activities before changes in working capital		537	626
Cash flow from changes in working capital			
Change in inventories		-81	-49
Change in accounts receivable		-122	273
Change in current receivables		70	-104
Change in accounts payable		-60	69
Change in current liabilities		-11	-51
Cash flow from operating activities		333	765
Investing activities			
Acquisition of property, plant and equipment	17	-502	-208
Acquisition of associated companies	32	-2	-15
Cash flow from investing activities		-504	-223

SEK m	Note	2024	2023
Financing activities			
Borrowing	34	600	–
Repayment of lease liabilities	34	-13	-11
Net change in factoring loan	34	-260	-24
Dividend paid	24	-268	-311
Cash flow from financing activities		60	-346
Cash flow for the year		-111	196
Cash and cash equivalents at beginning of year	34	496	325
Exchange rate difference in cash and cash equivalents		12	-25
Cash and cash equivalents at end of year		398	496



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Parent Company income statement

SEK m	Note	2024	2023
Net sales	6	67	62
Other operating income	7	0	0
Other external costs	8	-88	-78
Personnel costs	9, 10	-16	-14
Other operating expenses	11	-18	-54
Operating profit		-55	-83
Financial income and expense, net	13	-59	-20
Profit after financial items		-113	-103
Year-end appropriations	35	507	524
Profit before tax		394	420
Tax on profit for the year	14	-87	-91
Profit for the year and total comprehensive income		307	329



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Parent Company balance sheet

SEK m	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Participations in group companies	32	1,165	1,165
Receivables from group companies	32, 33	210	273
Other financial assets	19, 32	4	15
Deferred tax assets	14	4	1
Total non-current assets		1,383	1,453
Current assets			
Receivables from group companies	33	551	572
Other receivables	22	30	53
Prepaid expenses and accrued income	23	9	9
Cash and bank balances		1,062	318
Total current assets		1,652	953
TOTAL ASSETS		3,035	2,406

SEK m	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity	24		
Restricted equity		19	19
Share capital		19	19
Total share capital		19	19
Non-restricted equity			
Retained earnings		507	446
Net profit for the year		307	329
Total non-restricted equity		814	775
Total equity		833	794
Untaxed reserves	35	599	557
Non-current liabilities			
Liabilities to credit institutions	26	–	950
Total non-current liabilities		–	950
Current liabilities	4		
Liabilities to credit institutions		1,550	–
Liabilities to Group companies	33	0	1
Accounts payable	21	2	5
Derivatives	21	18	22
Other liabilities	28	1	1
Current tax liability	14	3	72
Accrued expenses and deferred income	29	30	4
Total current liabilities		1,604	106
TOTAL EQUITY AND LIABILITIES		3,035	2,406



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Parent Company statement of changes in equity

	Restricted equity		Non-restricted equity		
SEK m	Share capital	Issue in respect of incentive programmes	Retained earnings	Net profit for the year	Total
Equity 1 January 2023	19	1	361	396	776
Appropriation of profit			396	-396	–
Profit for the year and total comprehensive income		–	–	329	329
Issue of warrants in conjunction with incentive programmes		0	–	–	0
Transactions with owners					
Dividend		–	-311	–	-311
Equity 31 December 2023	19	1	446	329	794
Equity 1 January 2024	19	1	446	329	794
Appropriation of profit			329	-329	–
Profit for the year and total comprehensive income				307	307
Issue of warrants in conjunction with incentive programmes		–	–	–	–
Transactions with owners					
Dividend		–	-268	–	-268
Equity 31 December 2024	19	1	507	307	833



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Parent company statement of cash flows

SEK m	Note	2024	2023
Operating activities			
Operating profit		-55	-83
Interest received		30	30
Interest paid		-71	-67
Adjustments for non-cash items	34	-5	18
Paid income tax		-159	-58
Cash flow from operating activities before changes in working capital		-260	-161
Cash flow from changes in working capital			
Change in current receivables		21	-53
Change in current liabilities		16	-43
		37	-96
Cash flow from operating activities		-223	-257

SEK m	Note	2024	2023
Investing activities			
Acquisition of associated companies	32	-2	-15
Change in non-current receivables		63	72
Cash flow from investing activities		61	57
Financing activities			
Issue of warrants in conjunction with incentive programmes		-	0
Proceeds from borrowings	34	600	-
Group contributions received		572	720
Dividend paid		-267	-311
Cash flow from financing activities		905	409
Cash flow for the year		743	209
Cash and cash equivalents at beginning of year	34	318	109
Cash and cash equivalents at end of year		1,061	318



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Note 1 Information on the parent company

Nordic Paper Holding AB (publ) with Swedish corporate registration number 556914-1913 is a Swedish-registered limited liability company and its registered office is in Karlstad, Sweden. The Parent Company's shares have been registered on NASDAQ Stockholm AB since 22 October 2020. The address of the head office is Tullhusgatan 1B, 652 09 in Karlstad.

The consolidated financial statements for 2024 consist of the Parent Company Nordic Paper Holding AB and its subsidiaries Nordic Paper Bäckhammar AB, Nordic Paper Åmotfors AB, Nordic Paper Seffle AB, Nordic Paper AS and Nordic Paper Québec Inc., collectively referred to as the Group.

Note 2 Material accounting policies

The consolidated financial statements have been prepared in accordance with IFRS accounting standards issued by the International Accounting Standards Board (IASB) as adopted by the EU, additional disclosure requirements in the Annual Accounts Act and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. Furthermore, the Swedish Sustainability and Financial Reporting Council has adopted recommendation RFR 1 Supplementary accounting rules for groups.

Information on the figures recognised in the Annual Report

All amounts are stated in millions of Swedish kronor (SEK m) unless otherwise stated. Rounding differences of SEK +/- 1 million may occur in the totals of amounts. In cases where an underlying amount is SEK 0 million after rounding, the amount is stated as 0. Amounts in parentheses refer to the corresponding period in the previous year.

New and amended standards to be applied in current and future years

No new and amended standards for 2024 or future years will significantly affect the Nordic Paper Group. In 2027, IFRS 18, Disclosures in Financial Statements, will be introduced and the analysis of its effects has not yet been completed.

Functional and reporting currency

The parent company's functional currency is Swedish kronor, which is also the reporting currency for the parent company and for the Group.

Foreign currency

Transactions in foreign currency

Exchange rate gains and losses on operating receivables and operating liabilities are recognised net as other operating income or as other operating expenses, while exchange rate gains and losses on cash and cash equivalents and loan liabilities are recognised as financial income or financial expense. In the income statement these appear as financial income and financial expense, net, with details given later in the notes.

Revenue

The Group manufactures and sells various types of paper goods. Sales are recognised as revenue when control of the goods is transferred to the customer, which normally occurs in accordance with the applicable shipping terms. Sales take place through agreements with the customer where each delivery is seen as an individual commitment. Revenue from sales is recognised based on prices in the agreement. Volume and cash discounts may occur and involve the customer receiving an agreed discount on condition that purchases up to a certain total level are made during a predetermined period, normally one year. Price reductions in the form of annual discounts to customers are calculated and reserved monthly as accrued debt (see Note 30).

Discounts are reported as a reduction in net sales. Accounts receivable are recognised when the goods have been delivered as this is the moment when the compensation becomes unconditional.

The Group does not offer any guarantees linked to the sale, apart from a guarantee regarding the agreed quality of the product. Customers' credit periods vary and average at around 48 days. However, there are no credit periods exceeding one year, which is why no significant financing component is deemed to exist at the time of sale.

The Group has certain expenses for obtaining customer agreements, such as commissions paid to agents. For these, the relief rule in IFRS 15 is applied, which means that they are expensed as they arise.

Earnings per share

Earnings per share before dilution is calculated by dividing the net profit for the year attributable to the parent company's shareholders by the weighted average number of outstanding shares for the year.

Earnings per share after dilution is calculated by dividing net profit attributable to owners of the parent company – adjusted where applicable – by the sum of the weighted average number of ordinary shares and potential ordinary shares that may give rise to a dilutive effect. In 2022 a warrant programme was implemented, generating a potential dilutive effect of around 0.7 percent. In 2023 a further incentive scheme was implemented, with a potential dilutive effect of 0.43 percent.

Financial instruments

Financial instruments recognised in the balance sheet on the asset side include cash and cash equivalents, accounts receivable, accrued income, part of other receivables, and derivatives. The liability side includes non-current liabilities to credit institutions, a factoring loan, liabilities to Group companies, accounts payable, liabilities to associated companies, part of other current liabilities and accrued expenses, and derivatives.

All items except derivatives are recognised at amortised cost.

Derivatives are recognised at fair value. Derivatives that the Group does not manage within the framework of hedge accounting are recognised at fair value through profit or loss, which is the case for a currency swap hedging an internal loan to the Canadian subsidiary. In 2024 this currency swap expired and was not remaining at the end of the year.



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Note 2

Hedge accounting is described in more detail below.

Accounts receivable

In 2024 the factoring agreement with the credit institution was terminated and as of 31 December 2024 the accounts receivable balance sheet item only consisted of outstanding unpaid accounts receivable. In 2023 the carrying amount for accounts receivable included receivables covered by a factoring agreement. Under the agreement, in 2023 the Group transferred receivables to a factoring company in exchange for cash, and the receivables could not therefore be sold or pledged.

The Group did not sell its accounts receivable to the factoring company but retained the credit risk and late payment risk. The Group therefore reported the transferred assets in full in the balance sheet.

The amount received through the factoring agreement was reported as short-term borrowing against security.

Currency derivatives and hedge accounting

Derivatives are recognised in the balance sheet on the business day and are measured at fair value, both initially and in connection with subsequent remeasurement at the end of each reporting period. The method for reporting the gain or loss arising upon remeasurement depends on whether the derivative has been identified as a hedging instrument, and, if so, the nature of the item being hedged.

The Group identifies certain derivatives as hedging of certain risks attributable to cash flow from highly probable forecast transactions (cash flow hedging). When the transaction is entered into, the Group documents the relationship between the hedging instrument and the items for which future cash flows are hedged, as well as the Group's goals for risk management and the risk management strategy regarding hedging.

The Group also documents its assessment, both when the hedge is entered into and continuously, of whether the derivative instruments used in hedging transactions have been and will continue to be effective in mitigating changes in cash flows attributable to the hedged items.

Information on the fair value of various derivative instruments used for hedging purposes can be found in Note 4. Changes in the hedge reserve in equity are presented in Note 24. The entire fair value of a derivative that constitutes a hedging instrument is classified as a non-current asset or non-current liability when the remaining term of the hedged item is longer than 12 months. Hedging instruments are classified as current assets or current liabilities if the term is shorter than 12 months. The Group does not use currency derivatives that have a maturity longer than 12 months.

Transaction exposure – cash flow hedging

Currency exposure regarding future forecast flows is hedged through currency futures. The futures contracts that protect the forecast flows are

recognised in the balance sheet at fair value. The effective portion of fair value changes in the futures contract is recognised in other comprehensive income and accumulated in equity for as long as the hedge is effective. The ineffective portion of the change in value is recognised immediately in the income statement (profit) and other operating expenses (loss), respectively. If the hedge is not effective or if the hedged forecast transaction is no longer expected to occur, cumulative gains or losses are recognised immediately in profit or loss.

The amount recognised in equity through other comprehensive income is returned to profit for the year for the same period that the hedged item affects the profit for the year and is recognised in other operating income or other operating expenses. When a hedging instrument matures, is sold, settled or redeemed, or the company designates the hedging relationship before the hedged transaction has occurred and the forecast transaction is still expected to occur, the recognised cumulative gain or loss in the hedging reserve remains in equity and is recognised as above when the transaction occurs.

Ineffectiveness in hedge accounting

The effectiveness of a hedge is evaluated when the hedging relationship is entered into. The hedged item and the hedging instrument are evaluated on an ongoing basis to ensure that the relationship meets requirements. When the Group hedges the sale of foreign currency, hedging relationships are entered into where critical terms in the hedging instrument match the terms of the hedged item exactly. In this way, a qualitative evaluation of the effectiveness of the relationship is made. When hedging sales of foreign currency, ineffectiveness can arise if the date of the forecast transaction changes compared to the initial estimate.

Intangible assets

Goodwill

Refers to the difference between the cost of business combinations and the fair value of acquired assets, assumed liabilities and contingent liabilities. Goodwill is measured at cost less any accumulated impairments and is distributed to cash-generating units.

Customer relationships

Amortisation is applied on a straight-line basis over the useful life, which is estimated at 10 years. Customer relationships have been acquired through business combinations and are recognised at fair value on the acquisition date.

Brands

The useful life is indefinite and brands are therefore not amortised. The brands have been acquired through business combinations and are recognised at fair value on the acquisition date.

Other intangible assets

Other intangible assets acquired by the Group consist of software and are recognised at cost. Amortisation is applied on a straight-line basis and the useful life is estimated at five years.

Amortisation principles

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of the intangible assets, unless such useful lives are indefinite. Intangible assets with finite useful lives are amortised from the date they are available for use.

Property, plant and equipment

Depreciation principles

Depreciation is applied on a straight-line basis over the asset's estimated useful life.

Estimated useful lives are:	
• Buildings	20–50 years
• Land improvements	20 years
• Plant and machinery	5–20 years
• Equipment, tools and installations	3–10 years

Borrowing costs

Borrowing costs that are attributable to the construction of so-called qualifying assets are capitalized as part of the qualifying asset's acquisition value. A qualifying asset is an asset that necessarily takes a significant amount of time to complete. Primarily, borrowing costs incurred on loans that are specific to the qualifying asset are capitalised. Secondly, borrowing costs incurred on general loans that are not specific to any other qualifying asset are capitalised. Capitalisation of borrowing costs is primarily relevant for the Group when constructing warehouse and production buildings under its own management.

Leases

The Group's leases are mainly for office premises, company cars, work vehicles and machinery. Leases normally have a fixed term of three to six years, but there may be an option to extend as described below.

Leases are recognised as right-of-use assets and a corresponding liability is recognised on the date the asset is available for use by the Group.

Assets and liabilities arising from leases are initially recognised at present value. Lease liabilities include the present value of fixed payments and/or variable lease payments that are dependent on an index or an interest rate. Payments are discounted at the incremental borrowing rate.

Right-of-use assets are measured at cost and include the initial measurement of the lease liability and payments made at or before



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the date when the leased asset was made available. The main payment attributable to leases in financing activities is recognised in cash flow as an outflow for amortisation of lease liabilities. The interest component is recognised in operating activities and is included in the item interest paid.

Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated according to the so-called first-in first-out principle and includes expenses incurred in acquiring the inventory assets and bringing them to their current location and condition.

Employee benefits

Pensions

The Group has both defined-contribution and defined-benefit pension plans. A portion of the pension plans in Sweden are financed through insurance premiums to Alecta. This arrangement constitutes a defined-benefit plan that includes several employers. Alecta is currently unable to provide the information required to report the plan as a defined-benefit plan. As a consequence, this plan is recognised as a defined-contribution plan.

The defined-benefit pension plan that is recognised in the balance sheet as a liability relates to Nordic Paper Québec Inc. The liability recognised is measured annually by independent actuaries. The Group's net obligation consists of the present value of the obligation, minus the fair value of the managed assets adjusted for any asset restrictions.

Remeasurement effects consist of actuarial gains and losses, the difference between the actual return on managed assets and the amount included in net interest, and any changes in the effects of asset restrictions (excluding interest included in net interest). The remeasurement effects are recognised in other comprehensive income.

The net interest expense/income on the defined-benefit obligation/asset is recognised in the income statement under net financial items. The net interest is based on the interest rate that arises from discounting the net obligation, i.e. interest on the obligation, managed assets and interest on the effect of any asset restrictions. Other components are recognised in operating profit.

Share-based payment

Incentive schemes in the form of shares are recognised as share-based payment and settled using equity instruments in accordance with IFRS 2. Warrants are purchased at fair value. No cost is recognised for this at the time of purchase. The company is partly subsidising the participants' acquisitions of warrants. The subsidy is paid out at the end of the programme. The vesting period for current programmes is three years, and the cost in the form of payroll overheads is distributed over the vesting

period (see Note 9). The provision arising is remeasured at each reporting date in order to correspond to the estimated overheads that are to be paid at the end of the vesting period. In connection with the change in ownership of the Nordic Paper Group all outstanding warrants belonging to senior executives were acquired by Coniferous Bidco AB.

Parent company accounting principles

The parent company has prepared its Annual Report in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities, and the statements issued relating to listed companies are applied.

The differences between the group's and the parent company's accounting principles are set out below and are due to limitations in the possibilities of applying IFRS for the parent company as a result of the Swedish Annual Accounts Act. The accounting principles for the parent company set out below have been applied consistently to all periods presented in the parent company's financial statements, unless otherwise stated.

Leased assets

The parent company has chosen not to apply IFRS 16 Leases, but has instead chosen to apply RFR 2, IFRS 16 Leases, sections 2–12. This choice means that no right-of-use asset or lease liability is recognised in the balance sheet. Instead, lease payments are expensed on a straight-line basis over the term of the lease. The parent company's leases are not material in the aggregate.

Participations in Group companies

The Parent Company recognises its participations in subsidiaries are recognised applying the cost method. This means that transaction expenses are included in the carrying amount for holdings in subsidiaries.

Untaxed reserves

Unlike for the Group, the parent company's untaxed reserves are recognised in the balance sheet without a breakdown by equity and deferred tax liability. In the income statement, the Parent Company makes no corresponding allocation of components of appropriations to deferred tax expense.

Group contributions

Group contributions that the parent company has provided or received from a subsidiary are recognised as year-end appropriations in accordance with the alternative rule in RFR 2. Shareholder contributions

provided are recognised as an increase in the item participations in Group companies. At the same time, an assessment is made of whether it is necessary to apply the cost method. This follows normal rules for measurement of an asset item. Shareholder contributions received are recognised directly in non-restricted equity.

Financial instruments

The parent company does not apply IFRS 9 but instead applies the items specified in RFR 2 (IFRS 9 Financial Instruments, items 3–10).

These mean that financial instruments are measured initially at cost. In subsequent periods, financial assets acquired with the intention of being held short-term are recognised at cost or market value, whichever is lower, according to the lower of cost or market (LCM) principle.

Note 3 Assessments and estimates

Preparing the financial statements in accordance with IFRS requires management to make assessments and estimates that affect the application of accounting principles and the recognised amounts of assets, liabilities, income and expenses. Actual outcomes may differ from these estimates.

With regard to IAS 1.125, management has not identified any items where there is a significant risk of material adjustment of the carrying amounts of assets and liabilities in future financial years.



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Note 4 Financial risk management

Through its operations, the Group is exposed to a variety of financial risks related to accounts receivable, accounts payable, loans and derivative instruments: market risk (mainly interest rate risk and currency risk), credit risk, liquidity risk and refinancing risk.

The group strives to limit potential adverse effects of financial risk on the group's financial results. The objective of the Group's financing activities is to ensure that the Group can meet its payment commitments, manage financial risks, ensure access to financing and limit volatility in cash flows and revenues.

Financial and risk management is handled by the finance department in accordance with the principles approved by the Board, in order to leverage economies of scale and synergy effects, and to minimise management risks. The finance department is responsible for the Group's loan financing and currency and interest rate risk management, and acts as an internal bank for the Group companies' financial transactions.

The finance department identifies, evaluates and hedges financial risks. The Board establishes written principles both for overall risk management and for specific areas, such as currency and credit risk and the use of derivative instruments. The Group uses derivative instruments to hedge certain risk exposure related to cash flow risk in currency transactions. By using hedge accounting, the hedging instrument's change in value recognised in the income statement is matched to the corresponding change in value of the underlying currency-exposed item.

Credit risk

Credit risk arises through holdings in cash and cash equivalents, positive market value of derivatives and customer credit exposure, including outstanding receivables. Credit risk is the risk that the Group's counterparty in a financial instrument will not be able to meet its obligation, thereby causing the Group a financial loss. The Group has no significant concentrations of credit risk.

(i) Risk management

Credit risk is managed at group level. Only banks and credit institutions that have received a credit rating of at least A+ from an independent rating agency are accepted. Counterparties in derivative contracts and cash transactions are limited to financial institutions with high credit ratings. To manage financial credit risk, the group has entered into netting agreements with banks, which limit credit exposure associated with derivatives. The credit quality of the derivative assets is assessed by reference to external credit ratings (S&P).

Credit risk in cash and cash equivalents and derivatives		
%	31 Dec 2024	31 Dec 2023
Cash and cash equivalents		
AA-	100	100
Total	100	100
Derivative instruments		
AA-	100	100
Total	100	100

The group has established guidelines to ensure that products are sold to customers with suitable credit backgrounds, taking into account the customer's financial position, historical experience and other factors. To minimise the risk in exposure to customers, the group applies credit insurance for customers where possible. The insurance company used for credit insurance has a credit rating of AA.

(ii) Collateral

Customers are credit-insured on an ongoing basis and only a small portion of accounts receivable includes customers who currently do not have credit insurance. For accounts receivable where credit insurance is not in place, alternatives such as advance payment or a letter of credit (LC) are widely used to guarantee payment.

(iii) Impairment of financial assets

The Group's accounts receivable are within the scope of the model for expected credit losses. Cash and cash equivalents are also within the scope of impairment in accordance with IFRS 9; however, the impairment that could arise is deemed immaterial. The scope of application also includes accrued income.

Accounts receivable

The Group uses a model involving stages to estimate expected credit losses. The percentage of credit loss on accounts receivable from external customers is estimated with deductions made for any advance payments from customers as well as receivables where payment was made in the first few days of a new month. The stages are shown in the table below and are used in assessing accounts receivable credit loss.

To calculate expected credit losses, accounts receivable have been grouped based on number of days overdue. The percentages used in assessing credit losses are based on historical data for the 24 months prior to 31 December 2024 and 31 December 2023, and taking into account the loss history.

The assessment also takes into account current and forward-looking information about market factors that may affect customers' ability to pay the receivable.

Accounts receivable amounted to SEK 618 (496) million at the end of December 2024. On average, accounts receivable amounted to SEK 557 (633) million in 2024. In 2024 the Group had SEK 63,000 in confirmed customer losses.

Age analysis for accounts receivable, Group

SEK m	31 Dec 2024				31 Dec 2023			
	Gross	Credit loss provision, %	Credit loss provision	Net	Gross	Credit loss provision, %	Credit loss provision	Net
Accounts receivable, not impaired	59	–	–	59	0	–	–	0
Non-overdue accounts receivable	524	0.5	-3	521	437	0.5	-2	435
Overdue accounts receivable 0–30 days	38	5	-2	36	59	5	-3	56
Overdue accounts receivable 30–60 days	2	10	0	2	5	10	-1	5
Overdue accounts receivable >60 days	3	100	-3	0	2	100	-2	0
Total	626		-7	618	504		-8	496



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The change in the loss provision over the financial year is specified below.

Change in loss provision for accounts receivable		
SEK m	31 Dec 2024	31 Dec 2023
Opening balance	-8	-9
Reversal of previously made provisions	8	9
Increase/decrease in the loss provision, change recognised in the income statement	-7	-8
As of 31 December	-7	-8

Market risk

(i) Currency risk

The Group operates internationally and is exposed to currency risk that arises from various currency exposures, primarily with regard to the euro (EUR), British pound (GBP), US dollar (USD) and Norwegian kroner (NOK). Currency risk arises from payment flows in foreign currencies, so-called transaction exposure, and from the translation of balance sheet items into foreign currencies, which primarily comprises of transactions in the currencies EUR, GBP and USD. Currency risk also arises when translating foreign subsidiaries' income statements and balance sheets into the Group's reporting currency of Swedish kronor (SEK), known as translation exposure, since the Group has a Norwegian subsidiary and a Canadian subsidiary.

Cash flow relating to intra-group loans in CAD to the Canadian subsidiary have been hedged using a currency swap. The currency swap expired in autumn 2024 and was settled in 2024.

Impact of hedge accounting on the Group's financial position and earnings

Nordic Paper's main transaction exposure involves EUR, GBP and USD. The Group hedges net exposure to the currency flows, largely when the sales revenues in the respective currency exceed the purchasing flows. To minimise the currency risk in sales revenues, currency hedges are made in the currencies where the net exposure is material, which is currently EUR, GBP and USD. Exposure to USD has decreased and there are currently only hedges in place for the coming six months. The effects of hedge accounting of the impact of currency risk on the group's financial position and earnings are shown below.

The impact of hedge accounting on the Group's financial position

31 Dec 2024					
SEK m	Nominal amount of currency futures on the balance sheet date, USD m	Nominal amount of currency futures on the balance sheet date, EUR m	Nominal amount of currency futures on the balance sheet date, GBP m	Recognised fair value SEK m	Balance sheet item that contains hedging instruments
Maturing Jan 2025–Dec 2025					
Receivable: Currency futures, hedging instruments for cash flow hedging	-	15	0	2	Current asset: Derivatives
Liability: Currency futures, hedging instruments for cash flow hedging	1	78	12	18	Current liability: Derivatives
31 December 2023					
Matured Jan 2024–Dec 2024					
Receivable: Currency futures, hedging instruments for cash flow hedging	12	64	6	44	Current asset: Derivatives
Liability: Currency futures, hedging instruments for cash flow hedging	2	29	6	4	Current liability: Derivatives

The change in value of the hedging instrument (forward exchange contract), which is reported under derivative instruments among current liabilities, was SEK -18 (-4) million at year-end. The change in value of hedging instruments (the futures contract) which is reported under derivative instruments among current assets was MSEK 2 (44) million at year-end.

The change in value of the hedged highly-probable future transactions (the hedged items) is balanced out by changes in the value of the futures contracts (hedging instruments).

All derivative instruments used for hedge accounting (not currency swaps in CAD) are classified as current assets and current liabilities as of 31 December 2024 and 31 December 2023, as the hedged transactions are expected to occur within 12 months. No ineffectiveness has been recognised in the income statement in either 2024 or 2023.

The weighted average for futures prices is as follows:



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Weighted average for futures prices for outstanding hedging instruments

	31 Dec 2024			31 Dec 2023		
SEK	USD	EUR	GBP	USD	EUR	GBP
Current receivable						
Weighted average price for outstanding futures	—	11.58	13.76	10.70	11.64	13.35
Current liability						
Weighted average price for outstanding futures	9.78	11.34	13.29	9.84	11.07	12.55

Transaction exposure

The Group's foreign currency risk exposure at the end of the reporting period, expressed in millions of Swedish kronor for each currency, was as follows:

	31 Dec 2024							31 Dec 2023						
SEK m	CAD	USD	EUR	GBP	NOK	DKK	Total	CAD	USD	EUR	GBP	NOK	DKK	Total
Accounts receivable	11	172	302	31	4	—	520	11	139	246	53	6	0	455
Cash and cash equivalents	12	152	128	11	11	—	313	2	147	152	16	-14	16	318
Accounts payable	-5	-129	-87	-1	-6	0	-228	-2	-98	-178	-1	-4	0	-283
Factoring loan	—	—	—	—	—	—	—	—	-14	-159	-28	-2	-1	-204
Net exposure by currency	18	194	343	41	9	0	605	11	174	60	40	-13	15	286

Instruments used by the Group

The Group's currency exposure primarily relates to the euro (EUR), British pound (GBP) and US dollar (USD) and arises through future business transactions and when recognised assets and liabilities are expressed in a currency that is not the entity's functional currency. The Group uses currency derivatives to hedge the part of the net exposure to currency risk that arises in the subsidiaries. According to the Group's Financial

Policy, in currencies where the exposure for the year is material, the net exposure must be hedged. In 2024 this applied to EUR, GBP and USD. Exposure to USD has decreased and there are currently only hedges in place for the coming six months. These are hedged using currency derivatives at the following levels: For the upcoming six months, the estimated net exposure is hedged at between 50 percent and 75 percent, while the subsequent six months' net exposure is hedged at between 25 percent and 50 percent.

Currency hedging for the upcoming 12 months

Currency	Average forward rate	Exchange rate 31 December 2024	Nominal amount in local currency	Total SEK m	Market value SEK m	Currency hedging as a percentage of net exposure (1–6 months ahead)	Currency hedging as a percentage of net exposure (7–12 months ahead)
EUR	11.38	11.49	93	1,058	-10	67	40
USD	9.78	11.00	1	12	-1	48	—
GBP	13.30	13.85	12	160	-5	72	48
Total			106	1,230	-16		



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As stated in this section, the Group is primarily exposed to changes in the exchange rates EUR/SEK, GBP/SEK and USD/SEK. The table below shows how earnings for the full year could be affected by the stated exchange rate changes, based on transactions that occurred over the year. The amounts are stated excluding the effect of cash flow hedges and including the effect of cash flow hedges.

Sensitivity analysis of the currency's impact on earnings before and after hedging instruments 2024				
SEK m	The year's average net exposure in local currency (USD m, EUR m, GBP m)	Estimated impact on earnings in SEK m in the event of currency movements of +/-5%	The year's average net exposure taking into account outstanding hedging instruments (in USD m, EUR m, GBP m)	Estimated impact on earnings taking into account hedging instruments in SEK m in the event of currency movements of +/- 5%
USD/SEK	23	+/-13	22	+/-12
EUR/SEK	135	+/-78	42	+/-24
GBP/SEK	28	+/-19	16	+/-11

The Group's exposure to other exchange rate changes is not material in terms of transaction exposure.

Sensitivity analysis of the currency's impact on earnings before and after hedging instruments 2023				
SEK m	The year's average net exposure in local currency (USD m, EUR m, GBP m)	Estimated impact on earnings in SEK m in the event of currency movements of +/-5%	The year's average net exposure taking into account outstanding hedging instruments (in USD m, EUR m, GBP m)	Estimated impact on earnings taking into account hedging instruments in SEK m in the event of currency movements of +/- 5%
USD/SEK	22	+/-11	8	+/-4
EUR/SEK	143	+/-79	50	+/-28
GBP/SEK	21	+/-13	9	+/-6

The Group's exposure to other exchange rate changes is not material in terms of transaction exposure.

The Group's exposure to other exchange rate changes is not material in terms of transaction exposure

Translation exposure

The Group also has translation exposure that arises from the translation of foreign subsidiaries' earnings and net assets to SEK. The main translation exposure is to Norwegian kroner (NOK) and Canadian dollars (CAD).

The exposure on the balance sheet date amounts to SEK 96 (67) million relating to the Norwegian subsidiary and SEK 432 (372) million to the Canadian subsidiary. The Group does not hedge translation exposure. A change of +/-5 percent between SEK and NOK would have an impact on equity of around SEK +/-5 (+/-3) million and on profit after

tax of SEK +/-1 (+/-0) million. A change of +/-5 percent in the SEK against the CAD would have an impact on equity of around SEK +/-22 (18) million and on profit after tax of SEK +/-2 (+/-1) million.

Interest rate risk

Interest rate risk is a risk identified in the company. The company has three current loans and aims to mitigate the risk of volatility in future cash flows based on changes in market interest rates. A significant factor that affects interest rate risk is the fixed interest period. In the fourth quarter of 2024 the change-of-control provisions in the financing agreements came into play when Strategic Value Partners, LLC, through Coniferous Bidco AB, obtained a controlling interest in Nordic Paper. In

view of this, the financing is presented in the balance sheet as current liabilities as of 31 December 2024 and no available undrawn credit facilities are reported. Negotiations on new financing agreements began in the fourth quarter and were completed in January 2025. The new financing, which is effective as of February 2025, includes a loan of SEK 1.4 billion and a revolving credit facility of EUR 65 million that replace drawn and undrawn credit facilities. The new agreement includes the pledging of shares in subsidiaries and is effective until 2026. As of 31 December 2024 the Group has a short-term loan of SEK 950 million which was taken out in autumn 2020. In 2024 two short-term loans were taken out for a total of SEK 600 million. All loans carry a variable interest rate. The Group's Financial Policy allows for



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fixing the interest rate at a fixed rate. A change in the interest rate for existing loans of +/- 1 percent over the coming years would change interest expense by SEK +/- 16 (10) million.

In 2024 the past factoring loan of SEK 300 million was paid off and replaced by an increase in other credit facilities in the same amount (see above). All borrowing is currently carried out at variable interest rates and the margin varies according to the net debt/EBITDA ratio. During the year no hedging to fixed rates occurred. The Group continuously monitors the financial target of net debt/EBITDA. The goal is for net debt not to exceed 2.5 times EBITDA, but for the Group to still be able to temporarily exceed this on specific occasions, for example in connection with acquisitions. At the end of 2024 the net debt/EBITDA ratio was 1.5 (1.0).

Liquidity risk

Through responsible liquidity management, the Group ensures that sufficient cash is available to meet the needs of operating activities.

Group management monitors rolling forecasts of the Group's cash and cash equivalents based on expected cash flows.

Except for the loans mentioned, the Group has no other liabilities to credit institutions.

Maturity analysis for financial liabilities

The table below analyses the Group's financial liabilities, broken down by the time remaining on the balance sheet date until the contractual maturity date for: a) non-derivative financial liabilities and b) gross adjusted derivative instruments (forward exchange contracts). The amounts that relate to operating liabilities and that fall due within three months correspond to the carrying amount of the items, given that the discounting effect is insignificant. Future cash flows in foreign currency and variable interest rates have been calculated on the basis of the exchange rate and interest rate applicable on the balance sheet date.

Capital management

The Group's capital structure goal is to guarantee a short-term and long-term supply of capital for the Group.

Management continuously monitors capital management through the KPI net debt/EBITDA which for 2024 was 1.5 (1.0).

Contractual maturities for financial liabilities

31 Dec 2024, SEK m	< 3 months	3–12 months	1–2 years	3–5 years	> 5 years	Total contractual cash flows	Carrying amount
Financial liabilities (excl. derivatives)							
Liabilities to credit institutions	1,567	–	–	–	–	1,567	1,550
Factoring loan	–	–	–	–	–	–	–
Accounts payable	443	–	–	–	–	443	443
Lease liabilities	2	12	11	15	3	43	40
Other liabilities	0	–	–	–	–	0	0
Total financial liabilities	2,012	12	11	15	3	2,053	2,033
Financial liabilities relating to derivatives							
Gross currency futures – cash flow hedges							
Inflow (SEK m)	343	866	–	–	–	1,209	18
Total inflow	343	866	–	–	–	1,209	18
Total outflow in each currency							
Outflow (EUR m)	25	53	–	–	–	78	–
Outflow (USD m)	1	0	–	–	–	1	–
Outflow (GBP m)	4	8	–	–	–	12	–

31 Dec 2023, SEK m

Financial liabilities (excl. derivatives)							
Liabilities to credit institutions	20	63	1,035	–	–	1,118	950
Factoring loan	260	–	–	–	–	260	260
Accounts payable	569	–	–	–	–	569	569
Lease liabilities	1	9	8	6	0	24	24
Other liabilities	7	–	–	–	–	7	7
Total financial liabilities	858	72	1,043	6	0	1,978	1,810
Financial liabilities relating to derivatives							
Gross currency futures – cash flow hedges							
Inflow (SEK m)	144	266	–	–	–	410	4
Total inflow	144	266	–	–	–	410	4
Total outflow in each currency							
Outflow (EUR m)	10	19	–	–	–	29	–
Outflow (USD m)	0	1	–	–	–	1	–
Outflow (GBP m)	2	3	–	–	–	5	–



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Note 5 Operating segment

The two segments are presented according to the Group's internal processes for monitoring and reporting to the CEO. The business segments are Kraft Paper and Natural Greaseproof. The CEO uses EBITDA to monitor earnings in the segments and the Group.

Kraft Paper

The Group's companies in Bäckhammar and Åmotfors, which produce

and sell kraft paper products, are in the Kraft Paper segment.

Natural Greaseproof

The Natural Greaseproof segment includes the Group's companies in Säfte in Sweden, Greåker in Norway and Québec in Canada. The segment produces paper designed for baking and food preparation, among other things.

Net sales

Sales transactions between the segments take place on market terms. Revenue generated from external customers and reported for the segments to executive management is measured in the same way as in the consolidated income statement. EBITDA (earnings before interest, taxes, depreciation and amortisation) consists of operating profit plus depreciation, amortisation and impairment losses. See also note 6.

Operating segments	2024				2023			
SEK m	Net sales including intra-group sales	Eliminations	Net sales	EBITDA	Net sales including intra-group sales	Eliminations	Net sales	EBITDA
Kraft Paper	2,277	-57	2,220	392	2,327	-44	2,284	594
Natural Greaseproof	2,448	–	2,448	446	2,189	–	2,189	282
Parent company and undistributed items	67	-67	0	-31	62	-62	0	-100
EBITDA Group	4,792	-124	4,668	806	4,578	-106	4,472	775
Depreciation/amortisation				-152				-152
Net financial items				-56				-87
Profit before tax for the Group				598				536
Non-current assets				31 Dec 2024				31 Dec 2023
Sweden				1,525				1,185
Norway				98				100
Canada				622				642
Total non-current assets				2,244				1,927
Non-current assets by segment				31 Dec 2024				31 Dec 2023
Kraft Paper								
Intangible assets				375				367
Property, plant and equipment				895				579
Total				1,271				947
Natural Greaseproof								
Intangible assets				582				604
Property, plant and equipment				338				337
Total				919				940
Parent company and undistributed items				54				40
Total non-current assets				2,244				1,927



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Note 6 Breakdown of net sales**Net sales by type of revenue**

	Group		Parent company	
SEK m	2024	2023	2024	2023
Sale of goods	4,668	4,472	–	–
Total	4,668	4,472	–	–
Sweden	543	540	34	34
Italy	487	496	–	–
Germany	438	425	–	–
UK	360	339	–	–
Rest of Europe	1,162	1,148	33	29
USA	686	645	–	–
Rest of world	992	881	–	–
Total	4,668	4,472	67	62

Net sales by segment, geographic market

	Natural Greaseproof		Kraft Paper	
SEK m	2024	2023	2024	2023
Sweden	57	56	486	484
Italy	241	235	246	261
Germany	174	132	264	293
Rest of Europe	817	752	705	735
USA	685	644	1	1
Rest of world	474	370	518	511
Total	2,448	2,189	2,220	2,283

Nordic Paper's 10 largest customers account for around 24 percent of the company's net sales. No individual customer accounts for more than 10 percent of net sales. Where Nordic Paper invoices for deliveries to Swedish trading houses for export, these sales are also recognised as exports above. The table above shows actual end-customers.

Note 7 Other operating income**Other operating income**

	Group		Parent company	
SEK m	2024	2023	2024	2023
Carbon offset, Norway	11	18	–	–
Sales of district heating, by-products and similar	13	17	–	–
Exchange rate effect (net) on currency translation of receivables/liabilities	–	–	–	–
Other	3	0	0	0
Total	27	35	0	0

Note 8 Auditor's fees and compensation for expenses

	Group		Parent company	
SEK m	2024	2023	2024	2023
KPMG				
Audit assignment	-2.1	-2.0	-1.9	-1.7
Other services	-0.2	-0.2	-0.2	-0.2
Total	-2.3	-2.2	-2.1	-1.9

Audit assignments involve reviewing the annual accounts and accounting records, and the administration of the company by the Board and CEO, other tasks that the company's auditors are to perform, and advice and other assistance based on observations made in connection with audit assignments or performance of such duties. The above-mentioned fees are as follows: KPMG Sverige AB, audit assignment SEK -1.9 (-1.7) million and other services SEK -0.2 (-0.2) million.



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Note 9 Employees and personnel costs

Senior officials of the company include the Board of Directors, the Chief Executive Officer and other senior executives. The board fees totalled SEK 2,5 (2,5) million.

Decision process for remuneration

Remuneration for the Chief Executive Officer and other senior executives is decided on by the Board of Directors.

Remuneration and terms of employment for senior executives

Remuneration for the Chief Executive Officer and other senior executives consists of a fixed cash salary, variable cash remuneration and pension benefits. Other senior executives are the other 7 (8) individuals who, together with the CEO, make up executive management. The period of notice for the CEO and other senior executives is six (6) months if employment is terminated by the company and six (6) months if employment is terminated by the employee. In addition, severance pay of a maximum of twelve (12) months' fixed cash salary may be paid to the CEO and a maximum of six (6) months' salary to senior executives if the employment ends at the company's request. The company's CEO and senior executives are covered by a non-compete clause that is legally effective for six (6) months following termination of employment, as well as non-recruitment of relevant parties during this period. The company may unilaterally waive the non-compete clause at its own discretion. In compensation for the non-compete clause the CEO will be entitled to remuneration at 60 percent of the monthly remuneration (calculated on fixed cash salary and variable salary) and senior executives at 75 percent of the monthly remuneration (calculated on fixed cash salary). The CEO has a defined-contribution pension plan with a premium limited to 40 percent of annual fixed cash salary. For other senior executives, pension premiums are mainly aligned with the ITP plan or similar. Other benefits may include health insurance and car benefits. Such benefits are maximised at 15 percent of annual fixed cash salary.

Share-based payment

In accordance with a proposal from the Board of Directors, on 23 May 2024 the Annual General Meeting approved a cash-based long-term incentive scheme for senior executives, LTIP 2024/2027. The incentive scheme focuses on one financial KPI – return on operating capital. The vesting period is the period until Nordic Paper's 2027 Annual General Meeting. Payment will be in cash after the 2027 AGM. Payment is contingent upon the financial KPI, return on operating capital, for the measurement period 2024–2026 being reached. LTIP 2024/2027 also contains conditions whereby the participants are to reinvest half of the outcome within the scheme, net after tax, in Nordic Paper shares which the participants are to retain for at least three years.

The outcome of LTIP 2024/2027 is calculated based on the financial information in Nordic Paper's Annual Reports for the 2024, 2025 and 2026 financial years (adjusted for items deemed extraordinary by the Board and calculated as a three-year average) during the measurement period.

The payment is based on the annual salary (fixed cash salary excluding holiday pay) of the participant as of 31 December 2026. The total maximum cost of LTIP 2024/2027 for Nordic Paper, including payroll overheads, is an amount equivalent to 3 percent of the company's average net profit during the 2024–2026 financial years.

The costs are distributed over the vesting period and are expected to have a marginal effect on Nordic Paper's KPIs. The company also has outstanding incentive schemes in the form of warrants in schemes adopted at the 2022 and 2023 AGMs. The 2022 incentive scheme has 510,000 warrants outstanding with an exercise price of SEK 45.77 per share. The 2023 incentive scheme has 292,000 warrants outstanding with an exercise price of SEK 38.98 per share.

In conjunction with the public buyout offer for the shares in Nordic Paper, announced on 11 October 2024, by Strategic Value Partners, LLC, through Coniferous Bidco AB, an offer was also made by Coniferous Bidco AB to the holders of the outstanding warrants. All participants in the 2022 and 2023 incentive schemes accepted the offer and the warrants were acquired by Coniferous Bidco AB.

The value of the warrants was calculated according to the Black-Scholes model.

The company is partly subsidising the participants' acquisitions of warrants. The subsidy is paid out at the end of the programme. The subsidy to the participants is equal to 50 percent of the participants' investment net after tax. The total cost of the subsidy, based on a warrant value of SEK 0.77 and an estimated marginal tax rate of 55 percent, amounts to SEK 0.3 million including social security contributions. With some exceptions, in order to be eligible for the subsidy the participant must be employed by the company at the time of payment of the subsidy, must remain employed until the warrants can be exercised and must not have transferred their warrants prior to this. The company also has an outstanding incentive scheme decided on at the Annual General Meeting in 2022 for which 510,000 warrants are outstanding with an exercise price of SEK 45.77 per share. For more information about this incentive scheme, see Note 9 in the previous year's Annual Report.

In conjunction with the public buyout offer for the shares in Nordic Paper subsidies expensed in the income statement and recognised as a liability in the balance sheet were reversed.



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Average number of employees

	Total	Of which women	Total	Of which women
SEK m	2024		2023	
Parent company				
Sweden	2	1	2	1
Subsidiaries				
Sweden	538	135	546	135
Norway	104	16	75	15
Canada	62	5	54	5
Group, total	706	157	677	156

Gender distribution, senior executives

Share	Women, %	Men, %	Women, %	Men, %
%	2024		2023	
Group and parent company				
Board of Directors ¹				
excl. employee representatives	–	100	50	50
incl. employee representatives	–	100	38	62
Chief Executive Officer and other senior executives	25	75	22	78

1) Refers to the board of directors upon submission of the annual report

Cost of employee remuneration

	Group		Parent company	
SEK m	2024	2023	2024	2023
Salaries and other remuneration etc.	-473	-409	-11	-8
Payroll overheads	-113	-116	-3	-3
Pension costs	-48	-45	-2	-2
of which defined-benefit	-5	-3	–	–
of which defined-contribution	-43	-42	-2	-2
Other personnel costs	-32	-32	-1	0
Total	-665	-602	-16	-14

Salaries and other remuneration

		Group		Parent company	
SEK m	2024	2023	2024	2023	
Board members, CEO and other senior executives	-22	-20	-10		-8
of which bonuses etc.	-1	-1	-1		-1
Other employees	-450	-389	–		–
of which bonuses etc.	-15	-6	–		–
Total	-473	-409	-10		-8

Payroll overheads

		Group		Parent company	
SEK m	2024	2023	2024	2023	
Pension costs					
Board members, CEO and other senior executives	-5	-5	-2		-2
Other employees	-43	-41	–		–
Other payroll overheads	-113	-116	-3		-3
Total	-161	-161	-5		-5



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Board of Directors and senior executives

2024	Board fees	Basic salary	Variable remuneration	Incentive schemes	Pension cost	Other remuneration	Total
SEK m							
Helene Willberg	-500,000	–	–	–	–	–	-500,000
Per Bjurbom, Chair	-580,000	–	–	–	–	–	-580,000
Stefan Lundin ¹	-405,000	–	–	–	–	–	-405,000
Ying Che ¹	-353,250	–	–	–	–	–	-353,250
Karin Eliasson ¹	-391,750	–	–	–	–	–	-391,750
Thomas Körmendi ¹	-317,500	–	–	–	–	–	-317,500
Anita Sjölander, CEO	–	-3,413,479	-416,000	–	-1,197 879	-837,501	-5,864,859
Other senior executives	–	-13,051,067	-898,744	–	-3 765,128	-1,123,166	-18,838,105
	-2,547,500	-16,464,546	-1,314,744	–	-4,963,007	-1,960,677	-27,250,464

¹ Change to the Board of Directors decided on at an Extraordinary General Meeting in January 2025.

Board of Directors and senior executives

2023	Board fees	Basic salary	Variable remuneration	Incentive schemes	Pension cost	Total
SEK m						
Arne Wallin ¹	-83,750	–	–	–	–	-83,750
Helene Willberg	-481,250	–	–	–	–	-481,250
Per Bjurbom, Chair	-561,250	–	–	–	–	-561,250
Stefan Lundin	-392,500	–	–	–	–	-392,500
Ying Che	-333,750	–	–	–	–	-333,750
Karin Eliasson	-379,000	–	–	–	–	-379,000
Thomas Körmendi ¹	-232,500	–	–	–	–	-232,500
Anita Sjölander, CEO	–	-3,312,703	-416,000	-135,450	-1,121,464	-4,985,616
Other senior executives	–	-11,797,923	-876 ,387	-429,570	-3,570,922	-16,674,802
	-2,464,000	-15,110,625	-1,292,387	-565,020	-4,692,386	-24,124,418

¹ Change to the Board decided on at the Annual General Meeting in 2023.



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Incentive schemes for senior executives		
	2024	2023
Number of share options, and weighted average exercise price		
Outstanding at beginning of period	802,000	584,000
Allotted during the period	–	329,000
Unsubscribed options	–	-37,000
Forfeited during the period	–	-74,000
Outstanding at end of period	802,000	802,000
Available for exercise at year-end	–	–
Exercise price for the year's incentive schemes	–	38.98
Weighted average exercise price	–	42.375
Effect on financial statements in the income statement and balance sheet		
Cost in income statement in respect of subsidy	–	555,983
Liabilities in the balance sheet in respect of subsidy	–	988,940
Payment of the options via equity	–	224,840

Note 10 Pension provision and pension costs

Nordic Paper's employees in Sweden have defined-benefit plans for company officials through the ITP plan. The company also has defined-contribution pension plans. All newly earned amounts within the ITP 2-plan are secured through Alecta pension insurance. For employees in Norway there are defined-contribution plans. Employees in Canada have defined-benefit plans. Provisions for the pension obligation that arose in connection with the acquisition of Nordic Paper Québec Inc. are secured through plan assets..

Defined-benefit plans

The ITP plan secured by Alecta is classified as a defined-benefit plan which, according to a statement from the Swedish Financial Accounting Standards Council, UFR 10 Accounting for pension plan ITP 2 financed through Alecta insurance, is a defined-benefit plan that covers multiple employers.

As Alecta is unable to provide the required information to be able to report the ITP 2-plan as a defined-benefit plan, it is reported as a defined-contribution plan (see table on the right).

This means that no pension cost for newly earned defined-benefit pension is reported as defined-benefit. The reported defined-benefit pension cost is attributable to previous periods, and to pensions managed outside of Alecta's pension system.

For the 2024 financial year the company has not had access to information required to report its proportionate part of the plan's obligations, plan assets and costs, and it has therefore not been possible to report the plan as a defined-benefit plan.

At the end of 2024 Alecta's surplus in the form of the collective funding ratio was 162 percent (157). The collective funding ratio is the market value of Alecta's assets as a percentage of the insurance obligations calculated according to Alecta's actuarial methods and assumptions, which are not aligned with IAS 19. The collective funding ratio is normally permitted to vary between 125 percent and 175 percent. If Alecta's funding ratio falls below 125 percent or exceeds 175 percent, steps are to be taken to bring the funding ratio within the normal interval.

Expected contributions in the next reporting period for ITP 2 insurance with Alecta amount to SEK 12 (8) million.

The defined-benefit pension plan that is recognised in the balance sheet as a liability relates to Nordic Paper Québec. The liability recognised is measured annually by independent actuaries applying the Project Unit Credit method. The present value of the defined-benefit obligation is determined by discounting estimated future pension disbursements using an interest rate for first-class corporate bonds issued in the same currency as will be used for disbursement with maturities comparable to the pension liability in question. The full pension provision recognised in the balance sheet is related to Canada.

Defined-contribution plans

The Group has defined-contribution pension plans paid for in full by the company. Contributions to these plans are made on an ongoing basis according to the rules applying in the respective plan.

Pension costs				
	Group		Parent company	
SEK m	2024	2023	2024	2023
Defined-contribution plans	-34	-35	-2	-2
of which ITP2 plan financed by Alecta	-12	-8	-2	-2
Defined-benefit plans	-5	-3	–	–
Payroll tax	-9	-7	0	0
Total	-48	-45	-2	-2



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Note 10

Provision for defined-benefit pension plans

	Group	
SEK m	2024	2023
Amount reported in the balance sheet		
Present value of pension obligation, funded plans	191	186
Fair value of plan assets	187	172
Net liability(+) funded plans	4	14
Amount reported in the balance sheet		
Provisions for pensions	4	14
Total	4	14
Specification of total costs		
Costs relating to defined-benefit pension plans		
Costs relating to service during current year	-3	-3
Net interest	-1	-1
Other	-0	-0
Costs for defined-benefit pension plans	-5	-4
Of which		
Amount charged to personnel costs	-3	-3
Amount charged to financial expense	-1	-1
	-5	-4
Change in present value of obligations		
Opening balance	186	187
Pension obligations		
Interest	9	8
Costs relating to service during current year	5	5
Remeasurement of pensions		
Actuarial gains (-) and losses (+) – demographic assumptions	–	–
Actuarial gains (-) and losses (+) – financial assumptions	0	0
Actuarial gains (-) and losses (+) – experience-based adjustments	–	0
Payments made	-11	-11
Translation effects, currency	-2	-3
31 December	191	186

Provision for defined-benefit pension plans

	Group	
SEK m	2024	2023
Change in fair value of plan assets		
Opening balance	172	171
Plan assets		
Interest	8	8
Remeasurement of plan assets	12	2
Contributions from employer	3	4
Contributions from employee	3	2
Payments made from plan assets	-11	-11
Other	0	0
Translation effects, currency	-1	-3
31 December	187	172

Specification of plan assets

	Group	
%	2024	2023
Bonds and other interest-bearing securities	21	36
Shares	51	36
Property	14	14
Other	14	14
	100	100

Actuarial assumptions

	Canada	
%	2024	2023
Discount rate	4.6	4.6
Future salary increases	2.6	2.6
Expected return on plan assets	4.6	4.6
Inflation	1.6	1.6
Life expectancy / mortality	CPM-20014, CPM-B	CPM-20014, CPM-B



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Note 10

Sensitivity analysis, defined-benefit pension liability

2024		
SEK m	Pension liability	Change in liability, %
Pension liability with current assumptions	191	
Change in assumption:		
Discount rate +0.5 percentage points	-10	-5
Discount rate -0.5 percentage points	11	6
Salary increase +0.5 percentage points	0.5	0.3
Salary increase -0.5 percentage points	-0.5	-0.3

The sensitivity analysis is based on a change in an individual actuarial assumption while other assumptions remain unchanged. This method shows the sensitivity of an individual assumption. This is a simplified method as the actuarial assumptions are normally correlated.

Forecast of defined-benefit pension plans' impact on the Group's cash flow in future years

Canada		
SEK m	2025	2024
Funded plans, employer contributions	4	4
Unfunded plans, pension disbursement	–	–
Total	4	4

Note 11 Other operating expenses

		Group		Parent company
SEK m	2024	2023	2024	2023
Fair value of cash flow hedges	-10	-83	-17	-54
Exchange rate effects, net, on currency translation of operating receivables/liabilities	-0	-0	-0	–
Total	-10	-83	-18	-54

See Note 24.

Note 12 Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses

		Group	
SEK m	2024	2023	
Depreciation/amortisation			
Customer relationships	-24	-24	
Other intangible assets	-7	-5	
Buildings and land improvements	-3	-9	
Plant and machinery	-102	-101	
Equipment, tools and installations	-2	-2	
Right-of-use assets	-14	-11	
Total	-152	-152	

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Note 13 Financial income and expense

SEK m	Group		Parent company	
	2024	2023	2024	2023
Financial income				
Interest income				
from subsidiaries	–	–	24	17
from others	22	14	6	13
Exchange gains, net	14	–	–	19
Other financial income	1	–	2	–
Total financial income	36	14	31	49
Financial expense Interest Cost				
to subsidiaries	–	–	–	-6
to others	-70	-74	-71	-62
Interest expense for lease liabilities	-2	-1	0	0
Impairment of associated companies	-13	–	-13	–
Exchange losses, net	–	-24	-5	–
Other financial expense	-7	-2	-3	-1
Total financial expense	-93	-101	-90	-69
Financial items, net	-57	-87	-59	-20

Note 14 Tax for the year

SEK m	Group		Parent company	
	2024	2023	2024	2023
Tax on profit for the year				
Current tax expense relating to profit for the year	-121	-119	-91	-81
Adjustment of tax relating to previous years	2	-1	1	-1
Total	-119	-120	-90	-83
Deferred tax				
Deferred tax on temporary differences	-14	-1	3	-8
Total	-132	-120	-87	-91

Reconciliation of effective tax

SEK m	Group		Parent company	
	2024	2023	2024	2023
Profit before tax	598	536	394	420
Tax according to parent company tax rate (20.6%)	-123	-110	-81	-87
Effect of other tax rates for foreign subsidiaries	-4	-4	–	–
Non-deductible expenses	-13	-15	-11	-13
Tax-exempt income	7	10	1	10
Tax relating to previous years	2	-1	1	-1
Other	–	–	3	–
Total	-132	-120	-87	-91



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Change in deferred tax					
2024					Group
SEK m	1 Jan	Recognised in profit or loss	Recognised directly in equity	Recognised in other comprehensive income	31 Dec
Deferred tax assets					
Right-of-use assets	0	0	–	–	0
Pensions and other	3	1	–	7	11
Total	3	1	–	7	11
Deferred tax liabilities					
Intangible assets and property, plant and equipment	57	–4	–	–	53
Untaxed reserves	167	14	–	–	181
Financial assets	5	1	–	–	6
Total	229	11	–	–	239

Change in deferred tax					
2023					Group
SEK m	1 Jan	Recognised in profit or loss	Recognised directly in equity	Recognised in other comprehensive income	31 Dec
Deferred tax assets					
Right-of-use assets	0	0	–	–	0
Pensions and other	18	0	–	-15	3
Total	18	-1	–	-15	3
Deferred tax liabilities					
Intangible assets and property, plant and equipment	67	-10	–	–	57
Untaxed reserves	156	11	–	–	167
Financial assets	5	0	–	–	5
Total	228	1	–	–	229

Note 15 Earnings per share

Group		
SEK m	2024	2023
Profit for the year attributable to owners of the parent:	465	416
Average number of ordinary shares outstanding	66,908,800	66,908,800
Earnings per share before and after dilution, SEK	6.96	6.22
Average number of shares		
before dilution	66,908,800	66,908,800
after dilution	66,908,800	66,908,800
Earnings per share		
before dilution	6.96	6.22
after dilution	6.96	6.22

In conjunction with the public buyout offer for the shares in Nordic Paper that was announced on 11 October 2025 by Strategic Value Partners, LLC, through Coniferous Bidco AB, an offer was also made by Coniferous Bidco AB to the holders of the outstanding warrants. All participants in the 2022 and 2023 incentive programmes accepted the offer and the warrants were acquired by Coniferous Bidco AB.

For 2023, earnings per share after dilution were calculated by adjusting the average number of shares to include all potential share dilution. For stock options, a calculation is made to determine the number of shares that could have been acquired at fair value based on the monetary value of the stock option rights attributable to outstanding stock options. Share programmes are included in the dilution calculation from the time a programme has reached the minimum allocation level. Dilution from Nordic Paper's incentive programmes is attributable to the incentive programme for senior executives decided on at the 2023 Annual General Meeting. There is no dilution for the full year, but dilution occurs for Q4 2023. Dilution is calculated accordingly.



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Note 16 Intangible non-current assets

Cash-generating unit	Brands		Customer relationships		Goodwill		Other intangible assets		Total	
SEK m	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Cost										
Cost, 1 January	33	34	237	240	734	740	51	29	1,055	1,044
Acquisitions during the year	–	–	–	–	–	–	–	–	–	–
Acquired during the year	–	–	–	–	–	–	–	–	–	–
Sales/disposals	–	–	–	–	–	–	–9	–	–9	–
Reclassifications	–	–	–	–	–	–	16	22	16	22
Translation effects	0	-1	2	-4	3	-6	–	–	4	-12
Accumulated cost, 31 December	34	33	240	237	737	734	58	51	1,066	1,055
Accumulated amortisation										
Amortisation, 1 January	–	–	-49	-26	–	–	-27	-22	-76	-48
Acquired during the year	–	–	–	–	–	–	–	–	–	–
Sales/disposals	–	–	–	–	–	–	9	–	9	–
Reclassifications	–	–	–	–	–	–	–	–	–	–
Amortisation during the year	–	–	-24	-24	–	–	-7	-5	-31	-29
Translation effects	–	–	-0	1	–	–	–	–	–	–
Accumulated amortisation, 31 December	–	–	-73	-49	–	–	-25	-27	-97	-77
Carrying amount	34	33	165	187	737	734	32	24	969	978

Impairment testing

Of the Group's goodwill of SEK 737 (734) million, SEK 343 (343) million arose upon acquisition of Wermland Paper AB (segment Kraft paper) in January 2008 and the remaining SEK 394 (391) million upon acquisition of Nordic Paper Québec on 31 December 2021 (segment Natural Greaseproof). Goodwill from Nordic Paper Québec is translated annually since it is reported in CAD. The acquisition of Nordic Paper Québec Inc. gave rise to the item brands at SEK 31 million. This item is deemed to have an indefinite useful life since the acquired company's product range is considered strong and recognisable in the market. This item is also reported in CAD and the amount is translated annually. Nordic Paper will continue to support these brands and to work on continual product development. Goodwill attributable to Kraft Paper is tested for impairment in the Kraft Paper business segment. Goodwill attributable to Nordic Paper Québec is tested for impairment in Nordic Paper Québec.

Impairment testing of goodwill attributable to Kraft Paper and of goodwill as well as brands attributable to Nordic Paper Québec consists of assessing whether the entity's recoverable amount is higher than its carrying amount. The recoverable amount has been calculated on the basis of the entity's value in use, which constitutes the present value of the entity's anticipated future cash flows without taking into account any future business expansion or restructuring.

- The value-in-use calculation was based on:
- Discount factor Before tax: 9.6 percent (9.7)¹ for Kraft and for Nordic Paper Québec 10.6 percent (12.6). After tax: 7.7 percent (7.75) for Kraft and for Nordic Paper Québec 7.8 percent (9.2).
 - A forecast of cash flows over the next five years.
 - An annual growth rate of 1 percent (1) for the first five years. A long-term growth rate of 2 percent for Kraft's and Nordic Paper Québec's future cash flows.

The discounted cash flow model involves forecasting future cash flows from operations, including estimates of revenue volumes based on orders received, the economy and market situation, and production costs based on current pay agreements, previous years' gross margins and expenses, adjusted to an expectation for the coming year according to aspects such as those mentioned for the sales forecast. Expected investments in working capital and plants are largely connected to sales growth.

The amounts have been estimated for these variables based primarily on and in accordance with past experience and outcomes. The assumptions that have the greatest effect on the recoverable amount are gross margin, WACC and long-term growth rate. The calculations indicate no impairment and do not suggest that any reasonably possible changes in important assumptions, such as a one percentage point increase in the discount rate or a one percentage point decrease in the long-term growth rate, would result in an impairment loss.

¹ The discount rate is calculated as weighted average cost of capital (WACC).



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Note 17 Property, plant and equipment

Cash-generating unit	Buildings and land		Plant and machinery		Equipment, tools and installations		Work in progress		Total	
SEK m	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Cost										
Cost, 1 January	291	294	2,785	2,706	97	99	315	151	3,490	3,251
Acquired during the year	–	–	–	–	–	–	438	298	438	298
Acquired during the year through business combinations	–	–	–	–	–	–	–	–	–	–
Sales/disposals	-11	-	-87	-5	-9	–	–	–	-107	-5
Reclassifications	10	0	169	110	9	1	-203	-133	-16	-22
Translation effects	-1	-3	-5	-25	-1	-2	-0	-0	-6	-31
Accumulated cost, 31 December	288	291	2,863	2,785	97	97	550	315	3,799	3,490
Accumulated depreciation										
Depreciation, 1 January	-260	-254	-2,239	-2,162	-92	-92	–	–	-2,592	-2,508
Sales/disposals	11	–	87	5	9	–	–	–	107	5
Reclassifications	–	0	–	–	–	–	–	–	0	0
Depreciation during the year	-3	-9	-102	-101	-2	-2	–	–	-107	-112
Impairment losses for the year	–	–	–	–	–	–	–	–	0	0
Translation effects	1	2	3	19	0	2	–	–	4	23
Accumulated depreciation, 31 December	-251	-260	-2,250	-2,239	-85	-92	–	–	-2,586	-2,592
Carrying amount	36	29	613	547	13	6	550	315	1,212	898

The year's acquisitions for assets under construction include capitalized interest expense of SEK 16 million (-). The interest rate used in the calculation is 5.74 percent (-).



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Note 18 Right-of-use assets and leases

	Group	
SEK m	31 Dec 2024	31 Dec 2023
Right-of-use assets		
Office premises	2	5
Company cars	3	1
Work vehicles and machinery	34	17
Total	39	23
Lease liabilities¹		
Current	14	10
Non-current	26	13
Total	40	23

1 See Note 4 Maturity analysis for financial liabilities.

Amounts for right-of-use assets recognised in the income statement		Group
SEK m	2024	2023
Depreciation of right-of-use assets		
Office premises	-3	-3
Company cars	-2	-1
Work vehicles and machinery	-9	-7
Total	-13	-11
Interest expense and lease expenses		
Interest expense (included in financial expense)	-2	-1
Expenses relating to short-term leases (included in other external costs)	-7	-5
Total	-8	-6

Other information		Group
SEK m	2024	2023
Right-of-use assets added		
Office premises	–	–
Company cars	3	1
Other	1	–
Work vehicles and machinery	22	2
Total	26	3
Total cash flow for leases	15	12
Undelivered lease obligations	–	–

Note 19 Financial non-current assets

Other information		Group
SEK m	2024	2023
Long-term, non-interest-bearing receivables under non-current assets	10	10
Reclassification of shares in associated companies ¹	15	–
This year's acquisitions	2	–
Write-down of the year	-13	–
Total	14	10

1) See Note 32.

Note 20 Inventories

	Group	
SEK m	2024	2023
Raw materials and consumables	437	387
Finished goods and goods for resale	302	274
Total	739	661



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Note 21 Financial assets and liabilities

Cash-generating unit	Amortised cost	Derivatives used in hedge accounting	Derivatives, no hedge accounting	Total carrying amount	Amortised cost	Derivatives used in hedge accounting	Derivatives, no hedge accounting	Total carrying amount
Level in fair value hierarchy	Level 2				Level 2			
SEK m	2024				2023			
Assets in the balance sheet								
Accounts receivable	618	–	–	618	496	–	–	496
Derivatives	–	2	–	2	–	44	–	44
Other receivables	114	–	–	114	111	–	–	111
Cash and cash equivalents	398	–	–	398	496	–	–	496
Accrued income	–	–	–	0	0	–	–	0
Total	1,130	2	–	1,132	1,103	44	–	1,147
Liabilities in the balance sheet								
Liabilities to credit institutions	1,550	–	–	1,550	950	–	–	950
Factoring loan	–	–	–	–	260	–	–	260
Lease liabilities	40	–	–	40	23	–	–	23
Derivatives	–	18	–	18	–	4	18	22
Accounts payable	443	–	–	443	569	–	–	569
Other liabilities	11	–	–	11	14	–	–	14
Accrued expenses and prepaid liabilities	337	–	–	337	347	–	–	347
Total	2,381	18	–	2,399	2,163	4	18	2,185

Amounts payable to leasing companies have been measured according to IFRS 16 and the interest is expected to be non-existent. Nordic Paper has made an assessment of the risk of loss relating to all financial assets. Credit loss provisions have been made for accounts receivable, including factoring receivables, but the risk of loss on other financial assets has been determined to be immaterial and therefore no provision has been made (see also Note 4 Credit risk).



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Note 21

Calculation of fair value

The Group has derivatives that are measured at fair value according to level 2 in the fair value hierarchy. Fair value of long-term loans is estimated to be the same as the carrying amount, as the interest rate is variable and in line with market interest rates. Other financial instruments have short maturities and for these, fair value is assessed to be equivalent to the carrying amount.

The different levels are defined as follows:

(a) Financial instruments at level 1

Quoted prices (unadjusted) on active markets for identical assets or liabilities.

(b) Financial instruments at level 2

Inputs other than quoted market prices included within level 1 that are observable for the asset or liability, either directly (that is, as quoted prices) or indirectly (that is, derived from quoted prices).

(c) Financial instruments at level 3

In cases where individual or multiple material input data are not based on observable market information, the instrument in question is classified at level 3.

Financial instruments at level 2

The fair value of financial instruments that are not traded on an active market (for example OTC derivatives) is established using valuation models. Market information on the transactions made and their value as of the closing date is largely used in this context. The information is provided by the respective bank in the form of monthly reports. Asset contracts and liability contracts are presented gross. Company-specific information is used to the least extent possible. If all material input data required to measure the fair value of an instrument is observable, the instrument is classified at level 2. There has been no transfer between the levels during the year.

There are contracts in place with set-off rights but no set-off transactions have taken place.

Note 22 Other receivables

		Group		Parent company	
SEK m	2024	2023	2024	2023	
Receivables from factoring companies	–	29	–	–	
Value added tax receivables	48	76	2	0	
Average tax account balance	65	80	28	51	
Other	0	2	–	2	
Total	114	187	30	53	

Note 23 Prepaid expenses and accrued income

		Group		Parent company	
SEK m	2024	2023	2024	2023	
Prepaid insurance premiums	2	0	–	–	
Prepaid service and support agreements	9	8	8	8	
Accrued income	10	17	0	0	
Other items	2	1	1	1	
Total	22	26	9	9	



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Note 24 Equity

Share capital

As of 31 December 2024 theregistered share capital consisted of 66,908,800 ordinary shares with a quota value of 0.285715. Shareholders with ordinary shares are entitled to a dividend subsequently established and their shareholding entitles them to vote at shareholders' meetings with one vote per share. All shares carry the same right to remaining assets in Nordic Paper Holding AB.

Reserves

Translation reserve

The translation reserve covers all exchange rate differences arising in the translation of the financial statements of foreign operations that have prepared their financial statements in a currency other than the presentation currency of the Group's financial statements. The parent company and the Group present their financial statements in Swedish kronor (SEK). Any accumulated translation difference is recognised in profit or loss when foreign operations are divested.

	Group	
SEK m	2024	2023
Translation reserve		
1 January	-8	4
Translation effect for the year from foreign operations	1	-11
Translation reserve, 31 December	-7	-8

Hedge reserve

The hedge reserve contains the effective portion of the accumulated net change in fair value of a cash flow hedging instrument pertaining to highly likely, forecast future transactions that have not yet taken place.

Change in hedge reserve (cash flow hedging)

	Group	
SEK m	2024	2023
1 January	29	-28
Cash flow hedges:		
Added: Changes in fair value of hedging instruments recognised in other comprehensive income	-49	70
Added: Deferred tax on change in fair value	10	-15
Deducted: Reclassification to income statement (in other operating expenses/other operating income)	-2	4
Deducted: Deferred tax on derivatives reclassified to the income statement	0	-1
Hedge reserve, 31 December	-11	29

Retained earnings

Retained earnings include profit for the year combined with earnings of the parent company and its subsidiaries and associated companies.

Dividend

	Group	
SEK m	2024	2023
Average number of shares outstanding	66,908,800	66,908,800
Dividend per ordinary share, SEK	–	4
Dividend (SEK m)	–	268



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Note 25 Proposed appropriation of profit

Non-restricted equity in the parent company:	
SEK	31 Dec 2024
Retained earnings	507,231,708
Net profit for the year	306,598,905
Total	813,830,613

The Board of Directors proposes

SEK	
Dividend to shareholders	–
To be carried forward	813,830,613
Total	813,830,613

Note 26 Interest-bearing liabilities

	Group		Parent company	
SEK m	2024	2023	2024	2023
Non-current liabilities				
Liabilities to credit institutions, 1–4 years after the closing day	–	950	–	950
Lease liabilities, 1–4 (5) years after the closing day	26	13	–	–
Total	26	963	–	950
Current liabilities				
Liabilities to credit institutions	1,550	–	1,550	–
Factoring loan	–	260	–	–
Lease liabilities	14	10	–	–
Total	1,564	270	1,550	–
Utilised overdraft facility	–	–	–	–
Granted overdraft facility	–	200	–	200
Granted credit facility	–	600	–	600

Terms and repayment schedule					
	Currency	Year due	Interest	Carrying amount	Carrying amount
SEK m				2024	2023
Liabilities to credit institutions	SEK	2025	Variable	1,550	950
Factoring loan	SEK	2024	Variable	–	260
Lease liabilities	SEK	Varies	Variable/Marginal	40	23
Total					1,233

In the fourth quarter of 2024 the change-of-control provisions in the financing agreements became relevant when Strategic Value Partners, LLC, through Coniferous Bidco AB, obtained a controlling interest in Nordic Paper. In view of this, the financing is presented in the balance sheet as current liabilities as of 31 December 2024 and no available undrawn credit facilities are reported. Negotiations on new financing agreements began in the fourth quarter and were completed in January 2025. The new financing, which is effective as of February 2025, includes a loan of SEK 1.4 billion and a revolving credit facility of EUR 65 million that replace drawn and undrawn credit facilities. The new agreement includes the pledging of shares in subsidiaries and is effective until 2026.

Note 27 Other provisions

	Group	
SEK m	2024	2023
1 January	112	101
Provisions during the year	5	19
Reversals during the year	-18	-8
31 December	98	112

Other provisions refers to estimated costs for land restoration arising in connection with the decision to close the pulp mill at the Säffle plant, (SEK 69 million) and for the capping of a landfill in Bäckhammar (SEK 29 million). Land restoration in Säffle will take place in stages over the next five to seven years. The costs associated with the pulp mill have been estimated by a third party. In 2024 the provisions relating to the Säffle pulp mill were reassessed as regards costs and present value. Work to restore the land has begun. The new restoration costs have been estimated by a third party. The cash outflow for the landfill in Bäckhammar will continue until 2032, but it is not yet clear how the outflow will break down over time.



Note 28 Other liabilities

	Group		Parent company	
SEK m	2024	2023	2024	2023
Payroll taxes and other employee-related expenses	10	10	1	1
Other	1	4	0	0
Total	11	14	1	1

Note 29 Accrued expenses and deferred income

	Group		Parent company	
SEK m	2024	2023	2024	2023
Accrued salaries and holiday pay	102	76	4	2
Accrued payroll overheads	26	28	1	1
Accrued interest	3	1	3	1
Customer bonuses	14	23	–	–
Agent commissions	6	5	–	–
Goods in transit	43	90	–	–
Freight	13	71	–	–
Accrued raw material and energy costs	91	21	–	–
Other items	69	61	21	0
Total	367	375	29	4

Note 30 Pledged assets

	Group		Parent company	
SEK m	2024	2023	2024	2023
For liabilities to credit institutions				
Property mortgages	–	–	–	–
Floating charges	–	–	–	–
Shares in subsidiaries	–	–	–	–
Accounts receivable, factoring	–	260	–	–
Total	–	260	–	–

Note 31 Contingent liabilities in the parent company

During 2023 and up until spring 2024 the subsidiaries Nordic Paper Bäckhammar AB and Nordic Paper Seffle AB had a factoring agreement with a credit institution. Notice to terminate this agreement was given in spring 2024 and the agreement ended in summer 2024. Under the terms of the above agreement, the parent company guaranteed up to SEK 300 (300) million, plus interest and fees, in respect of any future claims relating to the subsidiaries.

The subsidiaries Nordic Paper Bäckhammar AB and Nordic Paper Seffle AB still have leases with credit institutions.



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Note 32 Participations in Group companies

Parent company's holding					
	Registered office	Share, %	Number of shares	Carrying amount	Carrying amount
SEK m				2024	2023
Nordic Paper Bäckhammar AB, 556044-8952	Kristinehamn, Sweden	100	50,000	702	702
Nordic Paper Seffle AB, 556000-2221	Säffle, Sweden	100	5,000	70	70
Nordic Paper AS, 983633080	Sarpsborg, Norway	100	47,792	124	124
Nordic Paper Québec Inc. 102107257	Québec, Canada	100	489,000	269	269
Total				1,165	1,165

	Registered office	Share, %	Owned by
Indirect holdings			
Nordic Paper Åmotfors	Eda, Sweden	100	Nordic Paper Bäckhammar AB

Participations in Group companies		
	Parent company	
SEK m	2024	2023
Carrying amount, 1 January	1,165	1,165
Acquisitions	–	–
Impairment losses	–	–
Divestments	–	–
Carrying amount, 31 December	1,165	1,165

On 15 December 2023 Nordic Paper Holding AB acquired 20% of Ekoligens AB's shares at a value of SEK 15 million. In 2024 new shares in Ekoligens were issued, resulting in a lower shareholding and Ekoligens is at this moment not a associated company. The value of the shares was remeasured and written down in 2024. As of 31 December 2024 the shares are valued at SEK 4 million and are recalssified to note 19.

Note 33 Transactions with related parties

This note details transactions with the Group's subsidiaries. For further information on senior executive remuneration, see Note 9, Employees and personnel costs.

Parent company						
SEK m	Sale of goods/services	Purchase of goods/ services	Dividend	Other	Receivable on balance sheet date	Payable on balance sheet date
Subsidiaries						
2024	67	51	–	–	761	0
of which long-term receivable, Group company	–	–	–	–	210	–
2023	62	51	–	–	845	0
of which long-term receivable, Group company	–	–	–	–	273	–
Other transactions with related parties						
2024	–	–	–	–	–	–
2023	–	–	–	–	–	–



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Note 34 Cash flow statement

SEK m	Group		Parent company	
	2024	2023	2024	2023
Adjustments for non-cash items				
Depreciation/amortisation	152	152	–	–
Changes in exchange rates	-13	32	–	–
Change in fair value of derivatives	-2	-33	–	–
Provisions	-25	–	–	–
Other	20	-15	-5	18
Total	133	136	-5	18

Financing activities, change in liabilities

Group	Liabilities to credit institutions	Leases	Factoring loan	Utilised overdraft facility	Liabilities to credit institutions	Leases	Factoring loan	Utilised overdraft facility
	2024				2023			
SEK m								
1 January	950	23	260	–	950	31	284	–
Changes affecting cash flow	600	-13	-260	–	–	-11	-24	–
Other changes not affecting cash flow	–	30	–	–	–	3	–	–
31 December	1,550	40	–	–	950	23	260	–

Financing activities, change in liabilities

Parent company	Liabilities to credit institutions	Leases	Factoring loan	Utilised overdraft facility	Liabilities to credit institutions	Leases	Factoring loan	Utilised overdraft facility
	2024				2023			
SEK m								
1 January	950	–	–	–	950	–	–	–
Changes affecting cash flow	600	–	–	–	–	–	–	–
31 December	1,550	–	–	–	950	–	–	–

Cash and cash equivalents		Group
SEK m	2024	2023
Cash and bank balances	398	496

The Group's cash and cash equivalents consist of bank balances.



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Note 35 Year-end appropriations

	Parent company	
SEK m	2024	2023
Group contributions received/provided	549	572
Change in tax allocation reserve	-42	-49
Total	507	524

Note 36 Events after the closing day

On 9 January 2025 Strategic Value Partners, LLC, through Coniferous Bidco AB, announced the closing of the public cash offer and that the final outcome was that holders of 85.67 percent of the shares and votes in Nordic Paper had accepted the offer. At the request of Strategic Value Partners, LLC, through Coniferous Bidco AB, an Extraordinary General Meeting was held on 13 January 2025. Resolutions at the meeting included the election of Tim Stubbs, Russell Wanke, Omar Hoek, Christer Simrén, Alexandre Mignotte, Ricardo Mateiro and Riccardo Franchi as new members of the Board of Directors, with Tim Stubbs as Chair. It was also resolved that the company's nomination committee would be abolished. Nordic Paper has entered into a new financing agreement as described further in Note 4.

The board will continue to evaluate alternatives for long-term financing in 2025.



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Signatures

The undersigned hereby provide an assurance that the consolidated financial statements and annual financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and provide a fair and true representation of the group's and the parent company's position and results.

The Directors' Report for the group and the parent company provides a fair representation of operations within the group and the parent company, their financial position and results, and describes the material risks and uncertainties facing the parent company and its subsidiaries.

The Annual and Sustainability Report and the consolidated financial statements were approved for issue by the Board of Directors on 21 March 2025.

The consolidated income statement, statement of comprehensive income and balance sheet, and the parent company's income statement and balance sheet, are subject to adoption by the Annual General Meeting on 28 May 2025.

Karlstad, 21 March 2025

	Tim Stubbs Chair	
Riccardo Franchi Board member	Omar Hoek Board member	Ricardo Mateiro Board member
Alexandre Mignotte Board member	Christer Simrén Board member	Russell Wanke Board member
	Anita Sjölander Chief Executive Officer	
Per Gustafsson Employee representative		Tom Rød Employee representative

Our audit report was submitted
on 21 March 2025

Mattias Eriksson
Authorised Public Accountant



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To the general meeting of the shareholders of Nordic Paper Holding AB (publ), corp. id 556914-1913.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Nordic Paper Holding AB (publ) for the year 2024, except for the corporate governance statement on pages 81–86. The annual accounts and consolidated accounts of the company are included on pages 76–138 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 2024 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 2024 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 81–86. 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 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.



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Revenue Recognition

See disclosure 2 Accounting principles and disclosure 6 Revenue in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The group manufactures and sells various types of paper goods.
Net sales amounted to SEK 4,668 million for the year 2024.
Sales takes place through agreements with the customer where each delivery is seen as an individual commitment. Revenue from sales is recognised based on prices in the agreement. Sales are recognised as revenue when control of the goods is transferred to the customer, which normally occurs in accordance with the applicable shipping terms. Within the group, a number of different shipping conditions are applied which have an impact on the accounting period in which the sales transaction must be reported.
For this reason, special consideration is required for sales transactions with shipping terms that entail that control of the goods is transferred to the customer at a different time than in connection with the outbound delivery from the warehouse and the invoicing.
Given the large volume of transactions and that automatic bookkeeping occurs for the outbound delivery of goods, this can have a significant impact on revenue recognition, which requires special attention from the company's management.

Response in the audit

We have performed reviews together with management in order to gain an understanding of the market, customers and business model. We have also created an understanding of routines and processes and assessed the design and implementation of the group's controls for reporting sales transactions with different shipping conditions and tested the operating effectiveness of these controls aimed to ensure accuracy in revenue recognition.
We have inspected a selection of significant contracts to assess the appropriateness of applied revenue recognition.
Furthermore, we have tested relevant supervisory controls over the automatic processing of the company's revenue reporting that takes place upon delivery and carried out data analyses procedures to ensure the correctness of the revenue recognition from delivery to invoicing.
We have performed sample testing over sale transactions reported before and after year end to assess whether correct conditions have been applied and whether control of the goods has been transferred to the customers in the period when the revenue is reported.
We have also assessed the notes and accounting principles in the annual report concerning revenue recognition.

Impairment test of goodwill, brands and customer relations
See disclosure 16 Intangible assets and disclosure 2 Accounting principles in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter
The group's reported value of goodwill, brands and customer relationships amounts to SEK 936 million as of December 31, 2024.
According to IFRS, an annual impairment test must take place at least annually. Impairment test takes place for cash-generating units such as operations in subsidiaries and/or segments.
During the impairment test, a sensitivity analysis is also carried out, which includes how changes in essential parameters such as gross margin, growth rate and WACC affect the impairment test.
Impairment tests are based on judgments and assumptions about the future that are complex and contain a high degree of material judgment by management, which is why this area is a key audit matter in our audit.

Response in the audit
We have performed reviews together with management in order to gain an understanding of the process for the impairment test.
Analysis has taken place of how well previous years' assumptions have been achieved and if any adjustments have been made to assumptions from previous years as a result of the development of the business and external factors.
We have taken note of and evaluated the management's method, data and assumptions used in the impairment test. This includes among other things, to challenge the management in the assessments made regarding future cash flows and to assess the WACC that was used.
We have performed sensitivity analyses, which includes testing the impact changes in material assumptions such as growth rate and WACC have on the safety margins. Based on these tests we have assessed the risk that a need for impairment would arise.
We have also evaluated the information that appears in the annual report and assessed whether the information is sufficiently comprehensive.



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Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–75 and 144–148. The other information comprises also of the remuneration report which is published on the company's website concurrently with this 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 has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional 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 consoli-

dated 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.



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Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Nordic Paper Holding AB (publ) for the year 2024 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 whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Nordic Paper Holding AB (publ) for year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Nordic Paper Holding AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market



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Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 81–86 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act. KPMG AB, Box 7, 651 02, Karlstad, was appointed auditor of Nordic Paper Holding AB (publ) by the general meeting of the shareholders on 23 May 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2023.

Karlstad 21 March 2025

KPMG AB

Mattias Eriksson
Authorised Public Accountant



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The share and shareholders

Nordic Paper’s shares have been listed in Nasdaq Stockholm’s Mid Cap segment since 22 October 2020 under the ticker NPAPER.

Share price and turnover

The closing price for Nordic Paper’s shares on the final trading day in December 2024 was SEK 49.86, which is equivalent to a market cap of SEK 3,336 million. This represents an increase of 10.1 percent on the closing price on the first trading day of the year. During the corresponding period the OMX Stockholm PI index rose by 6.0 percent. The highest closing price for Nordic Paper’s shares during the period was SEK 60.70 which was listed on 14 May. The lowest closing price of SEK 48.02 was listed on 4 and 5 July.

Shareholders

On 9 January 2025 Strategic Value Partners, LLC, through Coniferous Bidco AB, announced that the public buyout offer announced on 11 October 2024 had closed and that the final outcome of the offering was that holders of 85.67 percent of the shares and votes in Nordic Paper had accepted the offer.

Liquidity

In 2024 the average turnover of Nordic Paper shares on Nasdaq Stockholm was around 170,000 per day. An average of around 720 transactions were executed per day.

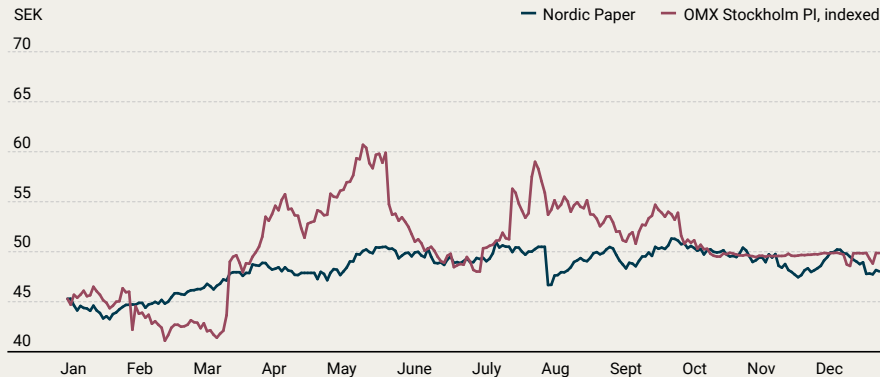
Share capital and votes

As of 31 December 2024 there were 66,908,800 shares in total in Nordic Paper. Each share entitles the holder to one vote at shareholders’ meetings. The share capital was SEK 19,116,800. The quota value per share is SEK 0.285715.

Ownership structure

Nordic Paper had 6,887 shareholders on 31 December 2024. Coniferous Bidco AB is the only shareholder with a holding equivalent to at least 10 percent of the votes and shares in Nordic Paper.

Share price development 2024



Ownership structure 31 December 2024

Holding	Shareholders	Shares	Holding (%)
1–500	5,225	687,342	1.03
501–1,000	745	591,124	0.88
1,001–5,000	720	1,614,385	2.41
5,001–10,000	101	734,026	1.1
10,001–15,000	24	313,060	0.47
15,001–20,000	13	223,457	0.33
20,001–	59	61,430,145	91.91

Shareholders 31 December 2024

Shareholders 31 December 2024	Votes and capital (%)
Coniferous Bidco AB	75.9
Nordnet Pensionsförsäkring	3.2
Nordea Funds	2.4
JPMBL SA	0.9
Avanza Pension	0.8
Handelsbanken Fonder	0.7
J.P. Morgan SE	0.6
SEB Investment Management	0.6
The Bank of New York Mellon SA	0.5
UBS AG	0.5
Other	13.9
Total	100.0



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Group performance

Five-year overview

SEK m	2024	2023	2022	2021	2020
Key performance measures					
Net sales	4,668	4,472	4,440	3,083	2,903
EBITDA	806	775	821	358	458
Adjusted EBITDA	806	775	821	434	458
EBITDA margin, %	17.3	17.3	18.5	11.6	15.8
Adjusted EBITDA margin, %	17.3	17.3	18.5	14.1	15.8
Operating profit	654	623	676	208	348
Adjusted operating profit	654	623	676	316	348
Operating margin, %	14.0	13.9	15.2	6.8	12.0
Adjusted operating margin, %	14.0	13.9	15.2	10.3	12.0
Working capital	571	225	497	378	439
Profit for the period	465	416	566	144	258
Earnings per share before and after dilution, SEK	6.96	6.22	8.46	2.15	3.85
Cash flow from operating activities	333	765	560	408	352
Investments	438	298	145	180	102
Return on operating capital, 12 m, %	28.1	30.0	32.5	15.9	26.9
Return on equity	36.8	37.1	69.5	24.6	22.3
Equity/assets ratio, %	32.9	31.1	28.7	18.0	25.3
Net debt/EBITDA, multiple	1.5	1.0	1.2	3.7	1.6
Earnings per share before dilution, SEK	6.96	6.22	8.46	2.15	3.85
Earnings per share after dilution, SEK	6.96	6.22	8.46	2.15	3.85
Number of employees at year-end	698	679	672	688	632
Sales volume, ktonnes	287.4	273.3	284.5	280.6	266.9





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Definitions

Non-IFRS performance measures	Description	Reasons for use
Sales volume	Sales of paper and pulp by the segment and the Group respectively, expressed in ktonnes.	Shows if the business is expanding or contracting.
EBITDA	EBITDA (earnings before interest, taxes, depreciation and amortisation) consists of operating profit plus depreciation, amortisation and impairment losses.	A measure that eliminates costs that do not affect cash flow and indicates the ability of business to generate cash flow.
Material items affecting comparability	Material items affecting comparability may include effects of substantial restructuring of production plants, impairment losses, revaluation, specific effects of disputes or strategic decisions of a non-recurring nature.	Provides a better understanding of the development of operating activities over time.
Adjusted EBITDA	EBITDA adjusted for material items affecting comparability.	Increases comparability of EBITDA between different periods and provides a better understanding of the development of operating activities over time.
EBITDA margin	EBITDA as a percentage of net sales.	Shows how much cash the business can generate in relation to revenue.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Increases comparability in the EBITDA margin between different periods.
Operating profit	Profit before financial income, financial expense and tax.	Shows the result of the company's operating activities.
Adjusted operating profit	Operating profit adjusted for material items affecting comparability.	Increases comparability of operating profit between different periods and provides a better understanding of the development of operating activities over time.
Operating margin	Operating profit as a percentage of net sales.	Shows operating profit in relation to net sales and is a measure of the profitability of the company's operating activities.
Adjusted operating margin	Adjusted operating profit as a percentage of net sales.	Increases comparability in the operating margin between different periods.
Investments	Investments refers to the accounting effect of acquisitions of property, plant and equipment and intangible non-current assets. In the cash flow statement the term acquisitions refers to the cash flow effect including any adjustments for amounts reported as accounts payable.	Shows the amount of property, plant and equipment and intangible assets acquired to maintain and develop operations.
Working capital	Total inventories, accounts receivable, other operating assets and operating liabilities, excluding derivatives, and other provisions (non-interest-bearing). In the cash flow statement, adjustments are made for non-cash transactions such as currency effects, acquisitions/disposals of subsidiaries (operations), and accounts payable related to investments in non-current assets.	Shows the net of current assets and current liabilities used in operating activities.
Change in working capital	Working capital for the current period minus working capital for the previous period.	Shows development of the company's working capital.
Working capital as a percentage of net sales*	Working capital divided by net sales.	Indicates how effectively the company is using working capital.
Operating capital	Working capital plus intangible non-current assets and property, plant and equipment, deferred tax assets and tax liabilities.	Shows the total capital used in operating activities.
Return on operating capital*	Operating profit as a percentage of operating capital.	Shows the company's performance in generating profit from the capital used in operating activities.
Return on equity*	Profit/loss for the period as a percentage of equity.	Shows the return generated on equity invested in the business.
Interest-bearing liabilities	Interest-bearing liabilities, current and non-current plus interest-bearing provisions.	Shows the extent of the company's financing in the form of interest-bearing liabilities.
Net debt	Interest-bearing liabilities less cash and cash equivalents.	A measure of the company's financial position. Shows how much liquidity would remain if all liabilities were to be settled.
Net debt/EBITDA ratio*	Net debt in relation to EBITDA, expressed as a multiple.	A measure of financial risk and an indication of repayment capacity.
Net debt/equity ratio	Net debt divided by equity, expressed as a percentage.	Shows the relationship between externally financed capital and equity.
Equity/assets ratio	Equity divided by total assets, expressed as a percentage.	Shows what proportion of the assets are financed through equity.

*Calculated on the basis of the last 12-month period, as an average of 12 months. The 12-month figure enables comparisons that reflect both current and seasonal variations, which improves the ability to make comparisons over time.



