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Remuneration Report 2025

Introduction

The Remuneration Report provides an overview of how Holmen AB (publ) (Holmen)'s guidelines for remuneration to senior executives, adopted by the 2023 Annual General Meeting, have been implemented during 2025. The report also contains details of the remuneration to Holmen's Chief Executive Officer and Deputy Chief Executive Officer. In addition, the report includes a summary of Holmen's outstanding share-based incentive programmes. The Company has not paid any remuneration to the Board of Directors other than that resolved by the Annual General Meeting, remuneration to the Board is therefore not covered by this report but is disclosed in Note 4 of the Annual Report. Further information on remuneration for senior executives and the work of the Remuneration Committee is available in Note 4 of the Annual Report and in the Corporate Governance Report.

Development during the financial year

The Chief Executive Officer summarises the Company's overall performance in the CEO's statement in the Annual Report.

Overview of the application of the remuneration guidelines

Holmen has applied the remuneration guidelines adopted by the 2023 Annual General Meeting. According to these guidelines, remuneration to senior executives shall be market-based and competitive in the labour market in which the executive operates and shall reflect the executive's responsibilities, authority and performance. Remuneration may consist of fixed salary, variable remuneration, other benefits and pension. The variable remuneration shall be based on outcomes in relation to measurable targets and shall not exceed 50 per cent of the fixed annual salary. Other benefits may include, inter alia, private healthcare insurance, housing benefit and company car benefit. Where applicable, such benefits shall amount to a maximum of 10 per cent of the fixed salary.

The remuneration guidelines are set out in Note 4 of the Annual Report. The auditor's report regarding compliance with the guidelines is available at [holmen.com](https://www.holmen.com). There have been no deviations from the procedures for implementing the remuneration guidelines and no exceptions from the guidelines themselves.

The total remuneration to the Chief Executive Officer and the Deputy Chief Executive Officer is set out in Table 1 below.

Table 1 – Total remuneration to the Chief Executive Officer and the Deputy Chief Executive Officer during 2025 (SEK)

	Fixed base salary	Other benefits ¹	STI (one-year variable remun.) ²	LTI (three-year variable remun.) ³	Pension cost ⁴	Total remuneration	Propor. fixed/var. remun.
Henrik Sjölund CEO	11 400 000	512 387	3 095 100	4 612 440	6 978 948	26 598 875	71%/29%
Anders Jernhall Deputy CEO	6 300 000	140 270	1 710 450	2 000 747	3 293 103	13 444 570	72%/28%

Share-based remuneration

In addition to remuneration under the guidelines, the Annual General Meetings in 2022, 2024 and 2025 adopted long-term share-based incentive programmes (LTIP).

Participation in the programmes requires a personal investment in Holmen shares (so-called savings shares). Further information on the programmes is available in Note 4 of the Annual Report and in the documentation for the respective Annual General Meetings at holmen.com.

LTIP 2022

The CEO participated with 1,900 savings shares and the Deputy CEO with 989 savings shares in LTIP 2022. The performance conditions for 2022–2024 were linked partly to return on capital employed in the industrial business areas (i.e. Timber Products and Board and Paper) (ROCE), and partly to the total shareholder return on Holmen's share. When the programme matured in 2025, the CEO was allotted 11,400 shares and the Deputy CEO 4,945 shares, based on the condition relating to return on capital employed

¹ Benefits in kind that are taxable for the recipient.

² Refers to STI earned in 2025 and with payment during 2026.

³ Refers to LTIP 2022 that was paid in 2025.

⁴ The pension plan is defined contribution. The disclosed expenses include costs for an option to retire at the age of 60 and cost for health insurance. Mandatory social security fees are excluded.

being fully met (the range was 12–17% ROCE), while the condition relating to total shareholder return was not met (requirement: at least 10% total return).

LTIP 2024

The CEO participates with 2,500 savings shares and the Deputy CEO with 1,435 savings shares in LTIP 2024. The programme includes performance conditions for the period 2024–2026 linked to ROCE, the development of the Group’s climate benefit and the total shareholder return of Holmen’s share. Further details regarding the performance conditions in the 2024 programme are available at [holmen.com](https://www.holmen.com). When the programme matures in spring 2027, the CEO may be allotted a maximum of 16,250 shares and the Deputy CEO 7,893 shares, provided that the conditions are fully met.

LTIP 2025

The CEO participates with 3,000 savings shares and the Deputy CEO with 1,689 savings shares in LTIP 2025. The programme includes performance conditions for the period 2025–2027 linked to ROCE, the development of the Group’s climate benefit and the total shareholder return of Holmen’s share. Further details regarding the performance conditions in the 2025 programme are available at [holmen.com](https://www.holmen.com). When the programme matures in spring 2028, the CEO may be allotted a maximum of 19,500 shares and the Deputy CEO 9,290 shares, provided that the conditions are fully met.

Overview of LTIP

The performance conditions of the LTIP programmes are summarised below. For all programmes, 0.5 shares are allotted per savings share if the total shareholder return (TSR) on Holmen’s Class B share exceeds 10%. If the conditions relating to ROCE and climate benefit are met, up to an additional six shares per savings share may be allotted (Deputy CEO: up to five shares). For the allotment of these shares, ROCE is weighed at 90% and climate benefit at 10%. Allotment under the ROCE parameter requires that the minimum level be exceeded, and maximum allotment requires that the maximum level be achieved. For ROCE between the minimum and maximum levels, allotment is made on a linear basis. The climate benefit criterion is fulfilled if reported climate benefit has increased compared with the previous year (see further information on climate benefit reporting in the Annual Report, pages 112 and 116).

	TSR	ROCE	Climate Benefit
LTIP 2022	10%	12-17%	n/a
LTIP 2024	10%	11-21%	shall increase
LTIP 2025	10%	10-20%	shall increase

Short-term variable remuneration

The short-term variable remuneration to senior executives (STI) is calculated annually and may amount to a maximum of 50% of the annual fixed salary for the CEO and Deputy CEO. STI is not pensionable.

The criteria for STI earned in 2025 (paid in 2026) are based 90% on ROCE and 10% on whether the accident frequency at Holmen's workplaces has decreased. The ROCE range is 10–20%. Payment of STI related to the ROCE-criteria requires that the minimum level be exceeded, and maximum STI requires that the maximum level be achieved. For ROCE between the minimum and maximum levels, STI is paid on a linear basis.

ROCE for the industrial business areas was in total 14.9%, and the accident frequency decreased to 4.7 accidents per million hours worked compared with 5.3 in 2024. This means that the outcome for STI 2025 was 54% of maximum STI.

Remuneration relating to STI 2024 (paid in 2025) was presented in the Remuneration Report for 2024.

Exercise of clawback

The Company has not reclaimed any remuneration from the Chief Executive Officer or the Deputy Chief Executive Officer.

Comparative information regarding changes in remuneration and performance

Table 2 – Changes in remuneration and performance over the last five reported financial years⁵

	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	2025 vs 2024	2025 ⁶
CEO TSEK	+4 (0%)	+966 (+10%)	+6,260 (+58%)	-2,397 (-14%)	+392 (+3%)	15,007
Dep CEO TSEK	+21 (0%)	+359 (+7%)	+3,223 (+60%)	-985 (-12%)	+581 (+8%)	8,151
Operating result ⁷ , MSEK	+1,582 (+64%)	+3,201 (+79%)	-2,507 (-35%)	-1,034 (-22%)	-452 (-12%)	3,270
Result after tax, MSEK	+1,025 (+52%)	+2,870 (+96%)	-2,177 (-37%)	-836 (-23%)	+18 (1%)	2,879
Average remun. to employees, TSEK ⁸	+5 (+1%)	+29 (+5%)	+44 (+8%)	+27 (+4%)	+14 (2%)	653

⁵ Excluding remuneration under share based programmes adopted by the shareholder's general meeting and pension expenses. For total remuneration, please refer to table 1.

⁶ Total amount previous year.

⁷ Excluding non-recurring items.

⁸ Reported personnel cost based on the number of full-time equivalents employed in the parent company, excluding members of the executive management.