


ANNUAL REPORT

2025



Norske Skog



The Norske Skog of tomorrow is a team effort and can only be realised through external and internal **cooperation**.

Our business is by definition circular as it's based on renewable resources, aiming to replace fossil alternatives. We increasingly use recycled material. We are **honest** about our processes, and strive to make all aspects of our business sustainable.

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# We create green value

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This is something we realise through innovation, **openness** to new opportunities, competence and hard work. It doesn't come by itself. It's up to us.

We provide **value** in many meanings of the word: for society in general, for local communities, for customers, for employees, for shareholders.

Our core values: **openness, honesty and cooperation**

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# 4

## Business units in 3 countries

- Skogn, Norway
- Saugbrugs, Norway
- Bruck, Austria
- Golbey, France



# 10 482

NOK million  
total operating income  
(2024: 10 173)

# 769

NOK million EBITDA  
(2024: 736)

# -76%

reduction in Scope 1 and 2  
GHG emissions  
between 2015 and 2025  
(2024: -81%)

# 99%

certified wood fibres  
(2024: 98%)

# 354

NOK million Profit  
before income taxes  
(2024: -566)

# 1 674

employees  
(2024: 2 101)

# 1 093 000 tonnes

Production of publication paper

# 264 000 tonnes

Production of containerboard

# 5 819

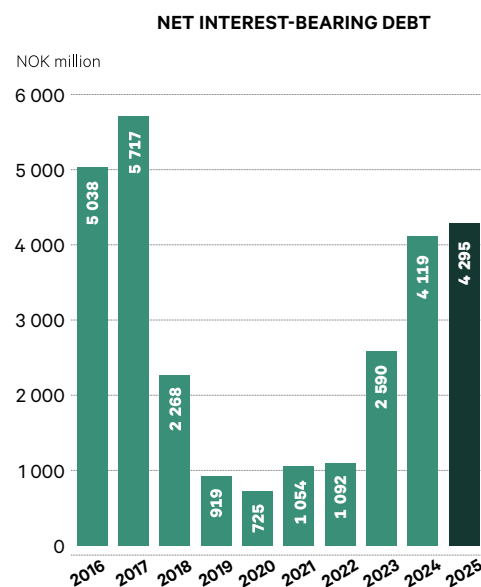
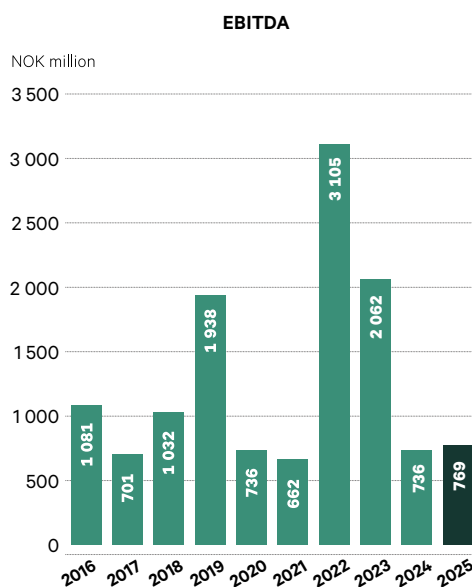
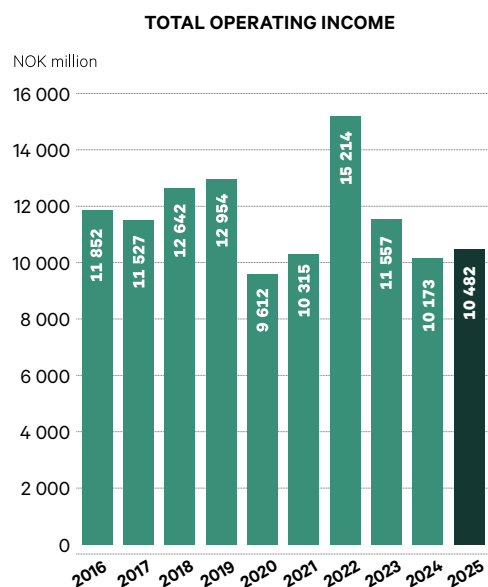
NOK million in equity  
~40% equity ratio



# Key figures

NOK MILLION (UNLESS OTHERWISE STATED)	2016	2017	2018	2019	2020	2021	RESTATED		2024	2025
							2022	2023		
<b>INCOME STATEMENT</b>										
Total operating income	11 852	11 527	12 642	12 954	9 612	10 315	15 214	11 557	10 173	10 482
EBITDA*	1 081	701	1 032	1 938	736	662	3 105	2 062	736	769
EBITDA margin (%)	9.10	6.10	8.20	15.00	7.70	6.42	20.41	17.85	7.23	7.34
Operating earnings	-947	-1 702	926	2 398	-1 339	-160	2 845	934	-60	563
Profit/loss before income taxes	-1 498	-3 317	1 603	2 192	-1 698	-295	2 778	645	-566	354
Profit/loss for the period	-972	-3 551	1 525	2 044	-1 884	-363	2 572	481	-982	404
Earnings per share (NOK)	-11.46	-41.86	17.98	24.09	-22.21	-4.28	30.31	5.67	-11.57	4.76
<b>CASH FLOW</b>										
Net cash flow from operating activities	514	404	881	602	549	191	2 040	1 928	-15	227
Net cash flow from operating activities per share (NOK)	5.45	4.28	9.34	6.39	5.82	2.25	24.05	22.73	-0.18	2.68
Net cash flow from investing activities	-105	-278	-188	-180	302	-891	-1 956	-2 689	-1 198	-328
Cash and cash equivalents	371	433	912	970	980	1 489	2 650	2 463	1 177	1 082
<b>PRODUCTION/DELIVERIES</b>										
Production publication paper (1 000 tonnes)	2 506	2 494	2 492	2 310	1 800	1 921	1 713	1 024	1 124	1 093
Deliveries publication paper (1 000 tonnes)	2 520	2 491	2 485	2 285	1 825	1 952	1 714	1 040	1 115	1 092
Production packaging paper (1 000 tonnes)									164	264
Deliveries packaging paper (1 000 tonnes)									162	248
<b>BALANCE SHEET</b>										
Non-current assets	7 184	4 939	4 789	5 248	4 084	4 538	7 069	9 068	10 037	10 594
Current assets	3 313	3 170	3 776	4 991	3 703	4 587	6 539	5 687	4 430	4 113
Total assets	10 497	8 109	8 565	10 240	7 787	9 125	13 609	14 755	14 467	14 707
Equity	2 090	-1 427	2 365	5 493	3 219	3 133	5 909	6 161	5 384	5 819
Equity ratio (%)	19.9	-17.6	27.6	53.6	41.3	34.3	43.4	41.8	37.2	39.6
Net interest-bearing debt	5 038	5 717	2 268	919	725	1 054	1 092	2 590	4 119	4 295

\* As defined in alternative performance measures.



# About Norske Skog's operations

## STRATEGY

Norske Skog is a leading European producer of publication and packaging paper with a business strategy:

- 1. Improve and optimise publication paper cash flows:** Enhancing efficiency and profitability in the traditional newsprint and magazine paper segment.
- 2. Become a leading independent European producer of renewable packaging paper:** Expanding into recycled containerboard production with converted newsprint machines at Norske Skog Bruck and Norske Skog Golbey.
- 3. Integrate vertically within the entire value chain:** Securing long-term competitiveness by controlling upstream (raw materials) and downstream (distribution) activities.

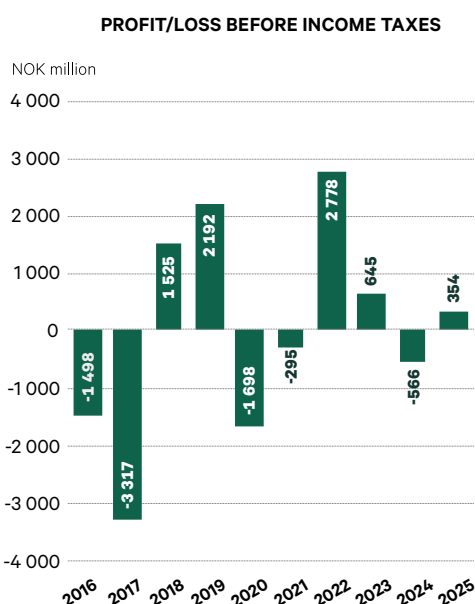
This strategy aims to transform Norske Skog into a growing, high-margin business while leveraging the existing infrastructure and expertise for sustainable growth.

## OPERATIONS

Norske Skog operates four mills in Europe, two in Norway (Norske Skog Skogn, Norske Skog Saugbrugs), one in Austria (Norske Skog Bruck), and one in France (Norske Skog Golbey):

- **Publication paper capacity:** 1.2 million tonnes annually (0.8 million tonnes newsprint, 0.4 million tonnes magazine paper) under the NOR brands like Nornews, Norcote and NorSC.
- **Packaging paper:** Following conversions, Norske Skog Bruck (210 000 tonnes) and Norske Skog Golbey (550 000 tonnes, full production in 2027) will produce 760 000 tonnes of recycled containerboard under the Strato brand.
- **Energy and bio-products:** Mills generate renewable energy and biogas at several mills and innovative bio-products.

The company employs 1 674 people, is headquartered in Norway, and is listed on the Oslo Stock Exchange (NSKOG). The sale of Norske Skog Boyer mill in 2025 reflects a strategic shift to focus on European operations.



## MARKETS

- **Publication paper:** Norske Skog strengthened its market position in Europe, during 2025, and holds a 21% market share in newsprint, 13% in SC magazine paper, and 9% in LWC magazine paper. The market demand decreased in 2025 (newsprint 8%, magazine paper 9%), but further capacity closures is required to maintain market balance in all grades. Sales prices track marginal producer cash cost requiring increases for all grades to be sustainable over the cycle. Main raw material costs have been volatile, although price level for fresh fibre in Norway has dropped at the end of 2025.
- **Packaging paper:** The West-European recycled containerboard market consumed around 20 million tonnes in 2025, with a 1.3% demand increase. Norske Skog's Golbey mill ramps up production and will reach full capacity in 2027. Norske Skog Bruck reached full capacity in 2025. Margins remain pressured by industry overcapacity and volatile recycled fibre costs.

## MAJOR SUSTAINABILITY MATTERS

Norske Skog prioritises sustainability, aiming for net zero emissions by 2050, aligned with the Paris Agreement. Key sustainability efforts include:

- **Carbon Footprint:** In 2025, emissions were 157 000 tCO<sub>2</sub>e (Scope 1), 65 000 tCO<sub>2</sub>e (Scope 2, location-based), and 661 000 tCO<sub>2</sub>e (Scope 3), with a 3% reduction in Scope 3 (75% of total) from 2024 to 2025, where transportation was around 43% of total carbon footprint. The Norske Skog Boyer mill divestment significantly reduced the group's footprint from a total of 1 210 000 tCO<sub>2</sub>e (Scope 1, 2 and 3) in 2024 to 885 000 tCO<sub>2</sub>e in 2025.
- **Emission reduction targets:** A 55% reduction in Scope 1 and 2 emissions per tonne by 2030 (from 2015 baseline) was 66% by 2025, aided by investments like Norske Skog Bruck's waste-to-energy boiler (-100 000 tCO<sub>2</sub>e/year reduction) and Skogn's TMP line (-4 000 tCO<sub>2</sub>e/year). In 2025, Norske Skog set a target for reducing Scope 3 emissions 25% by 2030 compared with 2022. Norske Skog aims to cooperate with transport suppliers to gradually shift to low-emission for in- and outbound transport, engage with suppliers of raw materials and customers on processing of sold goods to reduce scope 3 emissions.
- **Renewable energy:** Mills leverage renewable sources (e.g., biomass boiler at Norske Skog Golbey, saving 200 000 tCO<sub>2</sub>e/year), reducing fossil fuel reliance. The renewableenergy mix increased from 34% in 2024 to 39% in 2025.
- **Circularity and innovation:** Using recycled fibre (e.g., containerboard from recovered paper) and developing bio-products enhance resource efficiency and lower emissions.

## PRODUCTION CAPACITY

in tonnes/year

Business unit	Newsprint	SC (magazine paper)	LWC (magazine paper)	Packaging paper *	Total capacity
Norske Skog Bruck	-	-	200 000	210 000	410 000
Norske Skog Golbey	330 000	-	-	550 000	880 000
Norske Skog Saugbrugs	-	200 000	-	-	200 000
Norske Skog Skogn	500 000	-	-	-	500 000
<b>Total Norske Skog group</b>	<b>830 000</b>	<b>200 000</b>	<b>200 000</b>	<b>760 000</b>	<b>1 990 000</b>

\* The listed capacity is when full production has been reached.

# Our properties



## Norske Skog Saugbrugs

### General

- Location: Halden, Norway
- Founded: 1859 (as Saugbrugsforeningen), part of Norske Skog since 1989
- Mill type: Magazine paper (super-calendered SC)

### Production machines and capacity

- PM4 built in 1963: ~100,000 t/year SC paper
- PM5 built in 1968: ~100,000 t/year SC paper (restarted 2023)
- PM6 built in 1993: ~260,000 t/year SC paper (idled after rockslide in 2023)

### Grid connection

- 200 MW

### Plot size

- 120 ha (1 200 000 m<sup>2</sup>)

### Building area

- Production facilities 156 000 m<sup>2</sup> (79 000 tonnes)
- Warehouse 31 000 m<sup>2</sup> (26 000 tonnes)
- Office 9 000 m<sup>2</sup>

### Significant investment years

- PM6 added in 1993 after major investment in the 1990s
- 1993: new thermo-mechanical pulp plant
- 2023: PM5 restart



## Norske Skog Bruck

### General

- Location: Bruck an der Mur, Styria, Austria
- Paper mill at Bruck site dates back to 1881
- Acquired by Norske Skog in 1996
- Mill type: Containerboard (PM3, from 2023), coated magazine paper (PM4)

### Production machines and capacity

- PM3 (containerboard): ~210,000 t/year
- PM4 (LWC/MWC paper): ~200,000 t/year

### Grid connection

- 100 MW
- Gas turbine ~40 MW (flexible for internal energy production and grid balancing)

### Plot size

- 25 ha (250 000 m<sup>2</sup>)

### Building area

- Production facilities 60 000 m<sup>2</sup>
- Warehouse 7 000 m<sup>2</sup> (12 000 tonnes)
- Office 5 000 m<sup>2</sup>

### Significant investment years

- 1953: PM3, converted to containerboard in 2023
- 1989: PM4, last major rebuild 2004
- 1994: power plant combined cycle plant
- 2022: new 50 MW waste-to-energy boiler



## Norske Skog Golbey

### General

- Location: Golbey, near Épinal, Vosges, France
- Start of operations (greenfield): 1992 (first newsprint machine built)
- Mill type: Containerboard PM1, from 2025, newsprint PM2 from 1999
- Logistics include road and rail access

### Production machines and capacity

- Containerboard capacity: ~550 000 tonnes (converted PM1)
- Newsprint capacity: ~330 000 tonnes (PM2)

### Grid connection

- 150 MW

### Plot size

- 70 ha (700 000 m<sup>2</sup>)

### Building area

- Production facilities 101 000 m<sup>2</sup> (67 000 m<sup>2</sup>)
- Warehouse 28 000 m<sup>2</sup> (41 000 tonnes)
- Office 4 800 m<sup>2</sup>

### Significant investment years

- 1992: mill start-up (PM1 newsprint)
- 1999: newsprint machine (PM2 newsprint)
- 2024: major conversion of PM1 to recycled containerboard production
- 2025: automated reel warehouse
- 2025: biomass cogeneration boiler construction



## Norske Skog Skogn

### General

- Location: Fiborgtangen industrial area, Skogn, Levanger Municipality, Norway
- Start of operations: Mill founded 1962; first paper machine (PM1) operation in 1966, PM2 in 1967
- Logistics: The site includes own port, rail siding

### Production machines and capacity

- Three paper machines (PM1, PM2, PM3) producing newsprint and improved newsprint and bookpaper from mid-2026
- Total annual newsprint capacity: ~500 000 tonnes

### Grid connection

- 225 MW

### Site / Land area:

- 825 000 m<sup>2</sup>, including Fiborgtangen Industrial Park
- Of this is mill site ~40 ha (~400 000 m<sup>2</sup>)

### Building area

- Production facilities 90 000 m<sup>2</sup>
- Warehouse 20 000 m<sup>2</sup> (20 000 tonnes)
- Office 7 000 m<sup>2</sup>

### Significant investment years

- 1966/1967: startup and commissioning of PM1
- 1980s: major upgrades of PM1/PM2
- 1981: start-up of PM3
- 2024: new thermomechanical pulp line and reboiler
- 2026: book paper production

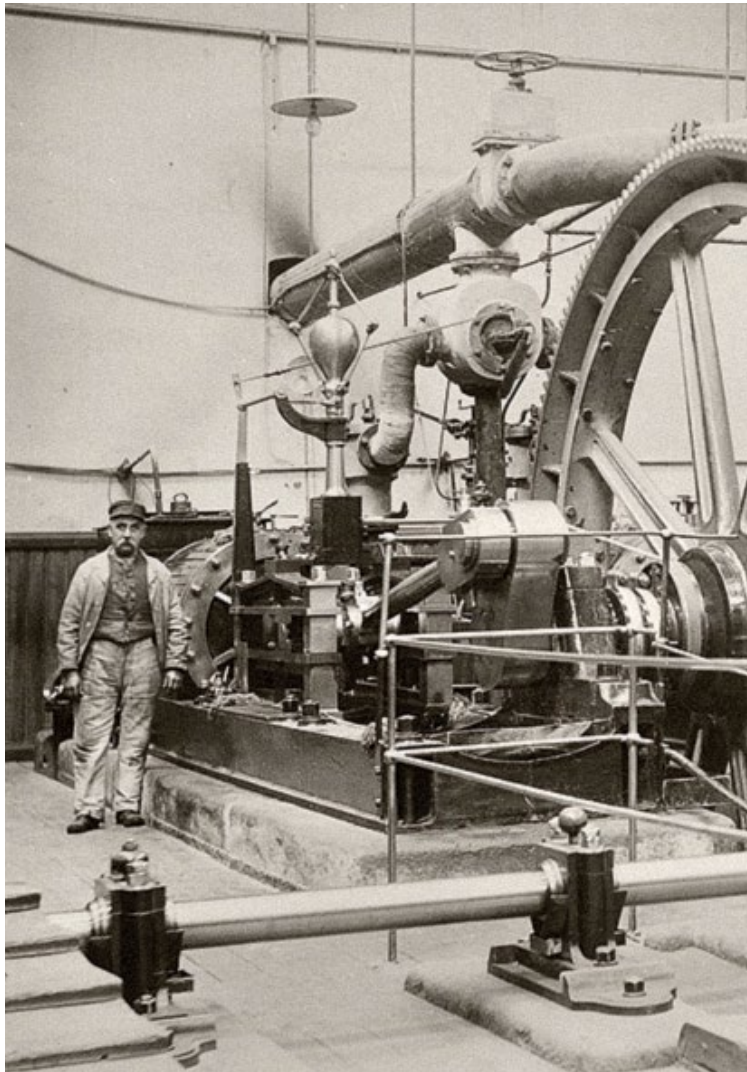
Photos: Norske Skog archive

# The history of Norske Skog

Norske Skog was established in 1962, but our Bruck and Saugbrugs mills have been in operation much longer. Until the 1990s, the company grew in Norway by acquiring businesses in pulp, paper and wood-based construction materials.

Through the nineties, Norske Skog expanded internationally, first with the construction of a mill in France and later through acquisitions of other newsprint and magazine paper companies all over the world. The activities within other paper grades, market pulp, energy and construction materials were sold off. In recent years, the company has entered the recycled containerboard market, and several projects related to energy and bio products.

As of 2025, Norske Skog has four mills in three countries and is one of the world's largest producers of publication paper to newspapers, magazines, periodicals and for advertising purposes. Norske Skog is listed on the Oslo Stock Exchange and had 1 674 employees at year-end 2025.



## Expansion in Norway 1970 - 1990

### 1962

Norske Skog was established by Norwegian forest owners. The purpose was to exploit timber resources in central Norway, and a newsprint mill was built at Skogn, starting production in 1966.



## Global expansion 1991 - 2005

### 1992

Expansion outside Norway, start-up of production in Golbey in France, our first business outside of Norway.

### 1996-1997

Purchase of paper mills in Austria and the Czech Republic.

### 2000

Sale of pulp mills in Norway. Purchase of Fletcher Challenge Paper in New Zealand, a firm with operations in Australasia, South America, Canada and Asia.

### 2001

Purchase of mills in Germany and the Netherlands. Comprehensive restructuring of the business, and divestment of activities outside the defined core area of newsprint and magazine paper.



Comprehensive restructuring  
**2006 - 2014**

**2006**

Five newsprint machines shut down, shares in the Canadian business sold.



**2008**

Sale of two mills in South Korea, sale of property, shut-down of two paper machines in Europe.



**2009**

Sale of two mills in China, shut-down of one paper machine in Europe.

**2012**

Sale of two mills in Chile and the Netherlands, shut-down of Follum paper mill in Norway.

**2013**

Sale of two mills in Brazil and Thailand. Two machines idled at Norske Skog Tasman in New Zealand and Norske Skog Walsum in Germany.

**2014**

Ramp-up of a converted newsprint machine to LWC-products at Norske Skog Boyer in Australia.

Financial restructuring  
**2015 - 2018**

**2015**

Closure of the Walsum mill in Duisburg, Germany.



**2017**

The Royal Highness King Harald of Norway officially opened new biogas facility at Saugbrugs.

Norske Skogindustrier ASA was delisted from the Oslo Stock Exchange, and the mill portfolio continued by Norske Skog AS.



**2018**

New beginning with Oceanwood purchasing the shares in Norske Skog AS, which included all the mills.

New beginning  
**2019 - 2021**

**2019**

New three-leg strategy within publication paper, packaging paper, and bio and energy related products.

Norske Skog ASA was listed on the Oslo Stock Exchange.



**2020**

Sale of the Norske Skog Albury mill in Australia and the forest in Tasmania. Establishing commercial activities within nanocellulose and expansion in biopellets.

**2021**

Closure of the Norske Skog Tasman mill in New Zealand. Expansion into biocomposites and starting construction of a waste-to-energy plant at Norske Skog Bruck. Financing the conversion of two newsprint machines at Norske Skog Bruck, and Norske Skog Golbey into containerboard production.



Execution of new strategy  
**2022 -**

**2022**

Sale of Nature's Flame 90 000 tonnes pellets facility in New Zealand. Start-up waste-to-energy plant at Norske Skog Bruck. At Norske Skog Saugbrugs, a 500 tonnes bio-composite pilot plant was officially opened by the Norwegian Trade and Industry Minister Jan Chr. Vestre. During 2022, the Norwegian based Byggma AS and Drangslund Kapital AS became the largest shareholder group in Norske Skog.

**2023**

Norske Skog Bruck commenced recycled packaging paper production in the first quarter of 2023. The production capacity of containerboard at Norske Skog Bruck will be 210 000 tonnes per year. Oceanwood sold all of its shares in Norske Skog.



**2024**

At Norske Skog Skogn, a new thermomechanical pulp (TMP) line was commenced, substituting long-transported recovered paper with local fresh fibre, thus reducing the CO<sub>2</sub>- and nitrogen emissions.

The Green Valley Energie (GVE) joint venture at Norske Skog Golbey started production at the largest bio energy plant of its kind in France.

**2025**

At Norske Skog Golbey, the converted newsprint machine (PM1) started commercial production of containerboard. Norske Skog Boyer was sold in 2025.

**2026**

Norske Skog Saugbrugs are exploring the possibility to restart PM6 and to establish data centre on the industrial site. Norske Skog Saugbrugs reached an agreement with Norsk Nuklær Dekommisjonering (Norwegian Nuclear Decommissioning) to sell the production facilities, housing PM4 and PM5, in 2026, for dismantling the nuclear reactor in Halden.

# A glimpse of 2025

*from the containerboard opening ceremony at Norske Skog Golbey*

Here are some pictures from the Norske Skog Golbey conversion of paper machine (PM1) from newsprint to packaging paper. Films that follow the development of Golbey industrial site can be seen on Norske Skog's LinkedIn account.



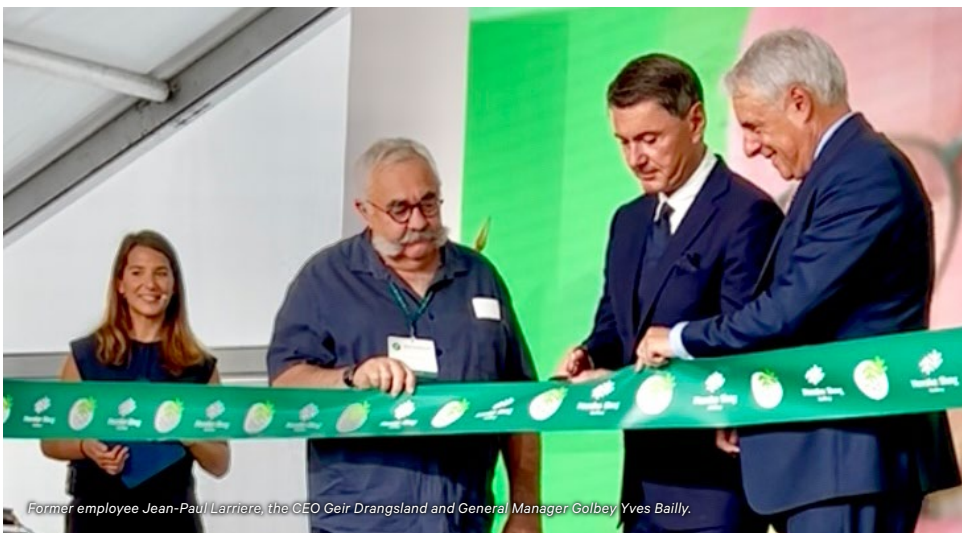
From left Geir Drangslund (CEO), Arvid Grundekjøn (Chair) and Yves Bailly (MD Golbey)



Carine Bernardin receiving special attention from the CEO



From the opening ceremony with more than 300 guests



Former employee Jean-Paul Lariere, the CEO Geir Drangslund and General Manager Golbey Yves Bailly.



FROM LEFT Robert Wood (SVP Commercial), Gert Steens (Sterling) and David Zobel (Cove Invest).

### Norske Skog Saugbrugs wins the 2025 AKAN award

We are proud to announce that Norske Skog Saugbrugs has received the AKAN Award 2025, honouring our systematic work to prevent addiction and strengthen a safe, supportive and inclusive workplace culture.

AKAN recognises Norske Skog Saugbrugs for having worked systematically for decades to build a strong culture of care, partnership, and responsibility. With a long tradition of close cooperation between management and employees, Norske Skog Saugbrugs has also shown exceptional commitment in recent years to supporting apprentices and addressing issues linked to substance use and mental health.

“Presenting the award to Halden’s cornerstone company, one with a long tradition of cooperation, engaged top management, and a deeply ingrained culture of care, is a great pleasure,” says Lasse Billington, Chair of the Board at AKAN Competence Center.

“Our AKAN work is firmly rooted in both culture and practice through clear leadership anchoring, solid cooperation, systematic follow-up, and genuine care,” says HR Advisor Rannveig Staal Pettersen, who received the award together with HSE Manager Lisa Grimstad, youth representative Erik Hoffgaard, and union leader Tore Østensvig.



From left Lisa Grimstad and Erik Hoffgaard from Saugbrugs, and Lasse Billington from AKAN

Photo: Vidle Fagerland, Akan kompetansesenter

“The AKAN Award gives us extra motivation to keep improving how we support employees,” concludes a delighted Tore Østensvig.

Managing Director Anders Hauge-Johansen says: “This recognition means a great deal to us. A safe and inclusive workplace is a cornerstone of our culture, and the AKAN Award confirms that our long-term efforts truly make a difference for our employees.”



### Christoffer Bull is our new SVP Business Development at Norske Skog, with responsibility for the company’s packaging paper business, effective 1 January 2026.

- After many fulfilling years with Norske Skog earlier in my career – and more recently as a board member – I’m genuinely thrilled to step back into an operational role at such a pivotal moment for the company. Our expansion into packaging paper marks an exciting new chapter for Norske Skog, and I have strong confidence in the strategic direction we’re pursuing, says Christoffer Bull.

With the successful start-up of recycled containerboard production at Norske Skog Bruck and the ongoing ramp-up at Norske Skog Golbey,

the group is building a strong platform for future growth. Our Strato packaging paper portfolio combines lightweight performance, high strength and sustainability, based entirely on locally sourced recycled fibres. This is a compelling value proposition for our customers and the packaging industry.

- I’m optimistic about the future and highly motivated by the opportunity to work closely with skilled colleagues across the organisation. Together, we will continue to develop competitive products, strengthen customer relationships and position Norske Skog as a reliable, independent supplier to the packaging market. I look forward to the journey ahead, says Christoffer.

### Zero absence injuries in the last year at Saugbrugs – always safety first

At Norske Skog Saugbrugs, a strong safety culture is more than a goal – it’s a way of working. The site has now gone for one year without any injuries causing absence, a significant achievement in a complex industrial environment with nearly 346 employees, including 17 apprentices.

This milestone builds on a long-standing commitment to health and safety. Over the last eight years, only two absence injuries have been recorded – an extraordinary accomplishment. Even more impressively, Saugbrugs had zero absence injuries for a full five-year period between 2017 and 2022.

“Our focus on health, safety and environment is deeply embedded in everything we do,” says Lisa Beate Grimstad, Director of Health, Environment,

Safety and Quality at Saugbrugs. “We work continuously to improve working conditions and ensure that everyone – whether new apprentice or experienced operator – returns home safely every day.”

Saugbrugs holds ISO 45001 certification and actively implements Norske Skog’s “Take Care 24/7” safety programme. The result? A workplace where awareness, leadership, and safe behaviours go hand in hand.

A big thank you to everyone at Saugbrugs for their dedication. You prove that zero injuries isn’t a dream – it’s a standard we can achieve together.

Working together to keep zero harm injuries from left: Fabian Granstrøm, Knut Stian Fagerhøi, Lisa Grimstad, Svein Atle Fjellstad and Tikua Paulo.



From left: Fabian Granstrøm, Knut Stian Fagerhøi, Lisa Grimstad, Svein Atle Fjellstad and Tikua Paulos.

### Turning biomass into a climate-positive future

Using emissions from sustainable biomass allows CO2 to be utilised as a resource: Carbon capture at Skogn is a natural extension of our work for sustainable value creation in Trøndelag (Central Norway). Together with Carbon Centric, we can contribute to solutions that actually remove CO2 from the atmosphere and make the mill carbon negative,” says Peder Lutdal, Head of Business Development at Norske Skog Skogn.

Carbon Centric is planning a carbon capture facility at Norske Skog Skogn in Levanger – a project that will be capable of capturing 100 000 tonnes of biogenic CO2 annually while creating new green industrial activity in the region.

By capturing carbon that is already part of the natural cycle, the project enables both industrial use and permanent storage – an important step toward truly carbon-negative and climate-positive solutions.



Business Development Director at Skogn, Peder Lutdal



### Pollutec 2025: Building tomorrow’s recycling together

Our paper and containerboard recycling purchasing team just wrapped up an inspiring 4 days in Lyon at Pollutec – the epicenter of environmental innovation!

From passionate talks on circularity and waste-management to high-impact conferences, every conversation reinforced how collaboration drives real change. Our stand buzzed with constructive exchanges in a warm, welcoming vibe – proving sustainability and performance go hand in hand.

Norske Skog Golbey started containerboard production in 2025 and will reach 550 000 tonnes

capacity in 2027 in addition to 330 000 tonnes of newsprint. Norske Skog Golbey will thus become a substantial purchaser of recycled paper for the newsprint machine and old corrugated cardboard (OCC) for the containerboard production.

The Golbey team is grateful to our suppliers and partners for co-creating the future of recycling. The paper and recycled cardboard procurement team: Jean-Luc Maupoix, Joachim Ané, Gabriel Langlois, Nathalie Clavier and Frédéric Ricquebourg (from left to right in the picture).

### Inspiring the next generation in Halden

Building strong communities starts with investing in people.

At Norske Skog Saugbrugs, we are proud to take part in a pilot project together with Rødsberg Secondary School, Halden Næringsutvikling, and local businesses through the subject Arbeidsliv (Working Life).

The goal is simple but important: to give students a closer look at the opportunities available in Halden’s industries – and perhaps inspire future careers.

Rannveig Staal Pettersen from Norske Skog Saugbrugs says: “As part of the programme, we

welcomed the students for a mill tour and shared insights in the classroom. It was a great chance to showcase what an apprenticeship at Saugbrugs can offer and to highlight the exciting role industry plays in the local community.”

This initiative is not only about introducing students to our workplace – it’s an investment in tomorrow’s skilled workforce.

Cato Magnussen from Norske Skog Saugbrugs says: “By opening the doors, we hope to spark curiosity, create understanding, and strengthen the link between young people and local industry.”



### Balancing energy: Sustainability and grid security for Austria at Norske Skog Bruck

“The K9 bio boiler is a game changer, cutting emissions while enhancing grid flexibility,” says Harald Janisch, Senior Project Manager.

At Norske Skog Bruck, we’re stabilising Austria’s power grid-flexibly and sustainably. Our mill actively participates in balancing energy, compensating for fluctuations from wind and solar feed-ins to ensure a secure power supply.

Norske Skog Bruck slashed scope 1 and 2 CO2 emissions from 400 to 250 kg CO2e/tonne (2022–2025) by investing in the new K9 bio boiler,

fuelled by household waste, and reducing gas usage for mill energy.

“Our upgraded K8 power-to-heat boiler, converted by InoPower, now absorbs 25 MW during surplus periods, boosting renewable integration without compromising reliability,” says Janisch.

This is Norske Skog Bruck’s contribution: more renewables in the grid, lower emissions, and unwavering security of supply. Constant improvement drives us forward.



**Presenting Yan Vassart - our containerboard project leader**

With a rich career spanning decades in the paper industry, Yan has played a crucial role in several major projects, from the PM2 launch in 1997 to rebuilds in Australia and the Netherlands. His expertise in conversions and containerboard made him a natural fit for the Golbey Box project in 2019. As project lead, he leveraged his experience with both Valmet and Voith technologies to oversee the transformation of PM1. "It was a nice return to my starting point, 18 years later" he reflects.

Looking ahead, Vassart is confident in the success of testliner and fluting production at Norske Skog Golbey, emphasising that it presents different but manageable challenges compared to newsprint. With the added advantage of learning from Norske Skog Bruck's operations, he trusts the operational team to navigate issues such as stickies and food contact requirements. "I have full faith in our operational team on site" he states, underscoring his optimism for the future.

**We were honored to join the opening of the newly converted PM1** at Norske Skog Golbey - a defining moment that ushers in a bold new chapter for our Golbey site and for Norske Skog as a group.

French media widely recognised the event: Le Journal des Entreprises and GraphiLine marked the milestone of the first recycled containerboard reel produced on 22 May 2025, highlighting the project as the largest industrial investment in company history of about EUR 400 million. Coverage in Vosges Info further emphasised that this transition transforms Norske Skog Golbey into a strategic hub for sustainable packaging in Europe.

In his remarks, CEO Geir Drangslund called the PM1 start up "a significant milestone for Norske Skog and everyone at Golbey," thanking all involved and emphasising the future role of containerboard in our portfolio. He reiterated the company's commitment to ramp up, sustainability, and reliable customer deliveries.

Watch the enclosed video interview with Geir Drangslund as he reflects on the promising economic future for the Golbey mill with the new packaging production line.



*Geir Drangslund being interviewed by French media.*



*From left: Håvard Busklein (MD), Tor Muren, Wenche Fuglem and Peder Lutdal. (Photo: Svein Helge Falstad)*

**Norske Skog Skogn enters the European book paper market with NOR Book**

This strategic move diversifies our portfolio at Skogn, leveraging a NOK 40 million investment in paper machine 1 (PM1) to flexibly produce both newsprint and high-quality book paper with a capacity of over 140 000 tonnes.

In collaboration with ANDRITZ, our low-capex project enables production of bulky, bright, and sustainable book paper using 100% virgin fibre and our premium thermomechanical pulp. With successful trial runs and industry-leading low CO2 emissions, NOR Book is set to meet the stable European demand for wood-containing book paper (~4-500 000 tonnes/year).

The Managing Director at Skogn, Håvard Busklein, shares: "The project team's creativity and entrepreneurial spirit have paved the way for this milestone. NOR Book strengthens our competitiveness, targets stable markets, and positions us to become a top three supplier of book paper in Europe."

This transition will gradually reduce newsprint exports to Asia while maintaining seamless newsprint deliveries. We're excited about the positive feedback from customers and can't wait to deliver NOR Book to the market.

# Steering forward with strength and stamina

2025 has been a defining year for Norske Skog. After years of heavy investment, restructuring, and strategic repositioning, we are now seeing tangible results. We have moved from capital strain and uncertainty into a phase of operational improvement, stronger liquidity, and growing confidence.

## A TRANSFORMATION BACKED BY ACTION

The new packaging line (PM1) at Norske Skog Golbey, the largest investment in our history, is now delivering record production of recycled containerboard, a packaging paper product. While ramp-up costs have temporarily impacted profitability, operational performance improves steadily, with full utilisation targeted in 2027. Soon we will reach a production capacity of 760 000 tonnes. With future plans at Norske Skog Saugbrugs adding a further 300 000 tonnes of packaging paper, the group's packaging paper volumes will exceed those of publication paper. This development confirms both the validity and the long-term value of our chosen strategy.

At Norske Skog Skogn, we will in 2026 start producing book paper to customers in a stable European book paper market unlike the still declining newsprint market. Several other initiatives will improve fibre quality, reduce energy consumption, and increase grid flexibility. In addition, Norske Skog Bruck has almost reached full containerboard capacity. Across the group, we are intensifying cost optimisation.

After years of heavy capital outflows, particularly related to Golbey, we are rebuilding liquidity. The machine is operational, records are being set, and the focus is now clear: utilise equipment and people more efficiently and significantly increase cash flow.

Much of the company's financial commitments were entered into before my tenure, and repayment profiles have been demanding. This has required discipline and endurance. Through divestments, efficiency improvements, and balance sheet clean-up, we are restoring trust and strengthening resilience. Structural measures are not weakness, they are necessary steps toward long-term competitiveness.

The sale of selected Saugbrugs properties to Norsk Nukleær Dekommisjonering further strengthens equity and liquidity.

## CLIMATE RESULTS WE CAN BE PROUD OF

Our transformation is also environmental. In 2025, total emissions declined significantly. Scope 1 and 2 emissions per tonne are down 66% since 2015, bringing us close to our 2030 target. Scope 3 emissions fell 10% since base year 2022, with transport, the largest share of our footprint, now a key focus area for lower-emission solutions.

Investments such as the waste-to-energy plant at Bruck, the biomass boiler at Golbey, and energy efficiency measures at Skogn reduce emissions while strengthening competitiveness. Circularity and renewable energy integration are structural advantages. Our ambition of net zero by 2050 remains firm.

## CONTINUITY, ENDURANCE AND THE PEOPLE

Transformation comes at a cost. The turnaround has required continuity, stamina, and a major collective effort across mills and corporate functions. We have highly skilled employees. Leadership's role is to cultivate competence, engagement, and ownership. Without people, machines are idle.

Recent years have brought financial scrutiny and market scepticism. Such uncertainty affects organisations. But momentum is now tangible: results are improving, liquidity is strengthening, and confidence is returning.

I have personally invested significantly in the company. That reflects my belief in our industrial platform and our responsibility to create long-term shareholder value.

## INTEGRATION AND STRATEGIC FLEXIBILITY

We are searching opportunities to strengthen the company's position, which may imply:

- Upstream integration to secure fibre and reduce volatility
- Downstream integration to improve margins and market access
- Sideways integration where adjacent opportunities create value

At Saugbrugs, we are evaluating a potential PM6 rebuild for SC magazine paper and TMP-based packaging paper (kraftliner), alongside new energy- and infrastructure-related opportunities. The 200 MW of available powered land is a valuable asset for us. This may create many opportunities and attract strong interest from businesses and investors. We will carefully evaluate how surplus energy and infrastructure can create value in the long term.

Golbey provides packaging scale. Saugbrugs offers optionality. Skogn broadens our product mix through newsprint and book paper. Bruck combines packaging and renewable energy. This flexibility is a core strength.

## LOOKING AHEAD

We are closing a period defined by heavy investment and entering one defined by optimisation and cash flow. Large projects are largely completed. The focus is now operational excellence.

*We will continue to improve operations.*

*We will continue to reduce emissions.*

*We will explore value chain opportunities.*

*And we will continue to honour the people who make this company what it is.*

With continuity, endurance, skilled employees, and clear ambitions, we are positioning Norske Skog improve position in the value chain as a stronger, and more resilient European industrial company. And we are just getting started.

## Geir Drangslund

CEO



Photo: Carsten Dybevig

“

*I have personally invested significantly in the company. That reflects my belief in our industrial platform and our responsibility to create long-term shareholder value.*

# Reinventing Norske Skog

From newsprint to world-class recycled containerboard



## A strategic turn: Conversion of two newsprint machines

At its Golbey mill in northeastern France, Norske Skog has undertaken a major transformation on one of the newsprint machines, shifting from newsprint to sustainable packaging. The conversion of PM1 into a state-of-the-art recycled containerboard machine represents the largest investment in the company's history (about EUR 400 million).

The rebuild involved decommissioning wood pulp systems, installing recycled OCC pulping lines,

redesigning stock preparation and material flows, and implementing new automated winding, finishing, and logistics systems. The upgraded machine is designed to produce approximately 550 000 tonnes per year of high-quality recycled containerboard – nearly doubling its former newsprint capacity.

A similar shift has already been completed at Norske Skog Bruck in Austria, where PM3 was converted from publication paper to recycled containerboard,

marking the group's first move into packaging. The rebuild included significant upgrades to stock preparation, machine components, and finishing systems to handle recycled fibres and meet modern packaging standards.

Together, Golbey and Bruck represent a strategic repositioning of Norske Skog from declining publication markets toward growth in renewable, circular packaging.



## Recycling at scale: old corrugated containers (OCC) at the core

The core part of Bruck's and Golbey's stories are material circularity: the containerboard lines use recycled old corrugated containers as raw material, at full production capacity it will process around 900 000 tonnes/year. The OCC supply is sourced from both municipal sorting and industrial users within a 250–500 km radius of the mills.

Across Europe, recycled paper accounts for >95% of containerboard fibre inputs, reflecting the deep integration of recycled feedstocks in packaging production.



Photo: Adobe Stock

## Our new containerboard product brand Strato

The new Norske Skog containerboard Strato portfolio is designed to address the full spectrum of recycled packaging needs. Norske Skog has entered the 20 million tonnes market of recycled containerboard in Europe after the rebuild of two newsprint machines at Golbey and Bruck. It includes:

- Strato Fluting: the ridged inner layer that gives corrugated board strength.
- Strato Testliner: robust outer layers for boxes demanding high printability and strength.

- Strato Dual: used as either a printed or unprinted liner or as corrugating medium, offering certified quality and suitability for a wide range of applications, including food contact.

By focusing on recycled fibre and product grades aligned with corrugators across Europe, Bruck and Golbey leverage both environmental credentials and tangible performance – a key differentiator in a market increasingly conscious of circularity.

 STRATO | Fluting

 STRATO | Liner

 STRATO | Dual

## Experiences from the first years of commercial sale of containerboard

### At the Norske Skog Bruck mill

At Norske Skog's Bruck mill, the transition from newsprint to containerboard has marked an exciting new chapter in the company's long-standing paper-making tradition. This Q&A highlights the mill's experiences with its containerboard products, the insights gained from early customer interactions, and the challenges and opportunities that come with entering the packaging market. From technical adjustments and supply chain differences to customer relationships and market outlooks, the following discussion offers a candid look at how Norske Skog Bruck is navigating its move into the growing containerboard segment.

**Q: What are the experiences with containerboard so far, the product, the customers, etc?**

A: "Containerboard production is not that different from newsprint. Thanks to the excellent paper-making and project management skills of our employees, we were able to get the converted machine up and running in a relatively short time. The raw material and the fiber production plant were new to us. The basis weight of corrugated base paper is also significantly higher. Our early customers provided us with ongoing feedback on product quality in the spirit of partnership, thus playing a crucial role in the start-up phase."

**Q: What's different/what changed from newsprint to containerboard?**

A: "Containerboard is part of a different supply chain. Our customers produce corrugated board sheets for packaging production on corrugated board lines. A large proportion of our customers supply consumer goods to manufacturers. The order cycle differs in this business. As an independent paper producer, we supply many independent corrugated board manufacturers as well as integrated corrugated board manufacturers, often also customers with their own paper production, in our markets."

**Q: How is it to work with the new customers?**

A: "Our independent corrugated board manufacturers are a small, select group in Europe. When we launched our Strato products in 2023, we were warmly welcomed and accepted as a new supplier, despite the challenging market conditions. Several of our customers recognise us as a company with outstanding service, thanks to our logistics, on-time delivery, and overall performance."

**Q: What are challenges ahead?**

A: "The packaging industry is a growing market, even though our launch coincided with the recession in Europe. Currently, the entire industry is facing economic challenges. This is due to overcapacity in both the paper and corrugated board markets. Time and market growth will heal these wounds. In parallel, we are beginning to develop new products to expand our product portfolio for our customers, out of our two production plants in Europe."



On the pictures from left to right: Vanessa Gmeinbauer (Inside Sales Containerboard), Michael Schramböck (Director Sales & Logistics), Alexandra Paar (Assistant Sales & Logistics), Thomas Moser (Sales Director CB Bruck), Johannes Moser (Production Manager CB Bruck).  
Photo: Enzo Zadra

# Experiences from the project and initial containerboard commercial phase

At the Norske Skog Golbey mill



**Yves Bailly, Managing Director of Norske Skog Golbey**

**Q: What was the biggest technical hurdle in converting PM1?**

A: "The PM1 conversion accounts for nearly one third of the BOX project. It is the most visible part of the transformation (the tip of the iceberg).

Behind it, an entire industrial ecosystem has been reshaped: the OCC pulp mill, a new high-tech storage building, a new winder at the heart of the line, as well as major adaptations to our utilities, notably renewable energy systems and the wastewater treatment plant.

The greatest technical challenge was not only to install new equipment, but to successfully integrate this major transformation into an existing site, under very demanding constraints (particularly in terms of space limitations and simultaneous operations)."

**Rémi Duchaine, OCC Operations**

**Q: How has recycling changed your day-to-day work?**

A: "The OCC process differs little from the DIP process that we have known in Golbey for a very long time. Even though the TMP has been completely dismantled, the pulp production process is quite similar. Ultimately, in our daily lives, what changes the most is no longer smelling the resin and forest scent that used to fill the workshop when we were still producing pulp from wood."



**Stephan Simeray, Customer service manager**

**Q: Customers demand consistency — how did you manage that?**

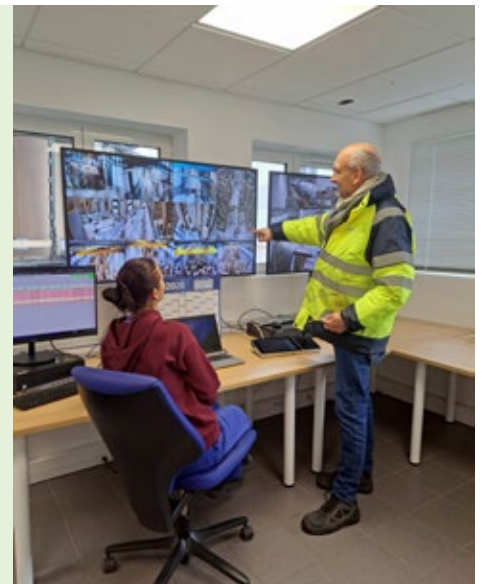
A: "Containerboard is a commodity paper, and both production and quality teams are mobilised to meet the required specifications. Customer feedback after testing allows us to adjust our production if necessary. Today, we can proudly say that our containerboard is approved by many of our customers, which was a race against time at the end of 2025. And of course, as with any commodity, service is also crucial: On-Time In-Full deliveries are key! It is up to all of us together to achieve long-term results now."

**Philibert Vinot, Logistics manager**

**Q: What's new since the warehouse automation was installed?**

A: "We have taken charge of this new tool, which allows us to gain fluidity and speed. The cameras throughout the building enable remote access and instant control of the storage system. The more time passes, the more experience we gain, which allows us to improve the preparation time of batches. This automation also has the advantage of reducing drivers' waiting times.

In addition to these time savings, our warehouse also allows us to optimise storage, thanks to stacking the coils up to 15 meters high."





**Marie-Christine Laurent, Occupational health nurse**

**Q: What was the major project you led in 2025?**

A: "At Norske Skog Golbey, HSE isn't just about safety and the environment, employee health matters just as much. From managing fatigue to boosting overall well-being, our initiatives help workers stay safe, alert, and resilient. In 2025, I organised the first sophrology workshops for shift workers. Their schedules often disrupt sleep, so the breathing, relaxation, and visualisation techniques provided practical tools to manage fatigue and improve recovery."

**Q: Why was this project important to you?**

A: "Shift work affects sleep, alertness, and overall health. Offering tools to improve safety, physical and mental well-being, and quality of life was therefore essential to me."

**Q: What are your next challenges for 2026?**

A: "I will pass on my knowledge before retiring after more than 40 years of work, including 12 years at Norske Skog Golbey. I will also continue a 2025 project on musculoskeletal disorders to better identify, prevent, and reduce workplace risks."



**Linda Omland, Marketing director**

**Q: The market is evolving; how do you keep up?**

A: "The best way to understand changes is to meet customers, which is what I and the local sales teams do daily. Our current product range perfectly meets the corrugators' needs: we produce sustainable and lightweight container-board without compromising on quality. Thanks to the performance of our paper machine and the commitment of our teams in the mill and on the field, we are ready to meet today's needs and anticipate those of tomorrow."



**Martine Bortolotti, Sustainability lead**

**Q: What lessons about sustainability have you learned?**

A: "Sustainability is not limited to recycling, responsible water use and carbon footprint reduction – it also encompasses safety and quality of working life for our employees, responsible procurement, and community involvement. It is a comprehensive approach that applies across the entire value chain, from our suppliers to our customers."

**Thierry Dubois, Operations director**

**Q: What was your greatest achievement in 2025?**

A: "The first thing that comes to my mind is the production of the first containerboard jumbo reel, as it represents the culmination of several years of reflections and challenges."

**Q: Why was this milestone important to you?**

A: "A large part of the team was there to witness it. The energy that day was palpable - a mix of joy, pride, relief, and anticipation."

**Q: What are your next challenges for 2026?**

A: "I will take charge of the two production lines at Golbey: the packaging paper line and the newsprint line. Major challenges lie ahead as we strive to deliver to our customers with quality, quantity, and on time. I am very confident as I can count on committed, professional, and highly skilled teams who will stay focused on achieving this shared goal."



**Pierre Vanier, Newsprint line manager**

The entire raw material process was subject to changes due to the rebuild of PM1. Here are some thoughts from the line manager on PM2, the 330 000 tonnes machine.

**Q: What was the major project you led in 2025?**

A: "We increased PM2 newsprint production in the second half of 2025 and identified its optimal operating speed with 100% DIP pulp. The machine has responded very well to the higher speed, which is promising for the future."

**Q: Why was this project important to you?**

A: "It proves the machine can deliver target volumes with strong stability. Since switching to 100% DIP nearly three years ago, we have continuously improved. The 2024 procedures delivered results in 2025, enabling year-on-year growth. It is rewarding to see our efforts pay off, and 2026 will build on this momentum."

**Q: What are your next challenges for 2026?**

A: "Our focus will be stabilising the entire line: upstream at the pulp plant and downstream at the finishing machine converting jumbo reels into smaller reels. This will support further production increases."

Photos: Cyrielle Nussbaum





XcelLine

VOITH  
Master Reel

⚠ DANGER  
NIVEAU SONORE  
15 dB

VOITH

⚠ DANGER

PRESENCE DE SOURCES  
RADIOACTIVES SCHELES  
INTERDICTION DE TOUTE MANIPULATION  
AVANT LE SCHELES ADAPTE  
Tous travaux doivent être effectués  
par un personnel qualifié et autorisé  
à cet effet.



# Board of directors



**ARVID GRUNDEKJØN** (1955)  
Chair since 2023, Board member since 2018  
**Current election period:** Elected board member on 10 April 2025, for a two-year period (2025-2027)  
**Independent:** Yes  
**Residence:** Oslo, Norway  
**Education:** Executive programme, Harvard Business School (USA), Master of Law, University of Oslo (Norway), Master of Business and Economics, Norwegian School of Economics (Norway)  
**Position:** Investor and professional board member  
**Directorships:** Chair of Infima AS, Chair of Creati Estate AS, Chair of Cardid AS and Chair of Stiftelsen Fullriggeren Sørlandet  
**Shares in Norske Skog ASA:** Owns and/or controls 101 617 shares.



**TRUDE ULVEN** (1971)  
Board member since 2025  
**Current election period:** Elected board member on 10 April 2025, for a two-year period (2025-2027)  
**Independent:** Yes  
**Residence:** Løten, Norway  
**Position:** CEO of Strand Unikorn AS  
**Education:** Candidate Agriculture degree from Norwegian University of life sciences (Ås, Norway), Master of Business Administration from NHH – Norwegian School of Economics (Bergen, Norway)  
**Directorships:** Chair of Norgesfôr AS, Chair of Vestfoldmøllene AS, Chair of 3B Agro AS, Board member Obio AS, Board member Norkorn  
**Shares in Norske Skog ASA:** Owns and/or controls 0 shares.



**TERJE SAGBAKKEN** (1973)  
Board member since 2024  
**Current election period:** Elected board member on 11 April 2024, for a two-year period (2024-2026)  
**Independent:** No (Terje Sagbakken is a board member of Byggma ASA which is ultimately controlled by the CEO, Geir Drangslund, who also controls 22774 079 shares in Norske Skog ASA.)  
**Residence:** Gjøvik, Norway  
**Position:** Manager lean and industrialization in Nammo AS  
**Education:** Master's Degree in Sustainable Manufacturing from the Norwegian University of Science and Technology (NTNU) in 2016, Bachelor's Degree in Wood Technology from Ingeniørhøgskolen i Gjøvik in 1996  
**Directorships:** Board member of Byggma ASA and Forestia AS  
**Shares in Norske Skog ASA:** Owns and/or controls 15 900 shares



**EVA KARLSSON BERG** (1959)  
Board member since 2025  
**Current election period:** Elected board member on 10 April 2025, for a two-year period (2025-2027)  
**Independent:** Yes  
**Residence:** Karlstad, Sweden  
**Professional activity:** Experienced board member skilled in areas of higher education, industrial process control, operations management, international business, biofuels, and biomass.  
**Education:** Master of Science in Chemical Engineering at Chalmers Technical University (Gothenburg, Sweden)  
**Directorships:** Board member of Montagetjänst AB Forshaga, delegate to Länsförsäkringar Värmland and Board member of Karlstad Fotboll  
**Shares in Norske Skog ASA:** Owns and/or controls 0 shares

# Observers



**ASBJØRN ANDRÉ DYPDAHL** (1972)  
Observer since 2023  
**Position:** Main employee representative Norske Skog Skogn. Winder operator Norske Skog Skogn



**TORE CHRISTIAN ØSTENSVIG** (1976)  
Observer since 2022  
**Position:** Main employee representative Norske Skog Saugbrugs. Line operator pulp (TMP) mill at Norske Skog Saugbrugs

# Corporate management


**GEIR DRANGLAND** (1962)

Chief Executive Officer from 1 September 2023

**Professional experience:**

CEO in Byggma ASA  
CFO in Avantor AS, Elkjøp Norway AS and Idun Industri AS

**Education:**

Master of Business Administration, BI Norwegian Business School (Oslo, Norway)

**Directorships:** Numerous subsidiaries in Byggma and Norske Skog group

**Shares in Norske Skog ASA:**

Owens and/or controls 22 774 079 shares

**Synthetic options:** 272 000


**CHRISTOFFER BULL** (1976)

Senior Vice President Business Development  
In Norske Skog since 2026

**Professional experience:**

Chief Operating Officer Greenbit Energy AS.  
Marketing Director at the following Norske Skog mills: Follum, Golbey and Saugbrugs

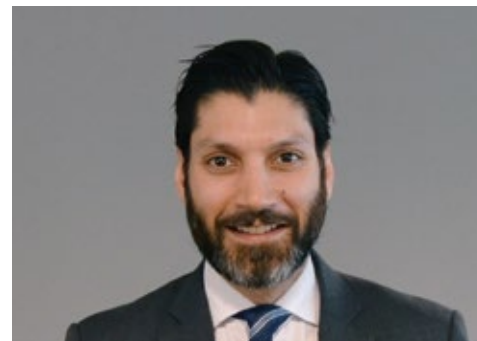
**Education:**

Maîtrise de Sciences Economiques (Master of Economics) from Université des Sciences Sociales Toulouse 1, France (incl. one term in Sydney, Australia), and a Management Programme from HEC Paris, France

**Shares in Norske Skog ASA:**

Owens and/or controls 0 shares

**Synthetic options:** 0


**EINAR BLAAUW** (1980)

Senior Vice President General Counsel  
In Norske Skog since 2014

**Professional experience:**

Vice President Legal, Norske Skog  
Attorney, Advokatfirmaet Thommessen  
Attorney, Clifford Chance

**Education:**

Attorney Practicing Certificate (Norway),  
Master of Laws, University of Bergen (Norway)

**Shares in Norske Skog ASA:**

Owens and/or controls 0 shares

**Synthetic options:** 232 000


**TORD STEINSET TORVUND** (1990)

Chief Financial Officer  
In Norske Skog since 2020

**Professional experience:**

Finance Director, Norske Skog Saugbrugs  
Group Business Analyst, Norske Skog  
Auditor in KPMG AS

**Education:**

Master of Accounting and Auditing, Norwegian School of Economics (Bergen, Norway), Master of Financial Economics and CEMS Master of International Management, Norwegian School of Economics (Bergen, Norway) and St. Petersburg State University (Russia)

**Shares in Norske Skog ASA:**

Owens and/or controls 11 000 shares

**Synthetic options:** 176 000


**EVEN LUND** (1992)

Senior Vice President Corporate Finance  
In Norske Skog since 2020

**Professional experience:**

Vice President Corporate Finance, Norske Skog  
Investor Relations Manager, Norske Skog  
Associate Corporate Finance, ABG Sundal Collier

**Education:**

Master of Financial Economics, Norwegian School of Economics (Bergen, Norway)

**Shares in Norske Skog ASA:**

Owens and/or controls 25 000 shares

**Synthetic options:** 176 000


**ROBERT A WOOD** (1962)

Senior Vice President Commercial  
In Norske Skog since 1987

**Professional experience:**

Vice President Commercial, Norske Skog  
Managing Director Central European Hub, Norske Skog Deutschland GmbH  
Vice President European Sales, Norske Skog  
General Manager Norske Skog PanAsia (Shanghai)  
Various positions in Commercial Consulting Co. Ltd. (China), Herald and Times (Glasgow), Strathclyde Police (Glasgow)

**Education:**

Bachelor of Science (1st Class Hons),  
University of Strathclyde (Scotland)

**Shares in Norske Skog ASA:**

Owens and/or controls 5 263 shares

**Synthetic options:** 291 000

# Share information

## INTRODUCTION

Norske Skog aims to provide long-term value growth and an attractive return for its shareholders which exceeds that of relevant investment alternatives, this ambition will be supported by a responsible capital allocation strategy and a conservative capital structure. Norske Skog is listed on the Oslo Stock Exchange where it trades under the ticker code NSKOG.

The Norske Skog corporate management and board of directors are committed to serving all shareholders and potential new investors with consistent, accessible, and immediate disclosure of relevant information through the Oslo Stock Exchange, media, and financial newswires. Norske Skog has a policy of equal treatment of all stakeholders to the group.

## SHARES AND SHARE CAPITAL

On 31 December 2025, the share capital of Norske Skog was NOK 339 352 940, consisting of 84 838 235 shares each with a par value of NOK 4.00. All shares have equal rights and are freely transferable.

The Norske Skog share price was NOK 16.96 on 30 December 2025, representing a market value of approximately NOK 1 439 million. The return for 2025 was negative NOK 7.54 or negative 30.8 percent. The Oslo Stock Exchange Benchmark Index (OSEBX) had a return of positive 18.4 percent in 2025. For Norske Skog, the highest share price in 2025, based on close-of-trading, was NOK 26.88 on 26 February, and the lowest price was NOK 14.22 on 18 November. Norske Skog did not pay a dividend during the year.



## VOLUME

In 2025, 58 484 512 Norske Skog shares were traded in the market, equivalent to a turnover of NOK 1 206 million. The average daily trading volume was 233 938 shares.

## DIVIDEND POLICY AND PROPOSAL

Norske Skog’s dividend policy is to pay dividends reflecting the underlying earnings and cash flow while ensuring efficient capital allocation in the group. When deciding the dividend level, the board of directors will among other things take into consideration capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility of the group.

Dividend payments are restricted under the group’s financing facilities of maximum up to 50% of net profit for the previous financial year, subject to an incurrence test, maximum leverage ratio of 1.50x following dividend payment, being met.

The board of directors did not request the authority from the Annual General Meeting in 2025 to pay a dividend for the financial year 2024.

The board of directors will propose to the annual general meeting that no dividend is distributed for the financial year 2025.

## LONG-TERM INCENTIVE PROGRAMME

The board of directors has approved a synthetic option programme for senior executive employees in Norske Skog. By end of 2025, 2 094 000 synthetic options had been awarded. The programme is described in the guidelines for determining salary and other remuneration to leading personnel, which are available on company’s website [www.norskeskog.com](http://www.norskeskog.com).

## FUNDING AND CREDIT QUALITY

Maintaining a strong financial position is considered an important risk mitigating factor, supporting Norske Skog’s possibilities for strategic development of its businesses. Access to external financial resources is required to maximise value creation over time, balanced with acceptable risk exposure. The financial covenants applicable to Norske Skog on a consolidated basis are freely available and unrestricted cash and cash equivalents of minimum NOK 100 million, EBITDA to net interest costs of minimum 2.0:1, book equity to total assets of minimum 25%, and minimum last twelve months (LTM) EBITDA of NOK 400 million. See Note 29 Interest-bearing liabilities in the consolidated financial statements.

### MAJOR SHAREHOLDERS AND VOTING RIGHTS

Geir Drangslund is the controlling shareholder of Investor AS. The company's largest shareholders, Byggma ASA and Drangslund Kapital AS are under common control of Investor AS and the three companies holds 22 774 079 shares combined, corresponding to a 26.84% ownership share.

On 31 December 2025, the foreign ownership was 21.40%. Based on the information in the Norwegian Registry of Securities, Norske Skog had a total of 10 846 shareholders on 31 December 2025 of which 166 resided outside of Norway.

SHAREHOLDING INTERVAL	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF SHARE CAPITAL
1 - 100	4 038	136 877	0.16
101 - 1 000	3 994	1 720 867	2.03
1 001 - 10 000	2 216	7 498 433	8.84
10 001 - 100 000	534	15 642 588	18.44
100 001 - 1 000 000	54	13 762 304	16.22
above 1 000 000	10	46 077 166	54.31
<b>Total</b>	<b>10 846</b>	<b>84 838 235</b>	<b>100.00</b>

SHAREHOLDER CITIZENSHIP	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF SHARE CAPITAL
Norway	10 680	66 681 773	78.60
Luxembourg	4	9 689 935	11.42
United States	9	2 826 326	3.33
Belgium	6	2 104 248	2.48
Sweden	32	1 743 081	2.05
United Kingdom	23	895 972	1.06
Denmark	23	353 587	0.42
Ireland	24	235 037	0.28
France	6	63 629	0.08
Cyprus	1	50 000	0.06
Finland	2	47 026	0.06
Switzerland	6	33 733	0.04
The Netherlands	2	27 505	0.03
Germany	11	24 812	0.03
Italy	3	22 900	0.03
Singapore	3	21 200	0.02
Spain	2	9 070	0.01
Australia	1	2 800	0.00
Iceland	1	1 600	0.00
Austria	1	1 390	0.00
Other	6	2 611	0.00
<b>Total</b>	<b>10 846</b>	<b>84 838 235</b>	<b>100.00</b>



Photo: Carsten Dybevig

**FINANCIAL CALENDAR**

*Norske Skog reserves the right to revise these dates.*

- 26 March 2026:** Annual Report
- 16 April 2026:** Annual General Meeting
  
- 24 April 2026:** Quarterly Report - Q1
- 17 July 2026:** Quarterly Report - Q2
- 22 October 2026:** Quarterly Report - Q3
- 4 February 2027:** Quarterly Report - Q4

**2025 ANNUAL GENERAL MEETING**

The Norske Skog Annual General Meeting for 2026 will be held on Thursday 16 April 2026, at 13:00 CET. Shareholders who wish to attend are asked to follow the instructions on the Notice of Annual General Meeting and to inform the registrar by 16:00 CET on Tuesday 14 April:

DNB Bank ASA  
 Registrar's Department  
 P.O. Box 1600 Sentrum  
 N-0021 Oslo, Norway

You may also register electronically on our website [www.norskeskog.com](http://www.norskeskog.com) or via VPS Investor Services. Any shareholder may appoint a proxy with written authority to attend the meeting and vote on his or her behalf. The meeting will be held online.

**ANALYST COVERAGE**

ANALYST	TELEPHONE
ABG Sundal Collier	+47 22 01 60 00
DNB Markets	+46 91 50 48 00
Pareto Securities	+47 22 87 87 00
Sparebank 1 Markets	+47 24 14 74 00



*Photo: Gersten Dybevig*

**INFORMATION FROM NORSKE SKOG**

Communicating with the stock market is given high priority, and Norske Skog aims to maintain an open dialogue with market participants. Our objective is to provide sufficient information on a timely basis to all market participants to ensure a fair valuation of our shares. Information that is considered price sensitive is communicated by news releases and stock exchange announcements. We host regular meetings for investors, both in-person and virtually. All information about Norske Skog is published on our website: [www.norskeskog.com](http://www.norskeskog.com).

Our annual and quarterly reports are available on [www.norskeskog.com](http://www.norskeskog.com). Printed version of the annual and quarterly reports can be received at our office at Sjølyst Plass 2, 0278 Oslo, Norway.

Three weeks before the announcement of quarterly results, Norske Skog practices a “silent period”, meaning that contact with external analysts, investors and journalists is limited. This is done to minimise the risk of information leaks and potentially unequal information in the marketplace.

Share price	2019	2020	2021	2022	2023	2024	2025
Share price high (close-of-trading), NOK	43.99	44.00	43.00	75.70	75.80	43.42	26.88
Share price low (close-of-trading), NOK	37.00	24.10	29.30	37.30	39.06	18.55	14.22
Share price average (volume weighted average price), NOK	38.42	31.98	35.14	56.60	54.04	32.20	20.62
Share price year-end, NOK	43.70	38.70	38.40	67.25	41.40	24.50	16.96
Dividend paid per share, NOK	0.00	6.25	0.00	0.00	0.67	0.00	0.00
Market capitalisation year-end, NOK million	3 605	3 193	3 620	6 339	3 903	2 079	1 439

**Volume (excluding off-market transactions and share repurchases)**

Number of shares traded, million	10.68	38.05	90.99	125.23	148.67	81.49	58.48
Turnover, NOK million	427	1 217	3 186	6 951	8 130	2 624	1 206
Number of trades	12 359	68 834	166 577	267 136	265 213	133 016	75 213
Number of trading days	49	252	252	253	251	250	250
Average daily number of shares traded	217 995	150 983	361 074	494 995	592 319	325 969	233 938
Average daily turnover, NOK million	8.7	4.8	12.6	27.5	32.4	10.5	4.8
Average daily number of trades	252	273	661	1 056	1 057	532	301

**Shareholders**

Non-Norwegian ownership year-end,% share	15.74	9.70	27.89	30.20	17.01	21.49	21.40
Shareholding interval 1 - 100,% share	0.02	0.07	0.09	0.15	0.19	0.18	0.16
Shareholding interval 101 - 1 000,% share	0.64	1.41	1.62	1.76	2.59	2.42	2.03
Shareholding interval 1 001 - 10 000,% share	1.65	4.51	6.09	5.43	10.19	10.47	8.84
Shareholding interval 10 001 - 100 000,% share	3.63	6.29	9.11	9.28	15.77	17.63	18.44
Shareholding interval 100 001 - 1 000 000,% share	19.75	9.28	24.27	24.52	17.79	19.51	16.22
Shareholding interval above 1 000 000,% share	74.32	78.44	58.82	58.86	53.48	49.79	54.31
Top 5 shareholders,% share	71.77	72.02	42.21	45.77	42.11	42.62	44.52
Top 10 shareholders,% share	77.74	79.47	51.32	54.38	50.09	51.69	54.31
Top 15 shareholders,% share	82.50	83.20	57.73	59.92	55.13	55.28	57.97
Top 20 shareholders,% share	85.66	85.26	62.89	64.28	58.47	57.60	60.43
Top 25 shareholders,% share	88.14	86.63	66.91	67.70	61.16	59.48	62.29
Top 30 shareholders,% share	89.82	87.58	70.21	70.25	63.46	61.00	63.93
Number of shareholders	2 120	5 322	7 615	9 677	14 124	12 290	10 846
Outstanding shares year-end	82 500 000	82 500 000	94 264 705	94 264 705	94 264 705	84 838 235	84 838 235





# Report of the board of directors

## ABOUT NORSKE SKOG

Norske Skog is a leading producer of publication and packaging paper.

The company has publication paper production capacity of 1.2 million tonnes across its four European manufacturing sites, comprising 0.8 million tonnes of newsprint and 0.4 million tonnes of magazine paper.

Norske Skog's packaging paper production in Europe commenced in the first quarter of 2023 at Norske Skog Bruck, which has a production capacity of 0.2 million tonnes. Production at Norske Skog Golbey commenced in the second quarter of 2025, and the machine is expected to reach full utilisation in the first half of 2027. Once fully ramped up, the Bruck and Golbey mills will jointly have a capacity of 0.8 million tonnes of recycled containerboard.

## STRATEGY

Norske Skog has adopted the following business strategy:

- Improve and optimise publication paper cash flows
- Become a leading and independent European producer of renewable packaging paper
- Integrate vertically within the entire value chain

## NORSKE SKOG IN 2025

### Markets – publication paper

In 2025, demand for European publication paper continued its structural decline of approximately 5-10% per year. Capacity closures within the industry have helped rebalance supply and demand for certain paper grades, while others continue to experience low capacity utilisation. On average, product prices remained stable compared to year-end 2024. The cost of raw materials, both pulpwood and recovered paper, have been relatively stable while energy costs decreased during 2025.

In 2025 the annual demand for standard newsprint in Europe decreased by 8% compared to previous year. For magazine paper the demand decreased by 9%, with supercalendered paper decreasing 11% and lightweight coated paper decreasing 8% compared to previous year. (Source: Euro-Graph).

### Markets - containerboard

The Western European recycled containerboard consumption was approximately 20 million tonnes in 2025. Unlike the publication paper markets, the packaging market experienced an increase in both demand and capacity during the year. The industry capacity utilisation decreased slightly and is still below historical averages, which puts pressure on the profit margins for producers. The prices for recycled containerboard were slightly lower in 2025 compared to 2024, albeit with limited effect on profit margins as prices for raw materials, in particular recycled fibre, also decreased.

Norske Skog Golbey PM1 started production and deliveries of recycled containerboard in May 2025 and is expected to reach full utilisation in the first half of 2027. Norske Skog Bruck PM3 continued to increase the production and deliveries of recycled containerboard in 2025 and the volume is expected continue to increase in 2026. Once fully ramped up the machines will have a total capacity of 760 000 tonnes of cost-competitive recycled containerboard. The recycled containerboard production will be fully based on recycled fibre

and will utilise green energy generated from the new waste-to-energy facility at the Bruck industrial site and a new biomass plant at the Golbey industrial site. Reliable access to affordable sources of green energy will be crucial for the long-term competitiveness at Norske Skog Bruck and Norske Skog Golbey.

Annual demand for recycled containerboard in Europe increased by 1.3% in 2025 while the capacity increased by 1.5%. (Source: Fastmarkets RISI).

## INCOME STATEMENT 2025 (2024)

Norske Skog's operating income was NOK 10.5 billion (NOK 10.2 billion). The increase was mainly due to higher volumes, partly offset by mix effects with a higher share of recycled containerboard reducing average selling prices. In other operating income insurance proceeds were recognised with NOK 560 million (NOK 458 million) related to the rockslide in 2023 on the Norske Skog Saugbrugs industrial site.

Distribution costs of NOK 1.0 billion (NOK 1.0 billion) were at the same level as the previous year and slightly down on a per tonne basis. Cost of materials of NOK 6.2 billion (NOK 5.9 billion) increased due to higher volumes and higher pulpwood prices, while energy and recycled fibre prices decreased during the year.

Employee benefit expenses of NOK 1.6 billion (NOK 1.7 billion) decreased year-on-year because of a reduction in the number of employees and reduced bonuses. Other operating expenses of NOK 827 million (NOK 803 million) show a slight increase, mainly as a result of starting the containerboard production at Norske Skog Golbey PM1.

EBITDA increased to NOK 769 million (NOK 736 million) and is still impacted by the challenging operating environment in Europe both for publication paper and packaging paper.

Restructuring expenses in 2025 amounted to NOK 5 million (NOK 16 million) where prior year was impacted by demanning at Norske Skog Saugbrugs. Depreciation was NOK 557 million (NOK 481 million), an increase as a result of the completion and start of depreciation on the containerboard assets in Norske Skog Golbey. No impairment was recognised in 2025 while an impairment of NOK 121 million was recognised prior year in relation to assets at Norske Skog Saugbrugs.

Derivatives and other fair value adjustments ended at positive NOK 356 million (negative NOK 178 million) reflecting the impact of the change in fair value of energy contracts in Norway.

Operating earnings ended at NOK 563 million (negative NOK 60 million). The change primarily reflects positive impact from derivatives and other fair value adjustments and higher other revenue from insurance compensation.

Net financial items in 2025 were NOK -209 million (NOK -441 million). Net interest expenses of NOK 202 million (NOK 128 million) was above previous year reflecting increased net debt. Currency gain of NOK 77 million (loss of NOK 175 million) is due realised and unrealised gains currency derivatives. Income taxes for 2025 amounted to NOK 88 million (NOK -94 million)

reflecting lower deferred tax liabilities. Profit for the year was NOK 442 million (negative NOK 661 million).

#### **CASH FLOW 2025 (2024)**

Net cash flow from operating activities ended at NOK 227 million (negative NOK 15 million). Cash from operations was NOK 466 million (NOK 200 million) an increase primarily resulting from lower working capital with higher trade and other payables. Taxes paid was NOK 9 million (negative NOK 1 million).

Net cash flow from investing activities of NOK 328 million (NOK 1.2 billion) mainly reflects purchases of plant and equipment related to the conversion of Norske Skog Golbey PM1 into recycled containerboard, partly offset by the proceeds from the insurance settlement at Norske Skog Saugbrugs.

Net cash flow from financing activities of NOK 27 million (negative NOK 105 million) includes new bank loans raised at Norske Skog Skogn and Norske Skog Golbey, offset by debt repayments mainly at Norske Skog Golbey and Norske Skog Bruck.

#### **Publication paper**

Operating income was NOK 8.9 billion (NOK 9.2 billion) a decrease from the previous year due to lower volumes, lower publication paper prices and less sale of excess energy, partly offset by higher revenue from insurance compensation. Insurance compensation was recognised with NOK 560 million (NOK 458 million) related to the rockslide in Norske Skog Saugbrugs in April 2023.

Distribution costs of NOK 886 million (NOK 904 million) decreased on an absolute basis and on the same level on a per tonne basis. Cost of materials of NOK 5.0 billion (NOK 5.3 billion) decreased due to lower energy costs, partly offset by increased costs of pulpwood on an absolute and per tonne basis. Employee benefit expenses of NOK 1.2 billion (NOK 1.4 billion) decreased an absolute and on a per ton basis because of a reduction in the number of employees in addition to some employee benefit expenses being allocated to the containerboard segment at Norske Skog Golbey. Other operating expenses of NOK 640 million (NOK 773 million) decreased due to cost saving initiatives resulting in lower consulting, maintenance and other fixed costs.

Operating earnings ended at NOK 1.1 billion (NOK 112 million). The change primarily reflects positive impact from derivatives and other fair value adjustments.

Net cash flow from operating activities ended at NOK 836 million in 2025 (NOK 228 million).

#### **Packaging paper**

Total operating income of NOK 1.2 billion (NOK 851 million) reflects the start of production of recycled containerboard at Norske Skog Golbey PM1 in addition to increased deliveries from Norske Skog Bruck PM3.

Distribution costs of NOK 150 million (NOK 101 million) increased on an absolute level due to higher volumes but decreased on a per tonne basis compared to prior year. Cost of materials of NOK 888 million (NOK 527 million)

increased on an absolute and per tonne basis as a result low efficiency in the months after start-up of PM1 at Norske Skog Golbey. Employee benefit expenses of NOK 312 million (NOK 156 million) increased on an absolute and per tonne level also driven by the PM1 start-up. Other operating expenses of NOK 201 million (NOK 61 million) increased for the packaging paper segment but decreased slightly on a per tonne level for Norske Skog Bruck PM3.

Operating earnings ended at NOK -525 million (NOK -113 million) with an improvement for Norske Skog Bruck from prior year.

#### **Discontinued operations**

The segment Publication paper Australasia was discontinued in 2024 following the initiation of a concrete sales process in December 2024. The segment consisted of Norske Skog Boyer's publication paper operations in Australasia. On 7 February 2025 an agreement to sell Norske Skog Industries Australia Ltd with subsidiaries was signed and the entities were sold with effect from 1 April 2026.

#### **BALANCE SHEET 31 DECEMBER 2025 (31 DECEMBER 2024)**

Total assets were NOK 14.7 billion (NOK 14.5 billion) while total non-current assets were NOK 10.6 billion (NOK 10.0 billion). The increase is mainly related to investments in connection with the conversion to recycled containerboard at Norske Skog Golbey. Investments in maintenance of property, plant and equipment (maintenance capex) amounted to NOK 187 million (NOK 219 million).

The group recognised a deferred tax asset of NOK 134 million (NOK 111 million).

Total current assets were NOK 4.1 billion (NOK 4.4 billion including assets held for sale), with cash and cash equivalents of NOK 1.1 billion (NOK 1.1 billion). Trade receivables increased in part as a result of the start of deliveries of recycled containerboard from Norske Skog Golbey.

Total non-current liabilities were NOK 5.3 billion (NOK 5.5 billion). Total current liabilities were NOK 3.6 billion (NOK 3.6 billion including liabilities relating to assets classified as held for sale). Excluding the effect of discontinued operations in 2024, the increase relates to higher trade and other payables resulting from improved payment terms and an increase in interest-bearing current liabilities.

Net interest-bearing debt of NOK 4.3 billion (NOK 4.1 billion) increased due to an increase in interest-bearing liabilities in part resulting from currency effects on Euro denominated debt at Norske Skog Golbey and Norske Skog Bruck. Equity was NOK 5.8 billion at 31 December 2025 (NOK 5.4 billion). The increase reflects the profit for 2025.

#### **RISK MANAGEMENT**

The main exposures for the group are linked to demand development in key paper grades within publication paper and packaging paper and capacity management by the suppliers and thereby impacting prices. Prices for publication paper and packaging paper relative to production cost is the most important factor for the profitability in the industry. Negative demand development and lack of or insufficient capacity management in the industry could result in pressure on prices and profitability.

The group is also exposed to movements in the prices of key input factors such as energy, recovered paper, wood and chemicals. During 2025 costs of certain raw materials has been high compared to previous years. Thus, efforts to continue to improve efficiencies and develop purchasing strategies and having a contract structure that matches production are key to mitigate these risk factors and reduce the impact on the group's profitability.

Norske Skog is not vertically integrated into forest resources and must therefore source wood from third parties. The supply of wood is to a certain extent covered by medium to long-term contracts which reduce cost exposure and increase supply certainty. For the remaining part the price development of wood is linked to the activity in the pulp and paper sector with lower activity and pricing giving lower cost and opposite when activity is high.

The group's revenues and costs are partly hedged operationally from a currency point of view; providing some risk reduction but significant movements, particularly of NOK vs GBP, USD and EUR, pose a financial risk for the group.

Norske Skog's operations are predominantly production of publication paper, but with increasing exposure to packaging paper. The demand for publication paper will likely continue to decrease and the market balance is over time dependent on future closures of production capacity either permanently or through conversions to other paper grades. Exposure to both newsprint and magazine paper grades give some product diversification for the publication paper segment, while the gradual increase of containerboard production will provide further product diversification into the growing recycled containerboard market.

Financial risk management includes currency and liquidity planning. Currency volatility is to a certain extent mitigated by natural hedging where income and expenses are matched in the same currency, but the group may also enter into currency contracts to hedge currency risk. Norske Skog has loans predominantly denominated in EUR, matching cash flows from the EUR based European market. Liquidity is ensured by maintaining sufficient cash balances and open credit lines linked to trade receivables facilities. Norske Skog continuously assesses the most competitive funding sources for the group. Norske Skog performs credit evaluations of counterparties. The group's insurance programme covers property damage, business interruption, product and environmental liability, crime and cyber and is managed centrally through a well-established insurance programme.

Norske Skog ASA has a directors and officers liability insurance for the parent company and its subsidiaries. The insurance covers defence costs and potential legal liability for directors and officers arising out of claims made against them while serving on a board of directors and or as an officer. The insurance renews annually, and the sum insured was USD 50 million at 31 December 2025.

Risk factors are further discussed in Note 5 Financial Risk in the consolidated financial statements.

## CORPORATE GOVERNANCE

Norske Skog considers good corporate governance to be a prerequisite for value creation, trustworthiness, and access to capital. Norske Skog believes that good corporate governance involves openness, honesty and cooperation between all parties involved in and with the group: the shareholders, the board of directors and executive management, employees, customers, suppliers, public authorities, and society in general.

To secure strong corporate governance and value creation in a sustainable manner, it is important that Norske Skog ensures good and healthy business practices, reliable financial reporting and an environment of compliance with legislation and regulations across the group.

Norske Skog has governance documents setting out principles for how business shall be conducted. These apply to all group entities. The Norske Skog governance regime is approved by the board of directors of Norske Skog. Further details are described in the corporate governance section in the annual report and on [www.norskeskog.com](http://www.norskeskog.com).

## TRANSPARENCY

In June 2021 the Norwegian Parliament passed the Transparency Act (In Norwegian: "Åpenhetsloven"), which entered into force on 1 July 2022. The purpose is to promote companies' respect for fundamental human rights and decent working conditions in connection with the production of goods and services, and to ensure the general public access to information on how companies handle negative consequences on fundamental human rights and decent working conditions.

The act applies to large enterprises that are domiciled in Norway, which offer goods and services inside or outside Norway. Norske Skog complies with the obligations under the scope of this act and further information is disclosed on [www.norskeskog.com](http://www.norskeskog.com).

## RESEARCH AND DEVELOPMENT

Norske Skog's research and development work is performed at the individual business units and in cooperation with other external companies and/or external research institutions. There is a continued focus on evolution of paper products and new innovative green alternatives to replace existing materials and substances that often are based on petrochemical products. Investments into projects for alternative use of fibre and development of bio-chemicals are being made in the form of pilot or demonstration plants that, if successful, can contribute to growth when commercialised.

Norske Skog has developed bio-based products at Norske Skog Saugbrugs, in Halden, with particular focus on nanocellulose (CEBINA). Significant progress has been made over the last years and Norske Skog have realised both commercial sales and found internal applications for the product, enabling improved paper quality and cost reductions.

At Norske Skog Skogn, 2025 has been a year where the mill has continued the efforts within incremental product and process development. An investment decision into production of wood containing book paper was made to become a stable and competitive supplier into the European book paper market.

Further development of the TMP process to increase energy efficiency and pulp properties has been carried out by own competent personnel and research partners supported by the Norwegian Research Council. This has resulted in the investment decision into the first stage of the Pulpflex project supported by Enova to provide grid support services.

### GOING CONCERN

In accordance with the provisions in the Norwegian Accounting Act, the board of directors has assessed the going concern assumption as basis for preparing and presenting the financial statements. At 31 December 2025, the equity of the company is NOK 5.8 billion giving an equity ratio of approximately 40%. Based on the results for the company and group for 2025, the solidity and available liquidity, the board of directors confirms that the assumption applies and that the financial statements have been prepared on a going concern basis.

### OUTLOOK FOR 2026

The development in the global economy is important for consumer spending, and this impacts the publication paper and packaging paper industry, and thus Norske Skog's operations and results. Norske Skog have maintained the deliveries of publication paper on the same level as prior year, resulting in a higher market share in the European publication paper market. The deliveries of containerboard increased in 2025 and is expected to continue to increase in the coming two years as PM1 at Norske Skog Golbey is approaching full utilisation.

The raw material and energy markets, which are important for both publication paper and packaging paper production, are expected to remain uncertain and volatile. Energy prices decreased in 2025 but are still on a high level compared to historical averages. Cost of pulpwood has increased, but the prices in the Nordics have come down significantly from year-end 2025 and the decline is expected to continue going into second half of 2026. Recycled paper prices are on average expected to remain on similar levels in 2026 as in 2025.

The level of input costs and demand for paper will continue to influence paper sales prices in Europe. Both publication and packaging paper markets see some excess capacity, and capacity reductions are required to tighten the markets. Industry utilisation is expected to remain below the historical average until capacity is reduced. Norske Skog is able to maintain a higher utilisation rate than the industry average, due to the competitive cost position of the mills.

The production of recycled containerboard at Norske Skog Golbey PM1 is expected to increase in line with plan over the coming quarters. The EBITDA from the packaging paper segment is expected to gradually improve as the deliveries and production efficiency of PM1 improves as the machine ramps-up. Full utilisation of Norske Skog Golbey PM1 is expected to be reached in the first half of 2027.

At Norske Skog Saugbrugs studies are ongoing regarding a potential restart of PM6. The focus of the studies is a potential rebuild of the machine which will enable both SC magazine paper and TMP based kraftliner production. The studies regarding a PM6 rebuild and restart is expected to conclude during the second quarter of 2026. The final investment decision for the bleached

chemi-thermomechanical pulp (BCTMP) line have been put on hold due to high investment costs and deteriorating market conditions.

Norske Skog continues to monitor its financial position closely and has several ongoing initiatives to secure its liquidity and financial performance going forward. There is also a clear emphasis on reducing production cost and working capital to improve the group's competitive position and cash flow from operations.

Norske Skog will continue to develop its industrial sites with new fibre projects based on efficient use of certified fibre and renewable energy, both on a stand-alone basis and in partnerships.

### THE PARENT COMPANY - NORSKE SKOG ASA

The parent company, Norske Skog ASA, is incorporated in Norway and has its head office at Skøyen in Oslo. The activities of Norske Skog ASA consist of holding shares in the operating companies and conducting the head office functions of the Norske Skog group. On 31 December 2025 the company had 20 employees.

### INCOME STATEMENT AND CASH FLOW 2025 (2024)

Operating revenue NOK 92 million (NOK 90 million) is primarily from the services provided within the group. Employee benefit expenses NOK 50 million (NOK 70 million), a decrease of NOK 20 million, mainly due to demanning and high pension expense in 2024 due to corrections of prior periods. Other operating expenses NOK 73 million (NOK 62 million) are related to the head office functions and IT cost.

Total financial items amounted to NOK 176 million (NOK -154 million) reflecting dividends of NOK 225 million received from subsidiaries (NOK 875 million), currency gain of NOK 77 million (loss of NOK 174 million) and net interest and other financial expenses of NOK 118 million (NOK 230 million).

Income taxes NOK 2 million (NOK -145 million) relates to change in deferred tax assets recognised. Profit for the year was NOK 137 million in 2025 (loss of NOK 432 million).

Net cash flow from operating activities was negative NOK 46 million (NOK -200 million) with net interest payments of NOK 84 million (NOK 88 million).

Net cash flow from investing activities was negative NOK 963 million (NOK -175 million) with the decrease reflecting increased share capital in Norske Skog Bruck GmbH and Norske Skog Golbey SAS and higher receivables.

Net cash flow from financing activities was NOK 1 077 million (negative NOK 481 million) reflecting an increase in payables.

### BALANCE SHEET 31 DECEMBER 2025 (31 DECEMBER 2024)

Total assets were NOK 7.4 billion (NOK 6.4 billion). Total non-current assets were NOK 5.0 billion (NOK 4.7 billion) an increase due to equity contributions in Norske Skog Bruck GmbH and Norske Skog Golbey SAS. Total current assets were NOK 2.3 billion (NOK 1.7 billion) an increase primarily due to higher intercompany receivables.

Total non-current liabilities were NOK 1.4 billion (NOK 1.4 billion) while current liabilities increased to NOK 1.8 billion (NOK 1.0 billion) due to higher intercompany payables. Equity was NOK 4.2 billion (NOK 4.1 billion). The increase in equity is due to the profit for the year.

#### HEALTH AND SAFETY

Lost-time injuries per million working hours, was 0 in 2025 (0) in Norske Skog ASA. The company had an absence rate due to sickness of 0.8% in 2025 (1.4%).

#### RISK MANAGEMENT

The risk factors described for the group are also relevant for the parent company. Furthermore, Norske Skog ASA is also exposed to the risks of funding from the cash generating operations not being available for the

company when required, whether by way of intragroup loans or other capital transactions such as dividend payments.

On 31 December 2025 the total number of shareholders was 10 846 (12 290).

#### PROFIT/LOSS ALLOCATION

The profit for the year for Norske Skog ASA (the parent company) was NOK 137 million (loss NOK 432 million). The profit for the year was allocated to retained earnings.

#### DIVIDEND PROPOSAL

The board of directors will propose to the annual general meeting that no dividend is distributed for the financial year 2025.

SKØYEN, 25 MARCH 2026

THE BOARD OF DIRECTORS OF NORSKE SKOG ASA



Arvid Grundekjøn  
Chair



Trude Ulven  
Board member



Terje Sagbakken  
Board member



Eva Karlson Berg  
Board member



Geir Drangslund  
CEO

# Sustainability statement

# General disclosures (ESRS)

## 1. Basis for preparation

Our sustainability statement has been prepared on a consolidated basis, aligning with the scope of the financial report for 2025. This report is our mandatory annual statutory sustainability reporting in accordance with the Corporate Sustainability Reporting Directive (CSRD) (EU 2022/2464) and Article 8 of Regulation (EU) 2020/852 (EU Taxonomy Regulation).

The scope of our sustainability statement mirrors that of our financial statements, ensuring consistency and comprehensive coverage of our operations and activities. Our sustainability statement covers our own operations, and both upstream and downstream aspects of our value chain, encompassing suppliers, production processes, distribution, product use, and end-of-life considerations.

The information presented in the sustainability statement is a result of the double materiality assessment (DMA). For a detailed description of the scope, methodology and assumptions of our DMA process, see section 4 on impacts risks and opportunity management in this chapter. The Sustainability statement follows the categorisation of short-, medium- and long-term time horizons as defined in ESRS 1, section 6.4.

No information corresponding to intellectual property, know-how or the results of innovation has been omitted from the sustainability statement.

### CHANGES IN THE PREPARATION OR PRESENTATION OF SUSTAINABILITY INFORMATION

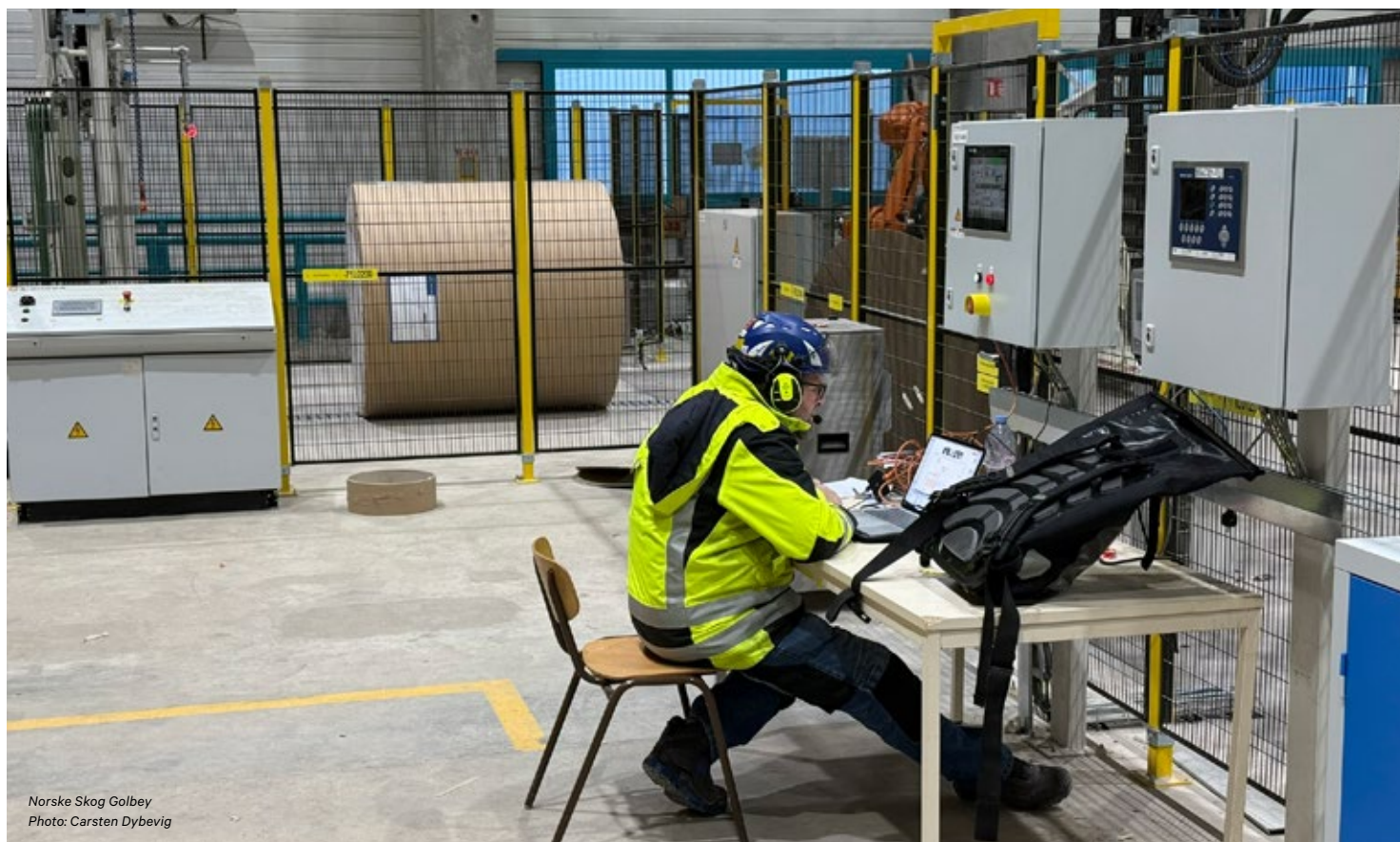
Norske Skog aligned its sustainability reporting structure in line with the adaptation to the CSRD and the ESRS in 2024, and this revised structure has been maintained for 2025. Modifications in 2025 include consolidation of some IROs because their underlying impacts were driven by closely related causes. See section 4 in this chapter for specific details.

### SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

The assessment of future impacts, risks and opportunities are by nature subject to estimations and outcome uncertainty. In line with ESRS requirements, the sustainability statement include forward-looking statements and assessment of the impact of climate change on Norske Skog performance in the short-, medium- and long-term. These forward-looking judgments relate to potential future events that are beyond the control of Norske Skog and difficult to predict.

### THIRD PARTY VERIFICATION

All of Norske Skog's business units are certified in accordance with ISO 9001 (Quality Management Systems). All other third-party verification is handled in the respective sections.



## 2. Governance

### Responsibility allocation in governing bodies for environmental policy and sustainability

#### BOARD OF DIRECTORS

The board of directors holds the overarching responsibility for Norske Skog's environmental policy and sustainability strategy. This includes:

- Defining and annually reviewing environmental policies, goals, and strategic priorities.
- Ensuring that environmental and sustainability aspects are fully integrated into the company's overall strategy.
- Receiving regular reports on environmental performance, including greenhouse gas emissions, energy efficiency, circular economy, and biodiversity.
- Ensuring compliance with international agreements such as the Paris Agreement and the Montreal Protocol.
- Evaluating and approving investments and projects with significant environmental impact.
- Delegating specific tasks related to environment and sustainability to the audit committee and corporate management.
- Ensuring that relevant sustainability competence exists in the audit committee and corporate management.

#### AUDIT COMMITTEE

The audit committee, led by the board chair, functions as a supervisory body for the company's environmental risks, reporting, and governance. Its responsibilities include:

- Monitoring environmental risks and opportunities, as well as assessing related financial implications.
- Ensuring that sustainability reporting aligns with European and international standards, including ESRS.
- Reviewing and approving procedures for environmental and sustainability reporting.
- Reporting to the board on identified environmental risks, compliance, and areas for improvement including oversight of impacts, risks and opportunities.

#### CORPORATE MANAGEMENT

Corporate management is operationally responsible for implementing the board's environmental strategy and ensuring that environmental considerations are integrated into daily operations. This includes:

- Identifying, evaluating, and managing environmental risks and opportunities at the corporate and business unit levels.
- Establishing specific goals and strategies for emissions reduction, renewable energy, circular economy, and natural resource management.
- Ensuring that business units have the necessary resources, training, and tools to effectively implement the environmental policy.
- Reporting to the board and audit committee on environmental performance and continuous improvement measures.

#### HEAD OF SUSTAINABILITY

The head of sustainability plays a key role in coordinating and overseeing the company's sustainability initiatives. Main responsibilities include:

- Developing and implementing the corporate sustainability strategy in collaboration with corporate management.
- Ensuring that sustainability goals align with international regulations and best practices.
- Leading internal training programmes and ensuring sustainability principles are understood and followed throughout the organisation.
- Coordinating sustainability reporting and working closely with the audit

committee to ensure accurate and transparent reporting.

- Engaging in stakeholder dialogue, including with authorities, investors, and customers, to promote Norske Skog's environmental and social responsibility.

#### BUSINESS UNITS

The business units are responsible for the practical implementation of environmental initiatives in their respective operations. This includes:

- Integrating environmental considerations into daily operations, including energy efficiency, resource use, pollution control, and waste management.
- Implementing corporate management's strategies and goals at the local level.
- Ensuring that employees are trained in environmental and sustainability principles and have the necessary competence to perform their work in line with company requirements.
- Reporting any serious environmental deviations immediately to corporate management and regularly reporting progress on environmental goals.
- Ensuring that suppliers and partners comply with Norske Skog's environmental standards and sustainability requirements.

#### COMPETENCE AND EXPERTISE IN GOVERNING BODIES

The various governing bodies of Norske Skog possess broad competence in sustainability, risk management, and environmental governance. Specific areas of expertise include:

- Board of directors: Experience in technology, sustainability, forestry, finance, and global markets. The board of directors consists of 5 non-executive, independent members and two employee observers. The board has 40% female representation.
- Audit committee: Expertise in risk assessment, compliance, and sustainability reporting.
- Corporate management: Operational management of environmental and sustainability strategies. The corporate management consists of 5 male members, where the CEO is not independent. Corporate management has 0% female representation.
- Head of sustainability: Specialised knowledge in climate risk, circular economy, and environmental standards.
- Business units: Practical experience in implementing sustainability goals within production and the value chain. Expertise in operational management, strategy, sustainability, finance, accounting, legal, commercial, broad industrial background from fibre processing.

Through clear responsibility allocation, Norske Skog ensures that its environmental policy is embedded throughout the organisation from strategic governance to operational execution, continuously improving environmental performance in alignment with global sustainability goals.

In addition to its financial reporting, audit, internal controls and compliance responsibilities, the audit committee has delegated responsibility for overseeing all matters relating to business conduct. As required with reference to the guidelines that at least one member of the audit committee has recent and relevant audit, legal or compliance expertise to enable it to discharge these responsibilities effectively.

Material impacts, risks, and opportunities are reported to the corporate management, and audit committee through regular updates provided by the

head of sustainability. Reporting occurs quarterly during audit committee meetings ensuring continuous oversight. The corporate management, and audit committee evaluate the implementation of due diligence, effectiveness of policies, and the outcomes of actions, metrics, and targets adopted. Reviews are conducted annually, with special sessions convened when significant changes occur or when new risks emerge.

Impacts, risks, and opportunities are integrated into the governing bodies' discussions on the business's strategy, major transactions, and risk management processes. Our acquisition strategy requires the consideration of sustainability matters such as health & safety and locked-in emissions in our due diligence process when acquiring other businesses. These considerations involve comprehensive analyses that weigh trade-offs associated with various impacts, risks, and opportunities to make informed decisions aligned with sustainability objectives.

Throughout the year, the corporate management and business unit management consistently monitor various impacts, risks, and opportunities. To guarantee effective performance monitoring, the corporate management

addresses key targets relevant to our business in relevant board meeting. Climate-related risks and our efforts towards decarbonisation and achieving net zero emission goals in scope 1 and 2 are monitored and reviewed when necessary, by the governance bodies (for additional details, see the Environment section). Similarly, health and safety risks are a routine topic of discussion at the board meetings (refer to the Social section on for more information).

Compensation scheme including sustainability-linked remuneration: All performance contracts, for corporate management, mill directors and all other personnel with performance contracts, include sustainability goals that cover environmental, health, and safety issues. The performance is assessed on a general basis and is not assessed against specific targets.

The proportion of the variable remuneration is 2.5% of the total performance contract score. The board of directors approves the level and content of the performance contracts.

## Due Diligence

Norske Skog conducts due diligence in line with OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, with relevant guidance material, and the UN Guiding Principles on Business and Human Rights. Due diligence is integrated into business processes at different levels

in the organisation. The related table provides an overview of where in the sustainability statement information on due diligence can be found under each material topic.

Core elements of due diligence	Location in the sustainability statement
1. Embedding responsible business conduct into policies and management systems	<b>ESRS 2:</b> Risk management and internal controls <b>S1, E1, E2, E3, E4, E5:</b> Policies <b>ESRS G1:</b> Business Conduct
2. Engaging with affected stakeholders	<b>Chapter ESRS 2:</b> Stakeholders <b>S1, E1, E2, E3, E4, E5:</b> Polices <b>G1:</b> Business Conduct
3. Identify and assess adverse impacts	<b>ESRS 2:</b> Description of the process to identify and assess material climate-related IRO's
4. Action to reduce negative impacts and track results	<b>S1, E1, E2, E3, E4, E5:</b> Actions and resources <b>G1:</b> Promoting a culture of integrity
5. Track progress and communicate with affected stakeholders	<b>S1, E1, E2, E3, E4, E5:</b> Metrics and targets <b>G1:</b> Promoting a culture of integrity

## Risk management and internal controls over sustainability reporting

### HEAD OF SUSTAINABILITY – RESPONSIBILITIES AND REPORTING STRUCTURE

The head of sustainability is responsible for facilitating and developing comprehensive group reports on sustainability issues and ESG metrics. This responsibility includes organising and leading essential activities such as the consolidated Disclosure on Management Approach (DMA), evaluating climate risks, and managing data collection and conversion processes for sustainability reporting.

### DATA COLLECTION AND REPORTING STRUCTURE

The gathering of relevant data and information for the annual sustainability report is a continuous process that involves multiple data sources and reporting levels within the organisation. Data is collected at the business units (mills) through:

- Measuring instruments:
  - o Automated and manual sensors monitor emissions, energy consumption, water usage, and other key environmental parameters at each mill.
- Physical counts or measurements:
  - o Manual inspections and physical assessments verify waste management, raw material usage, and safety compliance.
- Incident reports:
  - o Every work-related accident or serious injury is reported immediately to the relevant leader and business unit management. Within 24 hours, the report is escalated to: Corporate management, head of sustainability and VP communication.
  - o Incidents related to breach of environmental permits or hazardous waste is reported to proper authority without delay and to corporate management, head of sustainability and VP communication.

Each mill has designated Health, Safety, and Environmental (HSEQ) managers responsible for sustainability-related matters. Their key responsibilities include:

- Ensuring compliance with sustainability policies through regular follow-up and reporting.
- Providing sustainability competence and quality assurance at the mill or business unit level.
- Overseeing monthly reporting of health, safety, and environmental data to business unit management.
- Participating in monthly business review meetings with corporate management to discuss performance and compliance.

### STANDARDISED DATA FRAMEWORK AND RISK MANAGEMENT

A key challenge in creating unified sustainability disclosures across multiple business units is mitigating human errors and data misalignment. To address this, the head of sustainability oversees a unified data framework for the entire group, ensuring:

- Standardised definitions and calculations for emissions, waste, and energy metrics.
- Compliance with the GHG Protocol through accurate emission factor assessments.
- A systematic risk prioritisation methodology to enhance data integrity and reliability.
- Centralised quality assurance, where the head of sustainability functions as an information hub, identifying and rectifying inconsistencies in data submitted by business units.

### INTEGRATION OF A SUSTAINABILITY REPORTING TOOL

To further enhance data management and reporting, Norske Skog implemented a specialised sustainability reporting tool in 2024. This tool is designed to:

- Structure sustainability data for accurate and efficient reporting.
- Monitor adherence to reporting standards.
- Support real-time tracking of environmental performance indicators.

Initial configuration of the tool for manual data entry commenced at the end of 2024, with complete adherence in 2025, including the integration of supplier-specific Scope 3 data for a more comprehensive sustainability assessment.

### ALIGNMENT WITH ESRS AND GOVERNANCE REPORTING

As of 2025, all sustainability data follows the accounting principles outlined by the European Sustainability Reporting Standards (ESRS). The head of sustainability plays a pivotal role in ensuring compliance and regularly informs the CEO and CFO about the progress of sustainability reporting. The CEO and CFO, in turn, provide updates to the board of directors, ensuring that sustainability efforts align with Norske Skog's long-term strategic goals.

Through this structured approach, Norske Skog ensures high-quality, transparent sustainability reporting that supports informed decision-making and regulatory compliance.

### 3. Strategy, stakeholders, material impacts, risks and opportunities (IRO)

#### KEY ELEMENTS OF GENERAL STRATEGY

- **Products:** Norske Skog produces publication paper, recycled packaging paper, energy, and bioproducts. In 2025, the group expanded the capacity of recycled containerboard production with the commissioning of a new machine at Norske Skog Golbey.
- **Markets:** Norske Skog serves publication paper customers across Europe, North America and Asia. The new packaging paper segment primarily targets the European market. Key customer groups include publishers, retailers, and commercial printers.
- **Employee headcount:** The group employs 1 674 people, with 1 652 FTEs allocated as follows:
  - o Publication paper: 1 100–1 350
  - o Packaging paper: 300–500 (expected to rise with full-scale production)
  - o Bioproducts: <50
- **Banned products:** Norske Skog does not produce or distribute products banned in any markets.

#### SUSTAINABILITY-RELATED GOALS

- **Publication paper:** Improve and optimise resource efficiency, reducing emissions and energy use.
- **Packaging paper:** Establish a leading position as an independent recycled containerboard producer.
- **Vertical integration:** Explore up- and downstream synergies to enhance sustainability and operational efficiency.

#### ASSESSMENT OF CURRENT MARKETS AND PRODUCTS

- Publication paper remains core, but the shift towards packaging paper diversifies revenue streams and reduces dependency on declining print markets.

Our sustainability initiatives are embedded in the main strategy:

- Optimising publication paper cash flows – improving resource efficiency and environmental compliance.
- Becoming a leading producer of renewable packaging paper – expanding sustainable packaging solutions.
- Vertical integration in the value chain – strengthening supply chain sustainability and traceability.

#### KEY SUSTAINABILITY COMMITMENTS

- 55% reduction in GHG emissions across scope 1 and 2 per tonne produced by 2030, compared with a 2015 baseline. And net zero emissions by 2050, across the same scopes.
- - 25% reduction in Scope 3 emissions by 2030 compared to 2022
- Zero ash to landfill by 2030.
- 100% certified wood sourcing.

#### KEY SUSTAINABILITY CHALLENGES AND SOLUTIONS

1. Climate change and energy efficiency – Investing in renewable energy, efficiency projects, and process optimisation.
2. Circular economy and waste management – Expanding the use of certified wood and recycled paper, optimising fibre utilisation, and minimising waste.
3. Water resource management – Enhancing wastewater treatment and adopting water recycling technologies.

4. Sustainable packaging production – Ramping up recycled containerboard production to full capacity within 2027 at Norske Skog Golbey and Norske Skog Bruck to meet the demand for renewable and non-plastic packaging solutions.
5. Employee health and safety – Continuous training, risk assessments, and advanced workplace safety measures.

Our operations span the entire value chain, from responsible raw material sourcing to advanced manufacturing and distribution, ensuring high-quality products for customers while minimising environmental impact.

#### INPUTS: RESPONSIBLE SOURCING AND RESOURCE MANAGEMENT

Our primary inputs include certified wood, recycled fibre, energy, and water. We source wood and wood chips exclusively from certified sustainable forestry operations (FSC® and PEFC™), ensuring traceability and environmental responsibility. Recycled fibre plays a vital role in our packaging paper production, aligning with circular economy goals. Energy efficiency is a key focus, with increasing investments in renewable energy sources to reduce emissions and reliance on fossil fuels.

#### OUTPUTS AND VALUE CREATION

Norske Skog delivers high-quality publication paper and containerboard products to a global customer base. Our ongoing transformation towards packaging paper and bio-based products ensures long-term value creation for stakeholders:

- **Customers:** We provide sustainable and cost-effective paper solutions to publishers, packaging converters, and industrial users.
- **Investors:** By transitioning to growth markets such as packaging and bio-products, we secure long-term profitability and resilience.
- **Communities and environment:** Our commitment to sustainable forestry, waste reduction, and energy efficiency benefits local economies and reduces environmental impact.

#### VALUE CHAIN AND MARKET POSITION

Norske Skog operates across the upstream and downstream value chain, collaborating with key stakeholders:

- **Upstream:** Our raw materials are sourced from certified forestry operations and recycling partners. Suppliers include wood procurement companies, pulpwood providers, energy suppliers, and logistics partners ensuring sustainable and efficient delivery.
- **Production:** Our strategically located mills in Europe produce publication and packaging paper with a focus on resource efficiency and sustainable production methods.
- **Downstream:** We serve a diverse customer base, including publishers, commercial printers, and packaging manufacturers. Products are distributed through direct sales, wholesalers, and large industrial customers, reaching end-users in publishing, retail, and consumer goods industries.

As Norske Skog continues its transformation, we remain committed to innovation, sustainability, and operational efficiency, ensuring long-term success in the evolving pulp and paper industry.

**STAKEHOLDERS**

Engaging actively with stakeholders shape our understanding of material issues and supports the creation of solutions and initiatives that form our ESG commitment and goal roadmap. Engagement generally involves the public affairs and investor relation teams, corporate management and mill management teams.

The table on the following page showcases our most significant stakeholders, methods of engagement and organisation, and the objectives and applications of these interactions. Stakeholder perspectives are essential features of our materiality assessment. The perspectives of key stakeholder groups inform our strategy and business model in the following ways:

- Regular engagement with our employees drives key parts of our people strategy and informs our approach to sustainability. Norske Skog integrates results from the employee engagement into our HR management processes and into sustainability decision-making, especially at mill levels.

- Norske Skog informs about procurement obligations and initiatives to the suppliers. Regular engagement with suppliers ensures dialogue and insight on supplier specific conditions and impact sourcing decisions.
- Central to our business model, Norske Skog’s mills engage directly with local communities. Through regular collaboration, Norske Skog ensures insights into plans affecting the respective communities.
- Engagement with customers and end-users affects product and service development. Insights from regular B2B-customer affects product development ensuring Norske Skog’s products continue to meet customers’ needs.
- Norske Skog communication with stakeholders is reported to adequate managerial level and to proper governing bodies. The board of directors receives regular status on material matters regarding outcome of the communication with relevant stakeholders, especially when concerning operational and investment plans.

	Upstream			Operations	Downstream			
	Raw materials extraction and processing	Tier 1 supplier	Upstream transport & distribution	Own operations and sales	Downstream raw materials distribution	Customers	End users/ consumers	End of life
<b>Activities/ suppliers</b>	Forest owners	Harvesting activities	Incoming transport of raw materials	Manufacturing Sales Administration	Outgoing transport finished products	Printers Publishers Containerboard customers	Newspaper Magazine Containerboard Packaging end users	Recycling Landfill Energy recovery
<b>Locations</b>	Norway Sweden Austria Germany	Norway Sweden Austria Germany	EU	Norway France Austria Germany United Kingdom Switzerland	Worldwide	Worldwide	Worldwide	Worldwide
<b>Affected stakeholders</b>	Ecosystems (environmental organisations)	Ecosystems Workers harvesting	Nature Workers transportation	Employees Local communities Ecosystems	Workers transportation	Workers processing sold products	Local communities	Workers waste handling Local communities

Stakeholders	How engagement is organised	Purpose of engagements	Outcomes of engagements
Own workforce: • Employees • Apprentices	<ul style="list-style-type: none"> <li>• Continuous dialogue with union representatives and HR engagement</li> <li>• Employees &amp; contractors can raise concerns through direct contact with the management and our online whistle-blower system</li> </ul>	<ul style="list-style-type: none"> <li>• Lowest possible score on health and safety concerns</li> <li>• Foster a collaborative and meaningful workplace</li> <li>• Include employee/contractor input into internal mechanisms</li> <li>• Developing fair labour practices and sustainability initiatives</li> <li>• Addressing workers' rights and concerns</li> </ul>	<ul style="list-style-type: none"> <li>• Improved and engaged business culture</li> <li>• Updates of internal policies</li> <li>• Improved health and safety performance</li> <li>• Employee satisfaction and retention</li> </ul>
Affected communities	<ul style="list-style-type: none"> <li>• Regular community consultations</li> <li>• Local affected community representatives</li> </ul>	<ul style="list-style-type: none"> <li>• Developing community engagement and support</li> <li>• Addressing financial, social and environmental impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure alignment of business operations with community needs and environmental standards</li> <li>• Positive community relations</li> <li>• Strengthened social license to operate</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Direct contact with customers</li> <li>• Feedback from sales organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Understanding consumer needs and preferences</li> <li>• Ensuring products meet sustainability standards and consumer expectations</li> </ul>	<ul style="list-style-type: none"> <li>• Enhanced product quality and customer satisfaction</li> <li>• Increased brand loyalty and market share</li> </ul>
Existing investors	<ul style="list-style-type: none"> <li>• Conference calls</li> <li>• Board meetings</li> <li>• Quarterly reports</li> <li>• Annual and sustainability reports</li> <li>• Annual general meetings</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain transparent communication</li> <li>• Meeting the needs of financial stakeholders for sustainability data</li> <li>• Upholding our duty to keep investors informed of ESG-related information.</li> </ul>	<ul style="list-style-type: none"> <li>• ESG rating improvement plans</li> <li>• Responses to investor queries</li> <li>• Aligning communication of our (sustainability) strategy to investors</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Direct through engagement with suppliers</li> <li>• Feedback from suppliers</li> <li>• Supplier audits</li> <li>• Annual ESG reports</li> <li>• The supplier code of conduct</li> <li>• Day to day correspondence</li> </ul>	<ul style="list-style-type: none"> <li>• A continual dialogue with our suppliers is critical to maintain our sustainability targets</li> <li>• Monitor our suppliers' ESG progression in order to assist in the assessment of ESG risks and pinpoint suppliers who demonstrate best practices</li> </ul>	<ul style="list-style-type: none"> <li>• Managed supplier expectations</li> <li>• Ensuring suppliers adhere to our business conduct standards and maintain the collaborative decarbonisation plans of Norske Skog</li> </ul>
Industry bodies and regulators	<ul style="list-style-type: none"> <li>• Member-only conferences</li> <li>• Joint initiatives and programmes</li> </ul>	<ul style="list-style-type: none"> <li>• Developing industry standards on sustainability</li> <li>• Understanding and engaging with value chain workers' representatives</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure compliance with existing and future legislation</li> <li>• Maintaining industry knowledge of best practices</li> </ul>

**BRIEF DESCRIPTION OF MATERIAL IROS AND THEIR CONCENTRATION IN THE BUSINESS MODEL**

Norske Skog has identified several material impacts, risks, and opportunities (IROs) through its materiality assessment, which affect both the operations and the upstream and downstream value chain.

- **Negative impacts:** Norske Skog's operations generate air and water pollution, greenhouse gas (GHG) emissions, and consume significant amounts of energy and water. Additionally, the sourcing of wood can contribute to land degradation and deforestation, while industrial processes pose a health and safety risk to employees.
- **Positive impacts:** The group contributes positively by utilising renewable and recycled resources, generating bio-based energy from waste, and promoting circular economy principles.
- **Risks:** Major risks include potential exclusion from the EU ETS market, fluctuating energy prices, water shortages, stricter regulatory permits, and dependency on natural resources like wood and recycled fibre. Reputational

risks related to unethical business practices are also material.

- **Opportunities:** Norske Skog can capitalise on the demand for low-emission products, bio-based alternatives, and new business areas such as nanocellulose and bio-composites.

The concentration of these IROs varies across Norske Skog's value chain:

- Upstream: Wood sourcing, energy supply, and transportation.
- Operations: Mills' emissions, water usage, energy consumption, employee safety and working conditions.
- Downstream: Product recyclability, transportation, and evolving customer preferences.

**FINANCIAL EFFECTS AND STRATEGIC RESPONSES**

Norske Skog has already adapted its strategy to mitigate negative impacts and leverage opportunities.

- Financial effects: Exclusion from EU ETS and volatile energy prices could lead to significant cost increases. Water scarcity and stricter environmental

regulations may raise operational costs. However, investment in bio-based alternatives and recycled packaging paper diversifies revenue streams, reducing dependence on declining publication paper markets.

- Strategic responses:
  - o Transition towards renewable energy sources and increased energy efficiency.
  - o Expansion into recycled containerboard production (Norske Skog Bruck and Norske Skog Golbey).
  - o Strengthening responsible sourcing practices and biodiversity conservation efforts.

## **MATERIAL IMPACTS AND THEIR CONNECTION TO STRATEGY AND BUSINESS MODEL**

### ***(i) Impact on people and the environment***

- Negative impacts: Pollution and emissions contribute to environmental degradation and health concerns, while industrial risks impact employee safety.
- Positive impacts: Circular economy initiatives and renewable energy production reduce the company's carbon footprint and contribute to resource efficiency.

### ***(ii) Origin and connection to strategy***

- Norske Skog's reliance on energy-intensive manufacturing and natural resources are integral to its business model, necessitating mitigation strategies.
- Sustainability efforts are embedded in Norske Skog's long-term strategy through increased use of recycled fibres and reduced fossil fuel dependency.

### ***(iii) Time horizons of impacts***

- Short-term (<1 year): As referenced in table on the following page.
- Medium-term (1-5 years): As referenced in table on the following page.
- Long-term (>5 years): As referenced in table on the following page.

### ***(iv) Business relationships involved***

- Norske Skog is involved through direct operational activities (emissions, sourcing) and indirect relationships (transport, suppliers). Close collaboration with suppliers, regulators, and customers is key to mitigating risks and capitalising on opportunities.

## **CURRENT AND ANTICIPATED FINANCIAL EFFECTS OF MATERIAL RISKS AND OPPORTUNITIES**

- Short-term: As referenced in table on the following page.
- Medium-term: As referenced in table on the following page.
- Long-term: As referenced in table on the following page.

## **PLANNED STRATEGIC ACTIONS**

- Continued investment in renewable energy and bio-based products.
- Diversification into recycled packaging paper.
- Strengthening sustainable sourcing policies.
- Investing in water-efficient production technologies.
- Developing low-carbon business models to ensure long-term financial resilience.

## **RESILIENCE OF STRATEGY AND BUSINESS MODEL**

Norske Skog's business model is resilient due to:

- A diversified product portfolio, reducing reliance on publication paper.
- Investments in bio-based alternatives and energy-efficient processes.
- Strong regulatory engagement and sustainability commitments.
- Long-term financial planning, including capex in new technologies.

Quantitative resilience analysis considers scenarios related to carbon pricing, energy availability, and climate change adaptation, ensuring the company can withstand market fluctuations and regulatory shifts.

## **CHANGES IN MATERIAL IROS COMPARED TO THE PREVIOUS REPORTING PERIOD**

- Increased focus on recycled packaging paper as a new revenue stream.
- Enhanced climate resilience strategy, particularly regarding energy efficiency.
- Greater emphasis on responsible sourcing.

## **SPECIFICATION OF IROS COVERED BY ESRS DRS VS. ENTITY-SPECIFIC DISCLOSURES**

- ESRS DRs coverage: GHG emissions, energy consumption, water use, pollution, biodiversity, human rights (worker safety, diversity, ethical practices).
- Entity-specific disclosures: Circular economy innovations, bioproduct developments, industry-specific sustainability challenges, and political advocacy on EU ETS inclusion.

## **CONCLUSION**

Norske Skog's material IROs are closely linked to its business model, driving strategic adaptations and investments. The company's resilience stems from its commitment to circular economy principles, energy efficiency, and sustainable sourcing. By addressing impacts, risks and leveraging opportunities, Norske Skog aims to ensure long-term sustainability and competitiveness.



## 4. Impacts, risks and opportunity management

### MATERIALITY ASSESSMENT PROCESS

During 2024, Norske Skog conducted a double materiality assessment based on the requirements of the ESRS. The foundation of such an assessment involved identifying and objectively assessing impacts, risks and opportunities (IROs). The impacts, risks and opportunities identified in the DMA are described under the relevant topical ESRS in this report. The results from the DMA were reviewed and updated by mill and corporate management in 2025.

### DMA-PROCESS METHODOLOGY

Identification of sustainability matters: Norske Skog's DMA process began with evaluating its business activities, value chain, and stakeholders to identify relevant sustainability topics, ensuring alignment with ESRS 1 and excluding non-material issues.

Assessment of Impacts, Risks, and Opportunities (IROs): IROs were evaluated based on impact materiality (environmental and social impacts) and financial materiality (risks and opportunities) using a scoring methodology considering severity, likelihood, and financial magnitude over short-, medium-, and long-term horizons.

The results were validated through a dual bottom-up (mill level) and top-down (corporate level) process, discussed with the board of directors, and integrated into corporate strategy, with annual reviews to ensure continuous improvement, integration and adaptation.

### MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

In the DMA-process, Norske Skog has evaluated these IROs to be material:

	Impacts, Risks and Opportunities (IRO)	Type	Value chain			Time horizon		
			Upstream	Own operations	Downstream	Short term	Medium term	Long term
E1 Climate change	<b>Climate change mitigation</b>							
	GHG emissions across the value chain	Impact, negative	x	x	x	x		
	Low-emission products	Opportunity	x	x	x	x		
	Exclusion from the EU ETS market	Risk		x		x		
	<b>Energy</b>							
	Energy consumption	Impact, negative		x		x		
	Energy prices	Risk		x		x		
E2 Pollution	<b>Pollution of air (SOx and NOx)</b>							
	Pollution of air from boilers	Impact, negative		x		x		
	<b>Pollution of water</b>							
	Discharge of process water	Impact, negative		x		x		
E3 Water and marine resources	<b>Water withdrawal</b>							
	Potential water shortage	Risk		x			x	
E4 Biodiversity and ecosystem	<b>Ecosystem services</b>							
	Dependency on natural resources: sourcing of wood	Risk	x			x		
	<b>Land degradation</b>							
	Degradation of land through felling of forests	Impact, negative	x			x		
E5 Resources and circular economy	<b>Resource inflows including use</b>							
	Utilisation of renewable and recycled resources in production of products	Impact, positive	x			x		
	Availability of recycled fibre for production of products	Risk	x			x		
	<b>Resource outflows related to products and services</b>							
	Production waste	Impact, negative		x	x	x		
S1 Own employees	<b>Working conditions</b>							
	Industrial accidents	Impact, negative		x		x		
	Advocate for improved working conditions through freedom of association	Impact, negative		x		x		
	<b>Equal treatment and opportunities for all</b>							
	Attract and keep top talent through training and skills development	Risk		x		x		
G1 Business conduct	<b>Corporate culture</b>							
	Unethical business practice	Risk		x		x		

## IDENTIFYING SUSTAINABILITY MATTERS

The initial phase focussed on evaluating Norske Skog's activities and business relationships, value chain and affected stakeholders to pinpoint relevant sustainability issues as outlined in ESRS 1, paragraph AR16. This approach ensured a thorough examination of critical sustainability topics in the pulp and paper industry, alongside the exploration of company-specific matters. Irrelevant sustainability topics and sub-topics that did not align with Norske Skog's business model were excluded from the analysis.

## STAKEHOLDER ENGAGEMENT

The DMA process engaged several key personnel, corporate and mill management to evaluate Norske Skog's sustainability and business matters that have a material impact on future business unit operations in respective locations and their impact at group level. The following engagement was done to identify material risk and opportunities:

### At mill level:

- **Internal experts:** The mill DMA teams are made up by the mill manager and other key personnel in different functional areas, including finance, human resources (HR), business development, health, environment and safety supply chain management and marketing with local knowledge on topics with strategic importance to the mills.
- **External experts:** Each mill has regular contact with local external stakeholder groups such as customers, suppliers, national permit agencies, NGOs, professional national trade organisations, local communities and forest owner association that support the identification and assessment of topics with strategic and financial importance.

### At corporate level:

- **Internal experts:** The corporate management team has unique knowledge of financial, strategic and operational matters for the entire group. The Head of Sustainability and VP Communication and Public Affairs play a vital role in the DMA-process.
- **External experts:** The corporate management team has regular contact with key stakeholder groups for the group including policy makers, financial institutions, board of directors, shareholders, industry associations, key customers and suppliers.

Norske Skog did not organise separate stakeholder interviews as part of the DMA process. Norske Skog has continuous engagement with different stakeholder groups throughout the year regarding sustainability topics and this input was used actively throughout the DMA process.

## ASSESSING IROS RELATED TO BUSINESS PRACTICES

The basis for identification of company specific IROs was the business model, strategy and value chain of Norske Skog. Company specific IROs identified in the DMA conducted in 2024 were used as a starting point for the 2025 DMA-review and update and linked with the long list of sustainability matters (ESRS topics, sub-topics and sub-sub-topics). No entity's specific sustainability matters were added to the list.

Several IROs were restructured in the 2025 assessment to better reflect their interdependencies and thematic alignment.

Within the environmental dimension, the negative impact "Water intensive production process," previously reported as a separate IRO under E3 in 2024, was moved to E2 and combined with "Discharge of process water." In addition, the risks "Stricter permits level" (previously under E3) and "Dependency of natural resources: process water" (previously under E4) were consolidated in 2025 with "Potential water shortage" under E3 Water and marine resources.

Within the social dimension (S1 Own employees), "Poor gender diversity," which was a separate risk in 2024, was combined in 2025 with "Attract and keep top talent through training and skills development."

Within the governance dimension (G1 Business conduct) the risk in 2024, "Failure to protect whistleblowers" was merged in 2025 with "Unethical business practice," reflecting their related nature.

These adjustments were made to improve clarity, reduce overlap, and better align related impacts, risks, and opportunities.

Certain segments of Norske Skog's supply chain received extra attention through cross managerial and cross function discussions, especially those with a significant potential impact and relevance to Norske Skog's operations. These areas included business risk related to production process, wastewater treatment, water availability, wood logging timing, as well as sustainable energy availability and product development according to market environmental expectation.

The assessment of climate-related impacts, risks, and opportunities was an integral part of the DMA concerning sustainability issues. Norske Skog carried out a revision of the identified climate-related risks and opportunities following the Task Force on Climate related Disclosure Framework (TCFD) in 2023. As part of this process, a climate-related scenario analysis was carried out in cooperation with CEMAsys, a Nordic ESG Consulting firm. Both processes supported the identification and assessment of physical and transitional risks and opportunities across different time frames.

The identification of IROs concerning business practices involved mapping out geographic areas with heightened potential impacts, risks and opportunities associated with corruption, bribery, and human rights issues. The process also revisited business conduct risks previously identified in Norske Skog's corporate standards and continuous compliance programme.

## MATERIALITY SCORING APPROACH

The assessment of impacts, risks, and opportunities (IROs) followed ESRS 1 requirements, evaluating impact materiality (effects on people and the environment) and financial materiality (risks and opportunities). Impact materiality was scored from 1-5 based on severity (scale, scope, irremediability) and likelihood, prioritising human rights impacts. Financial materiality was scored separately on magnitude and likelihood, considering drivers like regulations, market, and reputation.

Scores were calculated by multiplying severity with likelihood (max 25) for impact materiality and magnitude with likelihood (max 25) for financial materiality. Issues surpassing a set threshold were classified as material. Assessments covered short- (<1 year), medium- (1-5 years), and long-term (>5 years) horizons, integrating strategic, budgetary, and due diligence data, including human rights and climate risk assessments.

A dual bottom-up (mill-level) and top-down (corporate-level) approach ensured comprehensive evaluation. Mills assessed local IROs with site-specific financial thresholds, while corporate teams consolidated results in validation workshops with sustainability, communication, and public affairs teams. Findings were presented to the board of directors. Continuous stakeholder engagement informed the process, involving 30-50 representatives across investors, suppliers, NGOs, and regulators.

## DECISION – MAKING AND INTERNAL CONTROLS

Critical decisions in the process included scoring IROs, and the final assessment of sustainability matters in the workshop. Internal control

measures were implemented throughout the process, ensuring that the scoring methodology was followed. Each IRO was documented to justify its materiality.

#### **FUTURE STEPS – INTEGRATION, MONITORING, AND REVIEW**

Norske Skog integrate results from the DMA process into the corporate strategy and incorporate responses to impacts, risk and opportunities into mill and corporate level monitoring and management processes. This may affect future type of investments, and level of capital expenditure.

Norske Skog commits to annually revisiting the DMA process for identifying, assessing, and prioritising IROs, considering evolving trends, underlying assumptions, context, and regulatory changes. A comprehensive review of the DMA will be conducted annually to ensure its efficacy and relevance. The DMA process will adjust to changes in climate related issues and company specific needs. However, the steps in the DMA methodology and stakeholder groups have been the basis for the latest assessment periods. During the year, the head of sustainability at corporate level and local sustainability managers will monitor and report on action plans to adequate governing body.

As described in this chapter, Norske Skog updated its materiality assessment which is based on the concept of double materiality. The assessment objectively scored impacts, risks and opportunities (IROs) as a basis for determining whether sustainability matters were material or not. This section describes the process applied to identify and assess material IROs. Norske Skog does not have a separate enterprise risk management tool (ERM) in performing a risk assessment process. The risk assessment is part of the business unit's process to prepare the DMA-evaluation, annual operational plans and long-term strategy.

## **Description of the process to identify and assess material climate-related IRO's**

### **E1 CLIMATE CHANGE**

In 2025, Norske Skog assessed its climate-related IROs, facilitated by the updated DMA. The identification and assessment of climate-related impacts focused on Norske Skog's GHG emissions from own operations as well as up- and downstream in the value chain. The GHG emission inventory served as the main source of information to identify drivers for climate related impacts in relation to the current and future business strategy. Recent assessment report from the Intergovernmental Panel on Climate Change (IPCC) and other international research provided context on GHG emissions impact on people and the environment.

The identification and assessment of climate-related risks and opportunities was supported by the revision of the Task Force on Climate related Disclosure Framework (TCFD) carried out in 2023, evaluating physical risks (acute and chronic), transition risks (policy, legal, technology, market, reputational) and opportunities (resource efficiency, energy source, products and services, markets, resilience).

With increased focus on climate change and its implications on current and future financial performance, Norske Skog carried out a climate-related scenario analysis in 2023, in cooperation with CEMAsys, a Nordic ESG Consulting firm. The scenario-analysis assessed access to process water and electricity in line with the recommendations laid out by the TCFD. The assessment used the IEA's Net Zero Emissions (1.5°C), IEA World Energy Outlook (WEO) 2022 and IPCC SSP1-2.6 "Sustainability" scenario to assess how our assets and business activities may be exposed to physical risks. For the assessment of transition risk IPCC's SSP5-8.5 scenario (4.0°C) was

applied. The Net Zero 2050 scenario limits global warming to 1.5°C and includes stringent climate policies and rapid technological change to reach net zero CO2 emissions by 2050. Carbon price level EUR 250/tCO2e in 2050. IPCC's SSP5-8.5 scenario (4.0°C) assumes that only policies that have already been introduced are preserved, leading to high physical risks. Emissions continue to grow until 2080, resulting in up to 4.0°C of warming and severe physical risks, including irreversible changes such as higher sea levels.

As part of the scenario analysis CEMAsys conducted workshops and interviews with relevant leaders across the company as part of the process to make the analysis. Identifying climate-related risks and opportunities involved a top-down approach, as well as an 'outside-in' analysis of risks and opportunities specific to pulp and paper industry.

The findings from the scenario analysis were presented to the mill and corporate management team and will be considered as part of Norske Skog's strategy process to improve its resilience. The climate-related risks that were identified through the scenario analysis exercise have been incorporated into the annual strategic review process by Norske Skog's mills and the corporate management.

The timeframe used in the TCFD assessment and scenario analysis defined short-, medium- and long-term as 2025, 2030 and 2050 respectively. The 2030 timeframe aligns with Norske Skog's GHG emission reduction target and the 2050 timeframe align with Norske Skog's commitment to net zero emissions by 2050, in accordance with the goal of the Paris Agreement.

Both the TCFD and scenario analysis evaluated the situation at each business unit and the entire organisation. The climate scenarios and related assumptions are compatible with the financial statements in this report.

### **E2 POLLUTION**

Norske Skog is committed to addressing pollution-related impacts, risks, and opportunities across our operations and value chain. Norske Skog conducted a materiality assessment applying elements of the LEAP approach, focusing on pollution of air, water, soil, microplastics, substances of concern, and their dependencies on ecosystem services to evaluate their materiality and significance.

Screening methodologies and assumptions: To identify actual and potential pollution-related impacts, Norske Skog undertook a screening process across business units within our operations, assessing the interface with nature. This involved an evaluation of emissions from our direct assets, upstream, and downstream. The screening methodologies included detailed data collection on pollutant emissions, their severity, and likelihood of impacts on the environment and human health. The results provided a basis for comparing the environmental performance.

Consultations and community engagement: Norske Skog's commitment to transparency include consulting with affected communities to better understand their concerns and the potential impact of our operations on their environment and Norske wellbeing. The business units engage in dialogue with local authorities and public and requested feedback from stakeholders residing near the sites and along the value chain. These dialogues help us gather valuable insights, build relationships, and foster a better understanding of the local concerns and expectations related to pollution and its management.

Assessment of Risks and Opportunities: The above written approach guided our assessment, enabling the identification of transition risks and opportunities across the operations and the value chain. This involved evaluating policy and

legal aspects, technological advancements, reputation changes, and potential physical risks arising from pollution incidents.

Opportunities were identified to access green financing to reduce pollution of air and water, build resilience, and improve our reputation through proactive pollution prevention and control measures. The outcome highlighted specific site locations and business activities where pollution emerges as a material issue, enabling us to revisit the business strategy and prioritise actions to mitigate risks and leverage opportunities effectively.

Norske Skog has ensured the consideration of geographical areas, types of assets, inputs, outputs and distribution channels when describing upstream and/or downstream value chain material IROs.

### E3 WATER AND MARINE RESOURCES

As part of our DMA process, Norske Skog have implemented processes to identify and assess material impacts, risks, and opportunities related to water and marine resources in our operations and value chain.

Norske Skog has applied elements of the LEAP approach to assess water and marine resources-related IROs by screening site locations and business activities to identify potential impacts on water and marine resources.

Norske Skog used historical statistics, feedback from experts and authorities in the water risk assessments, and marine resource evaluations to conduct this screening. In addition, Norske Skog mills conduct monthly environmental reporting (E-Index) to the corporate management and board of directors using Best Available Technology (BAT) reference values for paper and pulp production published by the EU Commission under the Industrial Emissions Directive. This data was also assessed during the process.

The climate-related scenario analysis carried out in 2023 that outlined future precipitation and climate change analysis was also used as a key source. Key areas of focus included locations with high water stress, potential water shortage and operations interfacing with marine resources. The discharge to water at all units follow strict reporting schedule to the authorities with specific attention to breach of permit. Breach of permit is severe and may be followed up by sanctions from the proper authorities. Norske Skog business units conduct regular consultations with affected communities on water-related topics.

Norske Skog's materiality assessment covered:

- **Water use:** Evaluated our consumption of surface and groundwater, including withdrawals and discharges, and water shortage and effluence issues at different sites.
- **Marine resources:** Assessed our use of marine resources and their impact on ecosystem health.

The driving assumption of using the above process is to first identify potential sites and/or business activities that have the potential to impact water and marine resources. Norske Skog identified physical risks related to periodic water scarcity, and potential stricter permit level, and potential water restrictions in certain periods caused by climate change.

### E4 BIODIVERSITY AND ECOSYSTEMS

Norske Skog have undertaken a review of our processes to identify and assess material impacts, risks, and opportunities related to biodiversity and ecosystems across our operations and value chain.

Norske Skog systematically screened all site locations and business activities to identify actual and potential impacts on biodiversity and ecosystems, including transition and physical risk. Systemic risk will be considered in the upcoming transition risk review. This process included the following key steps:

- **Methodologies and tools:** Tools used to identify biodiversity sensitive areas close to own operations include the IBAT biodiversity assessment tool. Norske Skog collaborate with forest associations and industry partners in the value chain through certification bodies like PEFC and FSC to enable the mapping and assessment of the ecological sensitivity of forest harvesting and the impact it has on biodiversity and ecosystems.
- **Regular interactions:** There are regular interaction through supplier and customer relationship with forest owners and through membership industry associations to evaluate the reports describing any breach of the certification standard. In addition, Norske Skog gather through dialogue with NGOs, research institutes like NIBIO in Norway and the authorities an extensive overview of the environmental impact, risk and opportunities related to biodiversity and ecosystems.
- **Assumptions:** The assessment assumed that all operations and sourcing of wood from areas within or near biodiversity hotspots and protected areas pose a higher risk to biodiversity. Norske Skog prioritised these areas for detailed assessment.
- **Screening results:** The screening assessed areas where our operations intersect with sensitive ecosystems, particularly in regions where land-use change, pollution, and freshwater use are significant concerns. Plans are being developed for how to monitor, and mitigate negative impacts going forward.

Regular dialogue and consultations have been conducted with affected communities and other stakeholders as part of the screening process. This supported gathering insights on local ecological context and dependencies on ecosystem services. The following areas were paid attention to during the year:

- **Supply chain:** Evaluate how timber harvesting affects local ecosystems, focusing on sustainable forest management including mitigating activities and effectiveness of certification schemes like FSC or PEFC.
- **Operations:** Assess effluent management, and water usage at production facilities and their effects on local biodiversity.
- **Land use:** Consider land occupation and conversion, especially in areas near protected habitats or biodiversity-rich zones.

In alignment with AR 4 and AR 6 of the ESRS E4 guidelines, our materiality assessment focused on the following aspects:

#### 1 - Contribution to direct impact drivers on biodiversity loss:

- **Climate change:** Norske Skog evaluated our greenhouse gas emissions and their contribution to climate change, which is a driver of biodiversity loss.
- **Land- and water use change:** Our operations' impact on land- and water-use change.
- **Direct exploitation and pollution:** The effects of resource extraction and pollution from our operations were examined.
- **Invasive species:** The potential for our activities to introduce or spread invasive alien species was considered like the spread of bark beetle.

#### 2 - Impacts on species and ecosystems:

- **Species population and extinction risk:** Norske Skog considered our operations' impact on local species populations and their global extinction risk, focusing on endangered species.



- **Ecosystem condition and services:** The extent and condition of ecosystems in proximity to our operations were evaluated, including the impact on essential ecosystem services such as water purification and climate regulation.

## E5 RESOURCE USE AND CIRCULAR ECONOMY

Norske Skog have assessed the operations and the value chain to identify material impacts, risks, and opportunities related to resource use and the circular economy. The process involved a comprehensive screening of our assets, activities, and relationships within our upstream and downstream value chain.

Relevant assumptions for reviewing the impact, risk and opportunity assessment:

### 1. - Concentration of impacts in the business model and value chain

- Norske Skog's positive environmental impacts are integrated across its operations and value chain. In the upstream segment, the company sources fresh fibre from sustainably managed forests and recovered paper from recycling suppliers. The efficient use of these materials supports the circular economy and minimises environmental impact. Within its operations, Norske Skog's mills optimise energy and raw material utilisation while repurposing production waste for energy generation and product development. Downstream, the company's recycled and renewable products contribute to reducing reliance on virgin raw materials, aligning with global sustainability goals and regulatory frameworks.

### 2. - Current and anticipated effects of impacts on business model and strategy

- The focus on renewable and recycled resources is a cornerstone of Norske Skog's long-term strategy. The increasing demand for sustainable products has led to diversification into recycled containerboard and bio-products, reinforcing the company's market position and resilience. The shift from fossil-based materials to bio-composites and circular resource use aligns with regulatory trends and consumer preferences, driving continued investment in energy efficiency and waste reduction initiatives. The new thermo-mechanical pulp line at Norske Skog Skogn is an example of ongoing strategic adaptation to enhance resource efficiency and reduce emissions.

### 3. - Description of material positive and negative impacts

- Norske Skog's sustainability initiatives have direct positive effects on the environment, including reduced carbon emissions, lower landfill waste, and decreased dependency on fossil fuels. The integration of recycled materials into production decreases deforestation pressures while promoting a circular economy. However, a key risk is the availability and cost of recycled fibre, which could impact profitability and production stability. If demand for recycled fibre increases due to regulatory requirements or alternative uses in other industries, Norske Skog may face supply chain challenges. These impacts are closely connected to the company's strategic focus on sustainability and resource efficiency. The expected time horizon for these impacts ranges from immediate operational adjustments to long-term industry transformations.

### 4. - Resilience of strategy and business model

- Norske Skog's strategy is resilient to environmental and market risks through continuous innovation, diversification, and vertical integration within the value chain. Norske Skog employs a qualitative and quantitative approach to assessing resilience, including investments in waste-to-energy technologies, bio-product development, and process optimisation. Norske Skog's resilience is further strengthened by its ability to adapt to regulatory changes and evolving market preferences. By securing access to renewable energy and improving raw material efficiency, Norske Skog ensures long-term sustainability and competitiveness.

**Screening methodologies:** Circular economy aims to reduce impacts on nature, by minimising the environmental impact of products, materials and other resources, minimising waste and the release of hazardous substances. Regarding E5, the assessment utilised methodologies applied under ESRS E1 (including energy consumption), ESRS E2 (pollution), ESRS E3 (water and marine resources) and ESRS E4 (biodiversity, ecosystems, raw materials) to evaluate dependencies and impacts, identifying resource inflows, outflows, waste generation, and their environmental impact.

**Consultation and engagement:** Dialogue with affected communities, NGOs and value chain partners played a pivotal role in our assessments, which provided invaluable insights into community perspectives, enabling a more holistic evaluation of our impacts and risks. Norske Skog mill personnel and group directors maintain regular engagement through personal meetings, Teams calls, and site visits with customers, suppliers, local authorities, and relevant NGOs.

**Material risks and opportunities:** Assessing material risks and opportunities was a critical aspect of our process. This involved identifying transition risks and opportunities across policy and legal, technological, market, and reputational aspects. Physical risks such as resource depletion were also carefully evaluated. Opportunities emerged in the nature of the finished good, in resource efficiency, alternative markets, waste handling, resilient strategies, and reputation enhancement, emphasising a shift toward circularity and reduced resource dependence. The nature of the finished product, especially considering the carbon footprint and the level of reusable raw material, in addition to the energy production with household and production waste, give specific commercial advantages for the buyers.

**Methodologies and tools utilised:** In assessing our impacts, risks, and opportunities, Norske Skog relied on internal calculations, investment strategies, environmental footprint data and other analysis. These frameworks provided robust analytical support, enabling a comprehensive evaluation of our operations and value chain. In addition to our process identifying and assessing resource use and circular economy-related IROs, Norske Skog measures and reports on the waste, process leftover and water discharge generated from our operations.

**Outcomes of the assessment:** The nature of Norske Skog's business model is to use renewable sources of energy and 100% recycled material for packaging paper production and a mix of renewable and virgin materials for publication paper production.

Waste from the production process, waste from the wastewater treatment plant and bark from the wood may be used as a source of energy to the bio boiler. However, the ash from the bio boiler is either commercially exploited or disposed in public deposits. There are special internal control routines handling all hazardous waste, which is being controlled and sent to officially certified public deposit.

Norske Skog's commitment to sustainability and circular economy principles is deeply embedded in its business model, operations, and upstream and downstream value chains. The company's use of renewable and recycled resources, waste-to-energy initiatives, and waste utilisation for product development contribute significantly to reducing its environmental footprint while enhancing economic efficiency. However, there are also risks associated with the availability of recycled fibre for production due to market demand and policy influences.

## S1 OWN EMPLOYEES

Norske Skog identifies material impacts, risks, and opportunities related to its employees by considering various criteria, including health and safety standards, which are paramount in ensuring a secure working environment. The company evaluates potential safety hazards in the process industry and pulp and paper as a key element in the assessment.

Other criteria which are central in the assessment process is working conditions, employee wellbeing and development. Norske Skog mills conduct regular surveys and feedback sessions to understand employee needs and concerns. This helps identifying areas for improvement in work-life balance, professional growth opportunities, and overall job satisfaction.

Additionally, Norske Skog considers diversity and inclusion as essential factors in its assessment process. The company reviewed its hiring practices, promotion policies, and workplace culture related to equality and zero tolerance for discrimination.

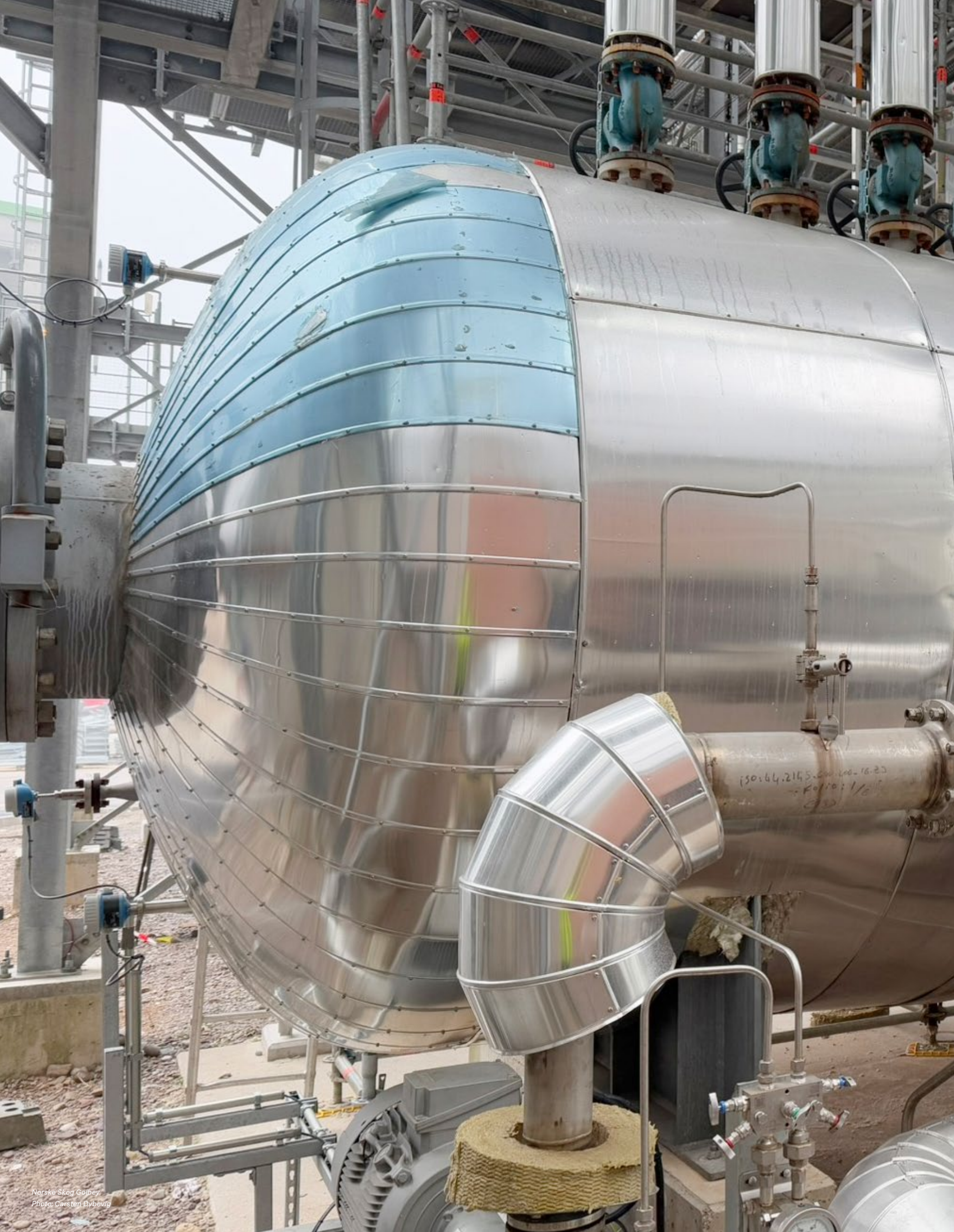
Through regular consultations and structured dialogues with trade unions and employee representatives, Norske Skog gathers insights on employee concerns, workplace conditions, and potential risks. This collaborative approach ensures that management remains informed about the needs and expectations of its workforce, allowing the company to address issues proactively and leverage opportunities for improvement. By integrating feedback from unions into its assessment process, Norske Skog fosters a transparent and inclusive environment that prioritises employee wellbeing and organisational resilience.

## G1 BUSINESS CONDUCT

Norske Skog identifies material impacts, risks, and opportunities related to business conduct matters through a comprehensive process that considers various criteria. The group evaluates the location of its operations, recognising that regional regulations and socio-economic conditions can significantly influence business conduct. For instance, operations in areas with stringent environmental laws require more robust compliance measures. Additionally, Norske Skog assesses the activity type, such as manufacturing or distribution, to determine specific risks and opportunities associated with each operational phase.

The sector in which Norske Skog operates is another critical criterion. As a major player in the international publication paper market, the company must adhere to industry-specific regulations and standards, ensuring ethical and sustainable practices throughout its value chain. This sectoral focus helps in identifying unique risks, such as those related to deforestation and carbon emissions, and opportunities like advancements in recycling technologies.

Finally, the structure of the transaction is scrutinised to ensure transparency and integrity. This includes evaluating the nature of business relationships, such as partnerships and supply chain agreements, to mitigate risks of corruption and ensure compliance with anti-trust laws. By integrating these criteria into their assessment process, Norske Skog aims to uphold high standards of business conduct and sustainability.



# 1

## ENVIRONMENT

# Climate change (ESRS E1)

## EU TAXONOMY

Norske Skog reports its EU Taxonomy disclosures in accordance with the simplified reporting framework introduced by the European Commission’s Delegated Regulation (2025) 4568. The simplified framework streamlines the disclosure of environmentally sustainable activities and allows undertakings to classify economic activities as non-material where their contribution to Taxonomy KPIs is insignificant.

### Approach

During 2025, the Group conducted an updated screening of economic activities potentially covered by the EU Taxonomy. All activities identified relate to small-scale, energy-related side-streams (such as biogas, bioenergy heat, waste heat recovery and cogeneration). Collectively, these activities contribute less than 2 % to each of the Group’s KPIs: turnover, CapEx and OpEx.

Under the simplified framework, activities with immaterial financial impact are disclosed as non-material and are not assessed for Taxonomy-eligibility or Taxonomy-alignment. Norske Skog has therefore classified all potentially relevant activities as non-material and reports them accordingly in Template 1, column (14) (non-assessed due to non-materiality).

Because all KPIs show 0 % Taxonomy-eligible in column (3), the activity-level disclosure in Template 2 is not required and is therefore omitted.

### Contextual information on non material activities

All Taxonomy relevant activities represent a very small share (<2 %) of operational and financial activity and do not have a material influence on the Taxonomy KPIs. Consequently, these activities are disclosed as non-assessed due to non-materiality.

All non-material activities fall within NACE D35 – Electricity, gas, steam and air-conditioning supply. These activities relate to small-scale energy side-streams, including biogas production, heat from bioenergy, waste-heat utilisation and cogeneration. Their financial contribution is minor relative to the Group’s core operations under NACE C17 – Manufacture of paper and paper products, which remain material but are not covered by the EU Taxonomy.

### Data sources and internal controls

Taxonomy KPI denominators are derived from the consolidated financial statements (continuing operations). Calculations and classifications are prepared jointly by the sustainability and finance functions, following established internal controls and reconciliation processes. Any future changes in the scale or financial relevance of Taxonomy related activities will be reflected in subsequent reporting.

Breakdown by environmental objectives of Taxonomy aligned activities															
Financial year 2025															
KPI (1)	Total (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year 2024 (15)	Proportion of Taxonomy aligned activities in previous financial year 2024 (16)
Text	NOK	%	NOK	%	%	%	%	%	%	%	%	%	%	NOK	%
Turnover	10 466.44	0.00 %	0.00	0.00 %	0 %	0 %	0 %	0 %	0 %	0 %	%	%	0.05 %	0.00	0.00 %
CapEx	979.80	0.00 %	0.00	0.00 %	0 %	0 %	0 %	0 %	0 %	0 %	%	%	0.00 %	0.00	0.00 %
OpEx	445.18	0.00 %	0.00	0.00 %	0 %	0 %	0 %	0 %	0 %	0 %	%	%	1.73 %	0.00	0.00 %



# 1. Strategy

Leading international institutions like the United Nations (UN) and the International Panel on Climate Change (IPCC) have documented how climate change poses as a significant challenge to our planet, impacting ecosystems, weather patterns, and human livelihoods and stressed the need to limit global temperature increases to 1.5°C compared with pre-industrial levels. The decisions and consensus from related international conferences have an impact on the way we operate, from industrial facility operations to the entire value chain, including raw material sourcing, energy use, production and distribution.

Norske Skog recognises its responsibility to mitigate efforts of climate change through sustainable business practices and commits to create shareholder value while delivering on ambitious emission reduction targets and supplying low-emission products, aligning with the goal of the Paris Agreement. Our strategy is designed to meet these global changes, enhancing our group's valuation and local reputation. Norske Skog will strive to achieve net zero emissions in scope 1 and 2 by 2050, positioning us as a competitive leader in a net zero economy. Norske Skog's environmental policy is an integral part of the strategy to achieve Norske Skog's business goals.

The strategic ambition of Norske Skog is to "Create green value", and for all business units to:

1. Reduce greenhouse gas (GHG) emissions in own operations and across the value chain
2. Operate on renewable energy

The reduction of greenhouse gases was integrated as a key part of the business strategy and the business model in 2020. This ambition drives the commitment across the group to reduce energy consumption, increase the share of renewable energy sources and to optimise transport to reduce emissions and impact on the climate.

Greenhouse gas emissions occur primarily from energy generation processes. All mills have their own boilers or incinerators producing thermal energy from production waste, like bark, and other residues. Fossil fuels in the form of natural gas and oil is also used. The main emissions associated with these activities include carbon dioxide, particulates, sulfur dioxide and nitrogen oxides. Such emissions have a negative impact on climate change.

## TRANSITION PLAN FOR CLIMATE CHANGE MITIGATION

Norske Skog does not currently have a climate change transition plan. This is partly due to the lack of an emission reduction target for Scope 3, a requirement for a transition plan in accordance with ESRS requirements. At the end of 2025, Norske Skog set an emission reduction target for Scope 3 and will as a result start to work on a transition plan compliant with the requirements in ESRS E1-1 in 2026.

Norske Skog has established an environmental policy to prevent, mitigate and remediate actual and potential impacts in order to address risks and to pursue opportunities. The policy is available on [www.norskeskog.com/sustainability](http://www.norskeskog.com/sustainability).



Norske Skog Bruck  
Photo: Enzo Zadra

## 2. Impacts, risks and opportunities

### ESRS E1 CLIMATE CHANGE

Material impacts risks and opportunities

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Climate change mitigation</b>							
<b>GHG emissions across the value chain</b>	Negative impact	x	x	x	x		
Norske Skog has a negative impact throughout the value chain on the climate. The upstream emission are connected to the logging activities and transportation of wood from the forest into the mill with trucks and train. The production process consumes large amount of heat from bioenergy and electrical power to transform the wood log into pulp for the production of paper. Emissions from both inbound and outbound transporters, and production process foster potential negative climate impact.							
<b>Low-emission products</b>	Opportunity	x	x	x	x		
Norske Skog has an opportunity related to the finished goods which have relative low emission level compared to other fossil alternatives. The containerboard production will deliver packaging paper to the market and be in direct competition with fossil plastic products. All the containerboard production in the group located in Norske Skog Bruck and Norske Skog Golbey, are based on recycled old corrugated case material. Similarly, the nanocellulose and biocomposites produced at Saugbrugs are based on wood logs, which is a renewable source. The opportunity to for capturing and delivering for storage the biogenic carbon emissions will reduce the finished goods carbon footprint and thus become more acceptable product for the consumers							
<b>Exclusion form the EU ETS market</b>	Risk		x		x		
The exclusion of the two Norwegian mills, Saugbrugs and Skogn, from the Energy Trading System (ETS) poses a risk of severe financial impact. This exclusion of Norske Skog's Norwegian mills will, with a CO <sub>2</sub> price of EUR 70, has a tentative, negative financial impact for the entire group. The share of biomass in producing heat from the bio boiler is above 95% and is thus above the ETS qualification level. Norske Skog has politically opposed the exclusion.							
<b>Energy</b>							
<b>Energy consumption</b>	Negative impact		x		x		
Norske Skog's energy consumption has negative impact on the climate. The energy is used to process raw material into finished paper products using a mix of renewable and fossil energy sources. The energy consumption contains several sources of energy like bio mass, production waste, natural gas and oil to produce heat to the production process in addition to electrical power from the grid, which also has elements of fossil sources from LNG and oil. Norske Skog's energy intensive manufacturing processes in all mills require substantial energy sources. Non-renewable energy sources used in production has a negative impact on the environment.							
<b>Energy prices</b>	Risk		x		x		
Norske Skog faces a competitive risk related to fluctuations in energy prices. The energy prices in Europe are mainly driven by supply and demand for energy. The volatility in energy prices derives from the last marginal supply of energy, which for the last years has been the price expectations of LNG.							

### CLIMATE CHANGE IMPACTS

The materiality assessment outlined in ESRS IRO-2 identified the following material impacts:

#### GHG emissions across the value chain

Norske Skog's manufacturing processes of publication paper and containerboard products require substantial amount of energy. Part of this energy consumption is covered by fossil energy sources which release GHG emissions.

The emissions from Norske Skog's own operations have a negative impact on the climate with 153 037 tCO<sub>2</sub>e of scope 1 emissions and 65 084 tCO<sub>2</sub>e of scope 2 emissions (location-based accounting) emitted during 2025, and

660 753 tCO<sub>2</sub>e of scope 3 emissions emitted across the value chain over the same period. This negative impact is a consequence of energy infrastructure in our mills, electricity grid mixes and business relationships with suppliers and customers. The impact occurs in the short-, medium- and long-term.

The sale of the Boyer mill on Tasmania in Australia in Q1 2025, has significantly reduced scope 1 and 2 emissions for the group by 60%. The reduction in Scope 1 GHG emissions is linked to the coal fired boiler at the Boyer mill and Scope 2 emissions from electricity. Following GHG accounting requirements on structural changes and the transfer of operations to a new owner, the Boyer mill has been excluded from the GHG inventory.

The source of Scope 1 emission in the group is mainly related to the use of natural gas and emissions from the waste-to-energy boiler at the Bruck mill in Austria, which combined represented 85% of group scope 1 emissions in 2025. Scope 2 emissions (location based) is linked to purchased electricity. Scope 3 emissions represent 75% of Scope 1, 2 and 3 emissions combined for the group where transportation and distribution in the entire value chain represent 43% of the group Scope 3 emissions.

Norske Skog mitigates its material climate change impacts by implementing measures on reducing Scope 1 and 2 emissions from its operations through energy efficiency measures and increasing the use of renewable energy sources and scope 3 by engaging with up- and downstream value chain partners, particularly transporters of wood logs for pulp production, household waste for the energy boilers and finished goods to end-customers to address and minimise Scope 3 emissions, acknowledging the significant role of GHG emissions from logistics in pulp and paper industry.

**Energy consumption**

The production of publication and packaging paper is an energy-intensive process. Norske Skog’s manufacturing processes in all mills require substantial resources that can have a negative impact on the environment and people.

The energy is used to process raw material into finished paper products using a mix of renewable and fossil energy sources. The energy consumption contains several sources of energy like biomass, production waste, natural gas and oil to

produce heat to the production process in addition to electrical power from the grid, which also has elements of fossil sources from LNG and oil.

Energy is used mainly for two purposes:

- Electricity is used to separate, process and transport fibre and water. The electricity is sourced from external suppliers. Most of the electricity is used to mechanically convert roundwood and wood chips into fibres, called thermomechanical pulping (TMP) process.
- Thermal energy (steam) is used for the heating and drying of paper. In contrast with electrical energy, thermal energy is mostly generated within the mill.

**Climate change risks and opportunities**

With increased focus on climate change and its implications on Norske Skog’s current and future financial performance, Norske Skog carried out a revision of the identified climate-related risks and opportunities following the Task Force on Climate related Disclosure Framework (TCFD) in 2023. As part of this process, a climate-related scenario analysis was carried out in cooperation with CEMAsys, a Nordic ESG Consulting firm focusing on Norske Skog’s own operations. These two processes informed the double materiality analysis carried out in 2024, and updated in 2025.

The materiality assessment identified two material transition risks and one opportunity.

Climate-related transition risks		How Norske Skog’s business model and/or strategy mitigate risks
Policy & legal	<p><b>Exclusion from the EU ETS market</b></p> <p>In 2024, Norske Skog’s Norwegian business units were given prior notice by national authorities of a potential exclusion from the EU Emission Trading Scheme (ETS) from 2026, since more than 95% GHG emissions are derived from biomass.</p> <p>Norske Skog will have a competitive disadvantage if not being able to receive free allowances in the period 2026 to 2030. The phasing out of EU ETS schemes represents a financial risk that will lead to increased operating costs.</p>	<p><b>Norske Skog’s revenue model</b></p> <p>The revenue model of Norske Skog’s Norwegian business units is exposed to income sources linked to free allowances received under the EU ETS which are sold in the open market.</p> <p>Norske Skog needs to be defined within the EU-ETS due to the use of not certified wood for the years 2019-2022.</p> <p>Norske Skog is working directly with the Norwegian government and indirectly through trade and industry federations to minimise the financial impact of the exclusion.</p>
	<p><b>Energy prices</b></p> <p>Being in an energy intensive industry, Norske Skog is strongly impacted by changes in the energy systems and its related mechanisms. Increasing energy prices and price fluctuations is a risk to increased operating cost.</p>	<p><b>Norske Skog’s strategy and revenue model</b></p> <p>Norske Skog need to have access to stable and predictable energy sources. Norske Skog has invested in low-emission energy generation in Norske Skog Bruck and Norske Skog Golbey and will continue to evaluate opportunities going forward to reduce exposure to low emission energy prices in the market.</p>

Climate-related opportunities		How Norske Skog’s business model and/or strategy can realise the opportunity
Products	<p><b>Low emission products</b></p> <p>Norske Skog sees shifting consumer preferences and trends towards low emission paper and packaging solutions as well as bio-products. As more consumers and businesses prioritise environmental concerns, Norske Skog will leverage this opportunity by continuing to lower emission along the value chain. In the long run this include Bioenergy with Carbon Capture and Storage (BECCS).</p>	<p><b>Norske Skog’s strategy to offer low emission products</b></p> <p>Norske Skog has partly adapted to changing market dynamics by investing in low-emission production processes and products, demonstrating its commitment to environmental stewardship. Going forward Norske Skog will continue to tap into this opportunity and evaluate opportunities as they become commercially viable.</p>

**RESILIENCE OF STRATEGY AND BUSINESS MODEL**

Norske Skog has initiated a high-level resilience analysis in relation to the material risks and opportunities disclosed, to assess the resilience of the strategy and business model. Non-material risk was not included in the analysis. The evaluation is integrated into Norske Skog's double materiality assessment and results are discussed in annual strategy meetings and budget plans by mill and corporate management.

The scope of the analysis focused on access to process water (physical risk) and energy (transition risk) for all mills in our own operations, using Norske Skog's climate-related scenario analysis (2023) as a key source. Climate policy and regulatory transition risk was carefully assessed focusing on related financial impact. The value chain perspective of the resilience analysis included sourcing of strategically important raw materials such as fresh fibre and recovered fibre, in relevant geographies. Norske Skog has not yet conducted a climate-related scenario analysis for sourcing of biomass, but plan to do so in the coming years.

The results show that Norske Skog's own operations are largely resilient to physical climate risk due to robust infrastructure. However, impacts from extreme weather events like flooding and water shortages may impact operations in the long-term. Norske Skog will evaluate and implement appropriate measures related to water withdrawal and recycling in the coming decade to strengthen the climate resilience of own operations (ESRS E3 for details). While physical risk is expected to have limited impact on own operations it has the potential to materialise in specific geographies of the

value chain related to sourcing of fresh fibre in the long term. Recent investments in containerboard production made from 100% recovered paper target this risk and strengthen the resilience of the business model for individual mills and the group.

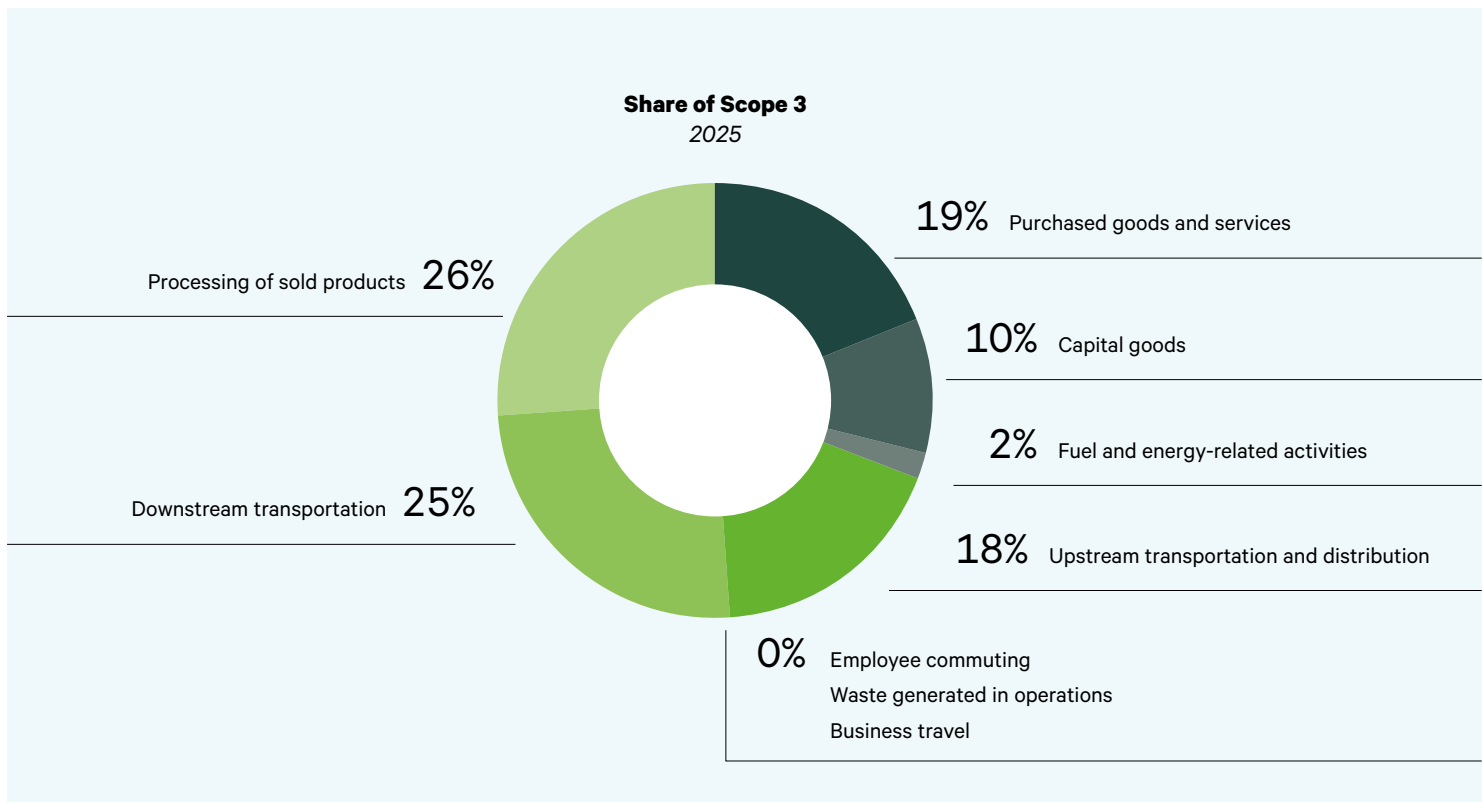
In terms of transition risk related to pricing of and access to energy, the results reflect that the resilience of Norske Skog's business model is strengthened based on recent capital investment in low emission energy generation at Norske Skog Bruck and Norske Skog Golbey. These investments have contributed to important risk mitigation related to the dependency on fossil sources while improving the share of renewable sources in the energy mix and avoiding long term energy pricing risk. Norske Skog will continue to evaluate opportunities related to energy generation and efficiency going forward.

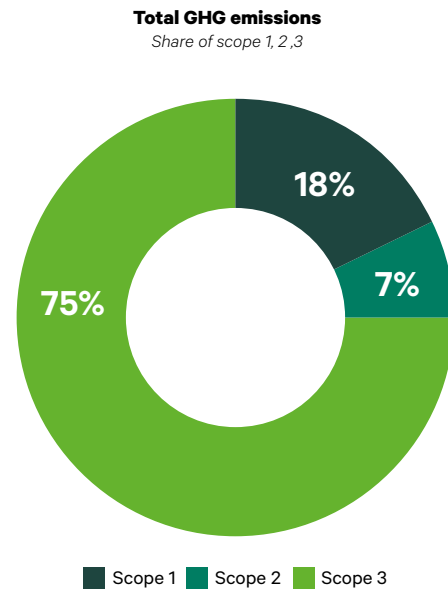
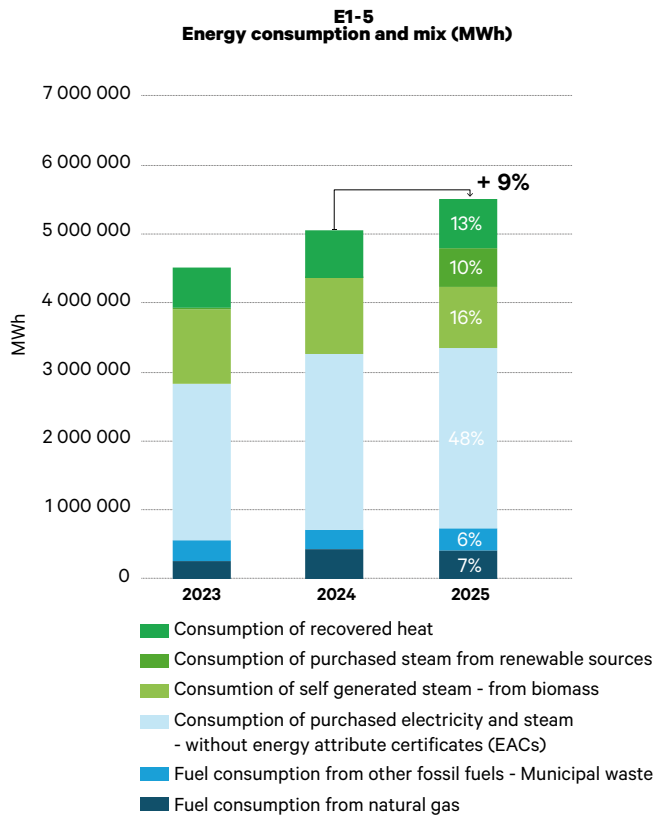
Current and future value creation of Norske Skog is mainly based on circularity, low emission operations and products, supported by recent major capital investment that contribute to climate change mitigation. This reflects a business model resilient to meet global climate targets. However, the dependency on natural resources in our business model is challenged by stricter climate policies, both expected and unexpected. Future resilience relies on predictability and political support to mitigate financial effects.

Despite future uncertainties related to climate policies, energy markets, biomass and water-stress, Norske Skog has the necessary organisational framework and priorities in place to adapt, build and maintain a climate-resilient business model over the short-, medium- and long-term. In terms of green financing, the group is using its unique position to evaluate possibilities and has increased the green term loan at Norske Skog Skogn in 2025 by NOK 400 million. The group assess additional opportunities going forward.

The time horizons applied in the analysis aligns with the time horizons of the DMA and GHG emission reduction targets. Going forward, Norske Skog plan to establish a robust resilience analysis in line with criteria in ESRS.

Based on the IROs identified and assessed, no major capital allocation plans, asset write-downs, or similar measures have been made. Norske Skog group does not have locked in GHG emissions or assets and business activities that are incompatible with a transition to a net zero economy.





### 3. Impact, risk and opportunity management

Norske Skog’s environmental policy outlines the approach to management of environmental performance and sustainability efforts. The policy aims to achieve sustainability in natural resource development and environmental management, aligning with global commitments such as the Paris Agreement and the Montreal Agreement. The policy is addressing climate change mitigation by including Norske Skog’s commitment to reduce GHG emission to net zero emissions in scope 1 and 2 by 2050. By covering all emissions scopes, the policy applies to emissions from Norske Skog’s own operations, as well as emission upstream and downstream in the value chain.

The policy sets the direction of how to addresses key material impacts, risks, and opportunities related to climate change mitigation and adaptation, energy efficiency, renewable resource efficiency, pollution, water management, biodiversity, and deforestation. Monitoring is conducted through Corporate Standards, annual target setting, progress reviews by the board of directors, and adherence to internationally recognised environmental management systems. The policy is accessible to all staff through Norske Skog’s intranet.

**Scope and exclusions**

The policy applies across Norske Skog’s operations, including upstream and downstream value chains, covering raw material procurement, production, and distribution globally. Stakeholders such as employees, suppliers, customers, and local communities are directly involved. The policy has no specific exclusions but emphasises heightened attention in areas with material environmental risks, such as water-stressed regions.

**Senior accountability**

The board of directors holds the highest accountability for policy implementation, including setting objectives, annual target reviews, and monitoring performance. Key leading operational personnel and business unit managers are responsible for integrating the policy into strategic and operational decisions. The policy undergoes regular review by the group corporate management team, the global head of sustainability and the vice president of communication and public affairs.

**Third-party standards and initiatives**

The policy incorporates commitments to third-party standards, including the Paris Agreement, Montreal Agreement, EU’s Action Plan “Towards Zero Pollution for Air, Water, and Soil,” and the European Sustainability Reporting Standards (ESRS). It also promotes forest certification including PEFC and FSC standards and prioritises certified suppliers.

**Stakeholder consideration**

The policy reflects the interests of key stakeholders, ensuring respect for social and cultural values in operational regions. Norske Skog engages actively with stakeholders through open dialogue, transparency, and collaboration, addressing community concerns, promoting customer environmental objectives, and managing upstream and downstream impacts.

## ENVIRONMENTAL POLICY DETAILS

### (a) Climate change mitigation

Objectives and specific targets for reducing GHG emissions and increasing GHG removals are set periodically. Policies include plans for supplier engagement to ensure the same environmental standards are maintained across the value chain. Annual assessments of material risks and opportunities are performed at the corporate and business unit levels, with reporting to the board. The board oversees performance on climate adaptation metrics through an environmental index system based on EU BAT (Best Available Technologies) for our industry.

### (b) Climate change adaptation

Policies address the integration of climate adaptation strategies into operations and procurement processes. Business units receive resources for training, emergency handling, and necessary health and safety measures to adapt to climate risks.

### (c) Energy efficiency

Energy efficiency is highly prioritised in all production units, with annual improvement targets established for each business unit. Continuous resource allocation ensures operational efficiency and progress toward energy-saving goals.

### (d) Renewable energy deployment

Policies emphasise resource deployment to enhance renewable energy use across all business units. Annual objectives focus on increasing the share of renewable energy in the company's energy mix.

### (e) Other

1. Renewable resource efficiency: Targets are set for circular raw material usage and waste minimisation, promoting resource efficiency along the upstream and downstream value chains.
2. Pollution management: Policies align with the EU's Action Plan "Towards a Zero Pollution for Air, Water, and Soil" to minimise air and water pollution.
3. Water management: Special attention is given to water-stressed areas to reduce consumption and manage risks.
4. Biodiversity and deforestation: Policies promote forest certification and anti-deforestation efforts through supply chain engagement. These policies are integrated into Norske Skog's strategic and operational decisions, reviewed annually by the board, and aligned with stakeholder interests and international sustainability standards.

## ACTIONS AND RESOURCES

Norske Skog is committed to reducing GHG emissions for scope 1 and 2 per tonne product by 55% by the end of 2030 with 2015 as the baseline and to achieve net zero emissions in scope 1 and 2 by 2050. The overall approach towards climate change mitigation in own operations focus on energy efficiency, improving the energy mix by phasing out fossil energy sources and investing in new business areas and low emission products. These levers represent the key actions undertaken during the reporting year and planned future actions to significantly reduce the group's carbon footprint.

### **Actions to reduce energy consumption, Scope 1 and 2 emissions** **Energy efficiency**

Energy consumption and related cost is a strategic priority and carefully managed by mill and corporate management. All Norske Skog mills have energy efficiency programmes targeting continuous reduction in energy consumption and improved energy efficiency. This includes utilising recovered energy from thermomechanical pulping (TMP) process, utilising the effluent treatment processes to produce biogas, upgrade existing process equipment and combustion of bio-residues from the production processes.

Production of paper and containerboard based on recovered paper and old corrugated containers (OCC) require less energy than production based on fresh fibre because the fibre from recovered paper is more easily separated than those within wood. As a result of the strategy to invest in containerboard production based on recovered paper and board, Norske Skog has achieved 89% reduction in scope 2 emissions (location-based accounting) since 2015. Divestment in mills with high share of fossil sources in the electricity mix has also contributed to this achievement.

Another update was made in 2025 that impacted the accounting on energy consumption and mix. In 2025 Norske Skog classified the mixed household waste used as fuel in the waste-to-energy boiler at the Bruck mill from renewable to non-renewable. In prior years this fuel was classified as renewable in the internal reporting tool, in line with the classification of the EU Emission Trading Scheme (ETS). The update has been made in compliance with reporting requirements of ESRS and the GHG protocol. This change impacted the share of renewable energy sources in Norske Skog's total energy consumption mix in the period 2022-2025. The share of renewable energy sources increased from 35% in 2024 to 39% in 2025.

Several measures have been implemented across the group in 2025 to improve energy efficiency.

- Norske Skog Skogn implemented project "Pulp Flex" in November 2025, focusing on new bleaching processes while increasing the capacity of the TMP line. The increased capacity is expected to reduce specific energy consumption per tonne product produced and increase reuse of steam and contribute to a reduction in annual energy consumption of 24 GWh. In addition, the Skogn mill has in 2025 focused on stabilising and optimising the new reboiler that was implemented in 2024 targeting reduced fuel consumption and improved energy recovery leading to an annual reduction in energy consumption of 25 GWh.
- Norske Skog Golbey implemented several measures as part of their energy efficiency plan to cut steam consumption on PM 2 including water management modifications, temperature decrease and improved process water heat regulation. The measures resulted in 15% reduction in steam consumption per ton produced in 2025 compared to 2024.
- Norske Skog Bruck initiated an upgrade of the electric boiler for steam production from 20 to 25 MWh in 2025. This enables increased steam production when the electricity price is low and reduces the need for natural gas for steam production.

### **Improving energy mix by phasing out fossil energy sources**

Norske Skog's main decarbonisation lever is to convert from non-renewable stationary energy to renewable and low emission energy sources to reduce Scope 1 emissions and related energy costs.

The investment in a waste-to energy boiler (WtE) at the Norske Skog Bruck mill in Austria has been a major strategic measure for the group in phasing out fossil energy sources as part of the conversion of PM3 to containerboard production. The conversion started in 2022 with the construction of the fully owned on site waste-to-energy boiler (WtE) and was finalised when the boiler reached full production capacity in 2024. Through this investment, household waste has replaced natural gas as the main fuel source for steam supply, contributing to an annual reduction of 100 000 tCO<sub>2</sub> emissions under the EU ETS.

Similarly, The Norske Skog Golbey mill in France has undergone a major conversion from natural gas to heat based on certified biomass, as part of the strategic conversion of PM1 to containerboard production. Through the Green Valley Energie (GVE) project, construction of a 125 MW biomass boiler now supplies Golbey with steam and significantly reduce the carbon footprint of the group by an estimated 200 000 tonnes CO<sub>2</sub>e/year. Green Valley Energie is

a JV between Norske Skog (10%), Veolia (10%) and Pearl Infrastructure (80%), and Norske Skog is the sole off taker of steam under a long-term contract.

Finally, the sale of the Norske Skog Boyer mill in Australia in 2025 had a major impact on the group's energy mix and transition to renewable sources in the reporting year, due to the mill's coal fired boiler. The mill has been excluded from Norske Skog's GHG inventory for all years under ownership, with effect from 2025. This is in line with requirements for restructuring and continued operations following GHG accounting requirements.

Measures implemented across the group in 2025 include:

- Norske Skog Golbey's ramp up of containerboard production and sourcing of steam from GVE has contributed to an improved fuel mix and a 29% reduction in gas consumption compared to 2024.
- Norske Skog Bruck started production of biogas from the anaerobic wastewater treatment in 2024. The biogas is used as fuel in internal steam production and contributed to reduced consumption of natural gas in 2025 due to increased production.
- Norske Skog Bruck also commissioned a new diesel-hybrid locomotive for their internal railway in 2025. The locomotive will run on electric power 50% of the time and lead to a similar reduction in diesel consumption.
- Norske Skog Skogn implemented a new thermomechanical pulping line (TMP) replacing recycled paper with fresh fibre as the raw material in publication paper production in 2024. The related energy saving project made it possible to cut external fuel sources and increased the use of bark, a pure biomass from production waste, as fuel. In 2025 this contributed to reduction of CO<sub>2</sub> emissions by 77% (4 000 tonnes CO<sub>2</sub>e/year), NO<sub>x</sub> emission by 36% (91 tonnes per year) and ash to landfill by 57% (10 000 tonnes/year) per year.

In 2025 Scope 1 emissions for the Norske Skog Skogn mill was updated to include Scope 1 emissions from chemicals in sludge and fossil share of biofuel. This led to an increase of 3200 tCO<sub>2</sub>e in 2023 and 60 tCO<sub>2</sub>e in 2024 for the Skogn mill.

#### **New business areas and low emission products**

Norske Skog is investing in bio products made from renewable and recycled resources, responding to growing demand and customer preferences towards low emission products. By tracking and assessing our emission reductions, we ensure transparency in illustrating the tangible impact of initiatives. Our focus is to achieve measurable reductions aligned with our targets, allowing us to assess the effect of our strategies and drive continuous improvement.

Mills located in Norway have considerable biogenic emissions related to biomass combustion. These conditions enable potential product development related to Bioenergy with Carbon Capture and Storage (BECCS) that can lead to positive impact on climate change mitigation in the long run and that the group will continue to evaluate going forward.

Measures implemented across the group in 2025 as well as future planned actions:

- Norske Skog Skogn is collaborating with Carbon Centric for developing biogenic CO<sub>2</sub> capture technologies. A new carbon capture facility is being planned at the Skogn mill with the possibility of a capture facility that will remove around 100,000 tonnes of CO<sub>2</sub> per year. The captured CO<sub>2</sub> will either be sent for permanent storage or used as a raw material in industrial applications and products. The project is at an early phase and currently undergoing an environmental assessment in accordance with Norwegian regulations. The process is expected to take approximately two years. It is uncertain when the carbon capture facility can start operations.
- Norske Skog Saugbrugs: is considering restarting PM6, which was hit by a rockslide in 2023. This will result in lower thermal and electrical consumption

per tonne. Lower thermal consumption results in lower CO<sub>2</sub> emissions, both fossil and biogenic.

#### **Actions to reduce Scope 3 emissions**

The overall approach towards reducing Scope 3 emission target the largest categories of Norske Skog's Scope 3 emissions where mills can engage directly with relevant suppliers and customers: category 1; purchased goods and services, category 4; upstream transportation and distribution (includes outbound transport to customer) and category 10; processing of sold products.

A key decarbonisation lever related to category 1, Purchased goods and services, is to assess operational process improvement that reduce the current need and volume of chemicals, fillers and pigments used in production. To further reduce emissions Norske Skog will start to integrate information about Product Carbon Footprint and supplier specific emission reduction targets into sourcing decisions.

Transport of incoming wood raw materials and outgoing paper and containerboard products is transported by trucks, vessels and railway. Norske Skog aims to reduce emissions from category 4 by moving transport of upstream and downstream services from trucks and fossil vessels to electrical railway and to trucks and vessels running on renewable energy sources. In the coming years Norske Skog expect that emissions related to transport will increase in a business-as-usual scenario due to increased production capacity for containerboard. A key measure to reduce emissions is to engage with transportation providers to assess alternative modes and route optimisation.

Going forward Norske Skog will engage with customers to track actual emissions related to processing of sold products. Several of our customers in both the publication and containerboard market have set ambitious climate reduction targets and are signatories of SBTi. As we start to engage with customers and increase the share of customer specific emissions in our GHG inventory, we expect to see an emission reduction over the next years.

A key measure to reduce Scope 3 emissions across all scopes is to improve the quality of Scope 3 accounting by increasing the share of primary data from suppliers, customers and business partners. Until 2025, the climate accounting for Scope 3 emissions have relied heavily on the use of generic emission factors from trusted sources. Throughout 2025 mills have actively engaged with suppliers and asked for supplier specific emission factors and product carbon footprints to improve the quality of Scope 3 emissions. These efforts focused on the largest emission categories and individual suppliers especially related to sourcing of non-wood raw materials like chemicals and transportation.

Norske Skog prioritises engagement with individual suppliers that represent a large share of Scope 3 emissions and procurement spend but is also engaging with business partners across all Scope 3 categories. The rationale for the prioritisation is to engage with key suppliers to efficiently cut Scope 3 emissions. This approach does also contribute to reduction of business and climate risks related to large procurement spend with individual suppliers.

Measures implemented across the group in 2025 and future planned actions:

- In 2025 mills have actively engaged with suppliers on supplier specific data (product carbon footprint) to improve the quality of Scope 3 accounting related to non-wood materials like pigments and chemicals used in production in 2025, percentage of emissions calculated using data obtained from suppliers of purchased goods increased to 10% (2024:0%). This led to a decrease in emission for some material categories and decrease for others and more accurate data.
- Norske Skog Skogn's main transportation provider for incoming wood, is

using electrical ferries for deliveries. In 2025 Skogn has integrated supplier specific data, which led to a 50% reduction in emission from incoming wood compared to 2024.

- Norske Skog Skogn negotiated and integrated emission reduction deliveries into the sourcing contract with the main transportation provider for finished goods from Skogn to the ports in Europe and UK in 2022. The impact of the investment in the vessel and update from generic to supplier specific emissions in 2025 has led to a reduction of 63% in emissions in 2025 compared to 2024.
- Norske Skog has invested in train carriages and led a national project to build a new timber terminal located close to the timber harvesting area in Norway by cooperating with local authorities and business partners. This terminal in Hauer seter, Norway, will be operative from 2029 and will serve the entire wood processing industry in Norway. When the terminal in Hauer seter becomes operative in 2029, this will cut our gross Scope 3 emissions from upstream transport and distribution with an estimated 20%.

#### **ACTIONS TO REDUCE ENERGY PRICES**

Mills with considerable share of power supply, have long term contracts with electricity suppliers. This is an important element to limit exposure to volatile energy spot markets. No mills in the group purchase Energy Attribute Certificates (EACs) for electricity from renewable sources due to the political position of the Norwegian trade and industry association. In 2024, the classification of renewable sources in the electricity mix was updated in line with the requirement of the ESRS, which classifies electricity without EACs as electricity from fossil sources. This led to a large drop in percentage share of renewable energy sources.

#### **CAPITAL EXPENDITURE (CAPEX) AND OPERATIONAL EXPENDITURE**

#### **(OPEX)**

In 2024, we allocated EUR 100 million towards capex and EUR 5 million towards opex directly contributing to the achievement of our sustainability targets, which includes investments in new refiner and heat modification at the Skogn mill, new containerboard product line at Golbey mill including renewable energy installations, and efficiency improvements at all the mills. Naturally, in 2025 the allocation to capex and opex was moderate compared to 2024 and was respectively EUR 2 and 3 million for 2025.

Future capex is projected around EUR 5 million, with opex expected to incur to EUR 2 million annually, supporting our continued commitment to decarbonisation and sustainability initiatives along the entire value chain. In addition to the programmes for Scope 1 and 2, Norske Skog will pay special attention to the scope 3 emission over the next years.

When the rail terminal for timber at Hauer seter becomes operative in 2029, Norske Skog may handle about 200 000 m<sup>3</sup> through this terminal, giving an annual savings potential of NOK 10 million.

#### **RESOURCE ALLOCATION AND IMPLEMENTATION DEPENDENCY**

Our ability to implement these actions depends on the availability and strategic allocation of resources, including financial investments, technological innovation, and collaboration with our partners. We are committed to transparently managing these resources to maximise our impact on climate change mitigation and adaptation.



Østmarka National Park  
Photo: Carsten Dybevig

## 4. Metrics and targets

### TARGET - SCOPE 1 & 2 GHG EMISSIONS

Norske Skog is dedicated to deliver growth while reducing GHG emissions. This commitment is supported by the emission reduction goal and environmental policy.

As part of the emissions reduction plan, Norske Skog set an intensity target in 2020 and committed to cut GHG emissions across Scopes 1 and 2 (location-based accounting) by 55% per tonne produced before 2030, with ongoing reductions every decade aiming for net zero emissions across Scope 1 and 2 by 2050.

In 2020, when the target was set the ambition level of this intensity target was in line with the criteria of the Science Based Targets initiative (SBTi) and the goal of the Paris agreement to limit global warming to 1.5 degrees. The target is not approved by Science Based Targets initiative (SBTi). Due to the temporary suspension of the wood and fibre pathway by SBTi and the anticipated publication of the GHG Protocol Land Sector and Removals Standard and Guidance, Norske Skog has postponed commitment to SBTi. An evaluation of SBTi commitment is planned for 2026.

Decarbonisation levers related to this target include:

- Improve energy efficiency
- Improve the energy mix by phasing out fossil energy sources in own operations
- Invest in new business areas and low emission products

By taking future developments into account, Norske Skog's current emission reduction target for Scope 1 and 2 are based on emission intensity (tonne product produced). This approach ensures our targets are adaptive to the future trajectory of our business model, including new technologies and factors that may increase emissions as our business expands. We are planning to effectively evaluate the future developments that could impact Norske Skog, as well as understand the influence of Norske Skog's activities.

This target was developed by corporate and mill management in 2020 and approved by the board. External stakeholders such as customers and investors were consulted during this process.

### TARGET - SCOPE 3 GHG EMISSIONS

At the end of 2025 Norske Skog extended its climate commitment by setting a target for emission reduction across the value chain. Norske Skog is committed to reduce Scope 3 emissions 25% by the end of 2030 compared with 2022.

Measures to reduce emissions focus on the largest Scope 3 categories where Norske Skog can engage and collaborate directly with business partner up and downstream in the value chain. These Scope 3 categories are category 1; purchased goods and services, category 4; upstream transportation and distribution (includes outbound transport to customer) and category 10; processing of sold products.

Mills are actively working with suppliers and customers on identifying and implementing levers to reduce Scope 3 emission related to these categories, prioritising suppliers that represent large share of emissions and procurement spend.

Decarbonisation levers on Scope 3 include:

- Move transport of incoming wood raw materials and outgoing finished products from trucks, train and vessels running of fossil fuel to low-emission transport modes.
- Prioritise sourcing of low emission non-wood materials like chemicals, pigments and fillers.
- Engage with customers on emission reductions related to printing and processing of sold products.
- Improve the quality of Scope 3 inventory by increasing the share of primary data (supplier specific emissions)

The ambition level of the Scope 3 target is defined in line with the criteria of the Science Based Targets initiative (SBTi). During 2026 Norske Skog is planning to evaluate commitment to the Science Based Targets initiative (SBTi).

### TARGET PERFORMANCE – SCOPE 1 & 2 GHG EMISSIONS

In 2025 Norske Skog achieved a 66% reduction in GHG emissions intensity (Scope 1 & 2 location-based per tonne of product compared with 2015), meeting the 55% reduction target, five years ahead of time. The group will continue to reduce emissions aiming for net zero in 2050.

The equivalent reduction in absolute Scope 1 and 2 emissions in 2025 compared to 2015 is -76%. (2024: -81%). The increase in emissions from 2024 is due to direct measurement equipment installed in the waste-to-energy boiler at Norske Skog Bruck, leading to improved data quality. Performance on both absolute emissions and Norske Skog's intensity target is illustrated in the same graph later in this chapter.

Due to heavy investment in low emission energy generation Norske Skog reached the 2030 target ahead of time. Key investments implemented include:

- Norske Skog Bruck: Investment in low emission energy generation utilising residual waste
- Norske Skog Golbey: New bioenergy plant and biogas production

In 2025, Norske Skog's absolute emissions in Scope 1 and 2 emissions accounted for 25% of our total emissions (Scope 1, 2 and 3 combined). Approximately 18% of these emissions are linked to the use of stationary energy sources in our mill (scope 1), 7% is linked to sourcing of electricity from third parties and used in the production process (Scope 2 location-based accounting).

### TARGET PERFORMANCE – SCOPE 3 GHG EMISSIONS

In 2025 Norske Skog mills have continued to work with transportation providers and suppliers of non-wood materials targeting emission reduction possibilities up-and downstream in the value chain. As a result, Norske Skog achieved 10% reduction in Scope 3 emissions in 2025 compared with 2022.

### OTHER TARGETS

Norske Skog has not set specific, metric targets for low emission products, exclusion from the EU ETS markets and energy consumption and prices. However, each mill has actions to reduce energy consumption, obtain the best available energy price and specific for the Norwegian mill to work for inclusion in the EU ETS market.

## ACCOUNTING POLICIES

### SCOPE 1

Norske Skog has applied the Corporate Standard by the Greenhouse gas protocol to measure and disclose GHG emissions for Scope 1. The reporting boundary and consolidation approach for emissions are disclosed according to operational control. The source of the emission factors and the global warming potential (GWP) rates used is from the IPCC Fifth Assessment Report (AR5 - 100 year).

All mills located in Europe are covered by EU Emission Trading Schemes (ETS) and reporting of Scope 1 emissions follow the EU ETS methodology. 100% of Scope 1 emissions from these European mills are covered by EU ETS.

### SCOPE 2

In 2023, Norske Skog applied the location- and market-based accounting for Scope 2 emissions, according to the GHG protocol, which was applied to data covering 2021 to 2023 to allow for comparison. Norske Skog does not source any Energy Attribute Certificates (e.g. Guarantees of Origin) as part of our market-based Scope 2 accounting.

The emission factors for Scope 2 accounting covering 2021-2024 are derived from AIB (Association of Issuing Bodies) reflecting the energy mix delivered to the European markets and electricity purchased through the physical grid. For location based reporting on 2025, emission factors from the International Energy Agency (IEA) has been applied to mills in France and Austria. For mills located in Norway we have applied emission factors from the Norwegian Water Resources and Energy Directorate NVE (2024 and 2025). The update of factor libraries applied in 2025 is done to improve data quality.

### SCOPE 3

Norske Skog has applied the GHG protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard to measure and disclose GHG emissions for Scope 3.

**Category 1 - Purchased goods and services:** Data cover direct materials like forest and recycling operations as well as non-wood based raw materials like chemicals and fillers. Emissions related to purchased goods and services have been calculated based on purchased volumes of direct materials (primary data) and the use of generic emission factors from trusted sources (secondary data). Emission data from suppliers of chemicals, pigments and fillers have been integrated in 2025. Percentage of emissions calculated using data obtained from suppliers or value chain partners: 10%.

**Category 2 - Capital goods:** Emissions from capital goods was added to the Scope 3 inventory in 2024 and reported annually for 2022-25. Emissions have been based on annual capex (primary data) and emission factors from DEFRA (secondary data). Percentage of emissions calculated using data obtained from suppliers or value chain partners: 0%.

**Category 3 - Fuel and energy related activities (not covered in Scope 2):** Emissions have been calculated based on volumes of direct energy consumption (primary data) and the use of generic emission factors from Defra and the International Energy Agency (IEA). Percentage of emissions calculated using data obtained from suppliers or value chain partners: 0%.

**Category 4 - Upstream transportation and distribution:** Emissions have been calculated based on volume of goods transported (primary data), distance

travelled and the use of generic emission factors from EcoTransit (secondary data). Outbound logistics services purchased by Norske Skog has been categorised as upstream because they are a purchased service. This is in line with requirements of GHG protocol technical guidance for category 4 Upstream Transportation and Distribution. Emission data from suppliers of transportation services, have been integrated in 2025. Percentage of emissions calculated using data obtained from suppliers or value chain partners: 29%.

**Category 5 - Waste generated in operations:** Emissions have been calculated based on transport emissions from waste materials, in line with GHG protocol guidance. Emissions have been calculated based on transported volumes of waste (primary data), distance travelled and emission factors for applied transport modes from Eco Transit (secondary data). Percentage of emissions calculated using data obtained from suppliers or value chain partners: 0%

**Category 6 - Business travel:** Emissions cover air travel emissions collected from travel agencies delivering business travel services to Norske Skog (primary data). Data reflects supplier specific reports based on fuel consumption. Percentage of emissions calculated using data obtained from suppliers or value chain partners: 100%.

**Category 7 - Employee commuting:** Emissions have been estimated based on number of employees (primary data) and average estimated commuting distance of 30 km per working day using a car with 180g CO<sub>2</sub>/km.

**Category 9 - Downstream transportation and distribution:** Downstream transportation cover distribution from the printing house to the final customer for printed magazines and printed newspaper and to containerboard customers. Emissions have been estimated based on annual production volume (primary data) and emission factors from published by VTT Technical Research Centre of Finland for printed products. The emission factor is from 2010. To adjust for increase in low emission vehicles, we have applied an assumption and deducted 20% on the emission factor. Percentage of emissions calculated using data obtained from suppliers or value chain partners: 0%.

**Category 10 - Processing of sold products:** This category cover emissions generated during the printing process and further processing and handling for packaging paper. Emissions have been estimated based on annual production volume (primary data) and emission factors from published by VTT Technical Research Centre of Finland for printed products. The emission factor is from 2010. To adjust for increase in low emission vehicles, we have applied an assumption and deducted 20% on the emission factor. Percentage of emissions calculated using data obtained from suppliers or value chain partners: 0%.

Other Scope 3 categories; The following Scope 3 categories are not applicable to Norske Skog's value chain operations and therefore not disclosed; category 8 Upstream leased assets, category 11 Use of sold products, category 12 End of Life treatment sold products, category 13 Downstream leased assets, category 14 Franchises, and category 15 investments.

## BIOGENIC EMISSIONS

Biogenic emissions in own operations are related to energy production from biomass boilers at Norske Skog Golbey, Norske Skog Skogn and Norske Skog Saugbrugs, and waste-to-energy at Norske Skog Bruck. Biogenic emissions are not included in Scope 1 but reported separately. Norske Skog Skogn entered into a two-year evaluation process with the Norwegian company

Carbon Centric to plan for building a carbon capture facility at Norske Skog Skogn, which may capture up to 100,000 tonnes of biogenic CO<sub>2</sub> annually from the mill's biomass-based emissions, enabling both permanent storage and industrial use of the CO<sub>2</sub>.

**GHG EMISSION REDUCTION TARGET**

2015 was selected as the base year, after a comprehensive restructuring of the mill portfolio, in the calculation of the 55% CO<sub>2</sub> reduction target within 2030, which is congruent to evaluations done by the EU and the Norwegian Federation of Trade and Industries.

Recalculation of base year value follow the guidelines laid down in the GHG Protocol Corporate standard. The divestment in Norske Skog Boyer mill in Australia did not lead to a recalculation of the target in 2025. However, the Boyer mill has been excluded from the GHG inventory and the target in line with the GHG accounting requirements om structural changes.

**SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY**

The assessment of future impacts, risks and opportunities are by nature -subject to estimations and outcome uncertainty. In line with ESRS requirements,

the sustainability statement include forward-looking statements and assessment of the impact of climate change on Norske Skog performance in the short-, medium- and long-term. These forward-looking judgments relate to potential future events that are beyond the control of Norske Skog and difficult to predict. Norske Skog does not assume any responsibility for the accuracy of such future-looking statements.

**THIRD PARTY VERIFICATION**

All of Norske Skog's business units are certified in accordance with ISO 14001 (Environmental Management Systems). In addition, Norske Skog Saugbrugs, Norske Skog Skogn and Norske Skog Golbey hold ISO 50001 (Energy Management Systems) certificates. Disclosure on data and processes related to the corresponding topics follow the standards reflected in these verifications.

**FINANCIAL EFFECTS**

Norske Skog exercises the right, as per the ESRS phase-in option, to begin reporting on this disclosure in the following years.

**EMISSION TARGET**

	Type	Unit	Base year 2015	Base year 2022	Mid term target 2030		Long term target 2050	
			Number	Number	Percent	Number	Percent	Number
<b>E 1-4 GHG emission reduction target</b>								
Scope 1 + Scope 2 emissions - location based	Intensity	kg CO <sub>2</sub> e/tonne product produced	466		-55%	210	-100	0
Scope 3	Absolute	tCO <sub>2</sub> e		735 961	-25%	551 971		



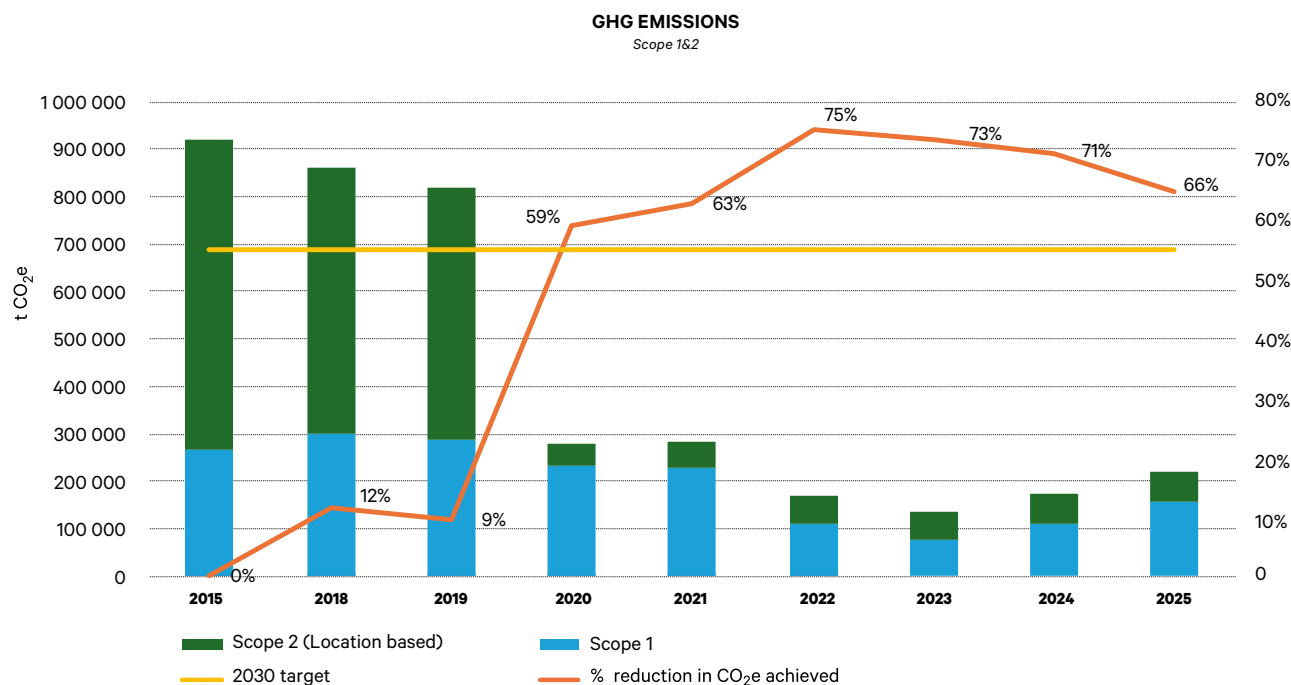
Norske Skog Bruck  
Photo: Carsten Dybevig

**ENERGY**

E1-5 Energy Consumption and Mix	Unit	2023	2024	2025	% change 2024-25
<b>Total energy consumption*</b>	MWh	<b>4 514 238</b>	<b>5 066 129</b>	<b>5 527 809</b>	<b>9%</b>
<b>Total fossil energy consumption</b>	MWh	<b>2 831 180</b>	<b>3 272 043</b>	<b>3 369 457</b>	<b>3%</b>
Fuel consumption from coal	MWh	1 472	-	-	
Fuel consumption from crude oil and petroleum products	MWh	6 351	3 438	16 919	392%
Fuel consumption from natural gas	MWh	250 900	420 534	404 195	-4%
Fuel consumption from other fossil fuels - Municipal waste [MWh]	MWh	314 261	283 109	320 420	13%
Consumption of purchased electricity and steam - without energy attribute certificates (EACs)	MWh	2 258 197	2 564 962	2 627 923	2%
Share of fossil sources in total energy consumption	%	63%	65%	61%	
<b>Consumption from nuclear sources</b>	MWh	-	-	-	
Share of consumption from nuclear sources in total energy consumption	%	0%	0%	0%	
<b>Total renewable energy consumption</b>	MWh	<b>1 683 058</b>	<b>1 794 086</b>	<b>2 158 352</b>	<b>20%</b>
Consumption of self generated steam - from biomass	MWh	1 090 380	1 093 333	887 342	-19%
Consumption of purchased steam from renewable sources	MWh	8 352	10 583	554 326	5 138%
Consumption of recovered heat	MWh	584 327	690 170	716 685	4%
Share of renewable sources in total energy consumption	%	37%	35%	39%	
<b>Total energy production - consumed on site</b>	MWh	<b>1 662 593</b>	<b>1 738 431</b>	<b>1 612 369</b>	<b>-7%</b>
Non-renewable energy production	MWh	572 213	645 099	725 028	12%
Renewable energy production	MWh	1 090 380	1 093 333	887 342	-19%
<b>Energy intensity ratio - high climate impact sectors</b>	MWh/net revenue (NOK million)	<b>391</b>	<b>498</b>	<b>527</b>	<b>6%</b>
<i>Discontinued operations - Total energy consumption**</i>	MWh	1 521 616	1 560 997	390 249	

\* Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors

\*\* Discontinued operations: estimated data for Q1 2025 based on 25% of 2024



**EXPLANATIONS TO THE TABLE:**

**Scope 1** Direct emissions from owned or controlled sources

**Scope 2** Indirect emissions from the generation of purchased energy

E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions***	Unit	Retrospective				Milestones and target years			Annual% target /base year
		2015 Base year Scope 1 and 2	2024	2025	% change 2024-25	2025	2030	2050	
<b>Scope 1 GHG emissions</b>									
Gross Scope 1 GHG emission	tCO <sub>2</sub> e	265 225	109 792	153 037	39%	N/A	N/A	N/A	N/A
% of Scope 1 GHG emissions from regulated emissions trading schemes	%								
<b>Scope 2 GHG emissions</b>									
Gross location-based Scope 2 GHG emission	tCO <sub>2</sub> e	653 517	63 479	65 084	3%	N/A	N/A	N/A	N/A
Gross market-based Scope 2 GHG emissions	tCO <sub>2</sub> e		1 394 025	1 121 586	-20%	N/A	N/A	N/A	N/A
<b>Significant Scope 3 GHG emissions</b>									
Total Gross indirect (Scope 3) GHG emissions	tCO <sub>2</sub> e		681 930	660 753	-3%	N/A	N/A	N/A	N/A
1. Purchased goods and services	tCO <sub>2</sub> e		110 462	121 227	10	N/A	N/A	N/A	N/A
2. Capital goods	tCO <sub>2</sub> e		82 941	67 005	-19%	N/A	N/A	N/A	N/A
3. Fuel and energy-related activities	tCO <sub>2</sub> e		12 015	14 842	24%	N/A	N/A	N/A	N/A
4. Upstream transportation and distribution	tCO <sub>2</sub> e		157 246	118 922	-24%	N/A	N/A	N/A	N/A
5. Waste generated in operations	tCO <sub>2</sub> e		1 134	1 171	3%	N/A	N/A	N/A	N/A
6. Business travel	tCO <sub>2</sub> e		253	107	-57%	N/A	N/A	N/A	N/A
7. Employee commuting	tCO <sub>2</sub> e		2 441	2 441	-0%	N/A	N/A	N/A	N/A
8. Upstream leased assets	tCO <sub>2</sub> e		-	-		N/A	N/A	N/A	N/A
9. Downstream transportation	tCO <sub>2</sub> e		157 685	165 227	5%	N/A	N/A	N/A	N/A
10. Processing of sold products	tCO <sub>2</sub> e		157 753	169 811	8%	N/A	N/A	N/A	N/A
11. Use of sold products	tCO <sub>2</sub> e		-	-	N/A	N/A	N/A	N/A	N/A
12. End-of-life treatment of sold products	tCO <sub>2</sub> e		-	-	N/A	N/A	N/A	N/A	N/A
13. Downstream leased assets	tCO <sub>2</sub> e		-	-	N/A	N/A	N/A	N/A	N/A
14. Franchises	tCO <sub>2</sub> e		-	-	N/A	N/A	N/A	N/A	N/A
15. Investments	tCO <sub>2</sub> e		-	-	N/A	N/A	N/A	N/A	N/A
<b>Total GHG emissions</b>									
Total GHG emissions (location-based) (tCO <sub>2</sub> eq)	tCO <sub>2</sub> e	851 710	855 201	878 874	3%	N/A	N/A	N/A	N/A
Total GHG emissions (market-based) (tCO <sub>2</sub> eq)	tCO <sub>2</sub> e	265 225	2 185 747	1 935 376	-11%	N/A	N/A	N/A	N/A
Biogenic emissions	tCO <sub>2</sub> e		571 374	521 542	-9%	N/A	N/A	N/A	N/A
<b>GHG emissions intensity</b>									
Location-based**	tCO <sub>2</sub> e/ million net revenue (NOK)		84	84	0%	N/A	N/A	N/A	N/A
Market-based**	tCO <sub>2</sub> e/ million net revenue (NOK)		214	185	-14%	N/A	N/A	N/A	N/A
<b>Discontinued operations</b>									
- Gross Scope 1 GHG emission***	tCO <sub>2</sub> e	209 721	156 536	39 134					
<b>Discontinued operations</b>									
- Gross location-based Scope 2 GHG emission***	tCO <sub>2</sub> e	211 720	109 332	27 333					

\* N/A refers to GHG emission targets and values not applicable to Norske Skog. Norske Skog does not have absolute mission reduction targets for Scope 1 and 2, but intensity targets as presented in Target section of E1.

\*\* Reference to consolidated income statement, total operating income NOK 10 482 million

\*\*\* Discontinued operations: estimated data for Q1 2025 based on 25% of 2024.

Breakdown of Scope 1 and 2 GHG emission by business unit	Scope 1	Scope 2*	Scope 2**	Scope 3	Biogenic CO <sub>2</sub>	Total Scope 1 & 2*	Share Scope 1 & 2*	Production	Emission intensity Scope 1 & 2*
2025	t CO <sub>2</sub> e	t CO <sub>2</sub> e	t CO <sub>2</sub> e	t CO <sub>2</sub> e	t CO <sub>2</sub> e	t CO <sub>2</sub> e	%	tonnes	kg CO <sub>2</sub> e/ tonne
Norske Skog Bruck, Austria	129 948	25 486	48 701	177 450	139 370	155 434	71%	361 831	430
Norske Skog Golbey, France	19 159	16 028	9 062	181 127	156 958	35 187	16%	366 729	96
Norske Skog Saugbrugs, Norway	1 956	7 831	353 431	120 112	101 239	9 787	4%	207 780	47
Norske Skog Skogn, Norway	1 973	15 740	710 392	182 064	123 975	17 713	8%	421 185	42
<b>Total Norske Skog group</b>	<b>153 037</b>	<b>65 084</b>	<b>1 121 586</b>	<b>660 753</b>	<b>521 542</b>	<b>218 121</b>	<b>100%</b>	<b>1 357 526</b>	<b>161</b>

\* Location based accounting

\*\* Market based accounting

GHG emission intensity scope 1 & 2  
kg CO<sub>2</sub>e/ tonne\*

Business Unit	2023	2024	2025
Norske Skog Bruck, Austria	332	303	430
Norske Skog Golbey, France	155	127	96
Norske Skog Saugbrugs, Norway	30	43	47
Norske Skog Skogn, Norway	35	45	42
<b>Total Norske Skog group</b>	<b>124</b>	<b>134</b>	<b>161</b>

\* Location based accounting



Norske Skog Golbey  
Photo: Carsten Dybevig

# Pollution (ESRS E2)

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Pollution of air (SOx and NOx)</b>							
<b>Pollution of air from boilers</b>	Impact, negative		x		x		
All Norske Skog mills emit various pollutants, including volatile organic compounds (VOCs), sulphur dioxide (SO <sub>2</sub> ), nitrogen oxides (NOx), and particulate matter (PM), during operations linked to production of heat with company owned boilers. The source of heat for the boilers contains a mix of renewable and non-renewable sources. These emissions contribute to air pollution, may lead to respiratory problems and environmental degradation.							
<b>Pollution of water</b>							
<b>Discharge of process water</b>	Impact, negative		x		x		
The water-intensive production process of publication and packaging paper has a significant negative impact on the climate due to the large quantities of fresh water required. Water is needed to dissolve and mix raw materials into mechanical and deinked pulp for finished products, but only about 1% of the water is absorbed into the final goods. The vast majority is processed through wastewater treatment plants and then discharged back into nature, further highlighting the environmental footprint of the production process.							

## ASSESSMENT OF ENVIRONMENTAL IMPACTS AND STRATEGIC RESPONSES

Norske Skog operates in the publication paper and packaging paper industry and utilises chemicals commonly used within this sector. The company is committed to minimising its environmental impact and ensuring compliance with all relevant regulations. The air and water emissions are subject to strict monitoring and compliance regulations in accordance with EU environmental directives. Key pollutants include sulphur dioxide (SO<sub>2</sub>), nitrogen oxides (NO<sub>2</sub>), carbon dioxide (CO<sub>2</sub>), suspended solids (SS), chemical oxygen demand (COD), nitrogen (N), phosphorus (P) and other chemicals.

These pollutants are primarily generated as emissions from production processes, including bio boilers used for heat generation and the discharge of process water following paper production. Norske Skog continuously invests in cleaner technologies and improved wastewater treatment to mitigate these impacts. Wastewater management is a significant focus, with treatment plants in each facility designed to minimise the discharge of pollutants into local water bodies.

Norske Skog does not use bleaching chemicals containing chlorine at any of its mills, thereby eliminating the creation of chlorinated organic compounds such as AOX (adsorbable organic halides). Additionally, Norske Skog adheres to strict sourcing policies to ensure compliance with EU regulations on hazardous substances.



Photo: Carsten Dybøvig

# 1. Impact, risk and opportunities management

## POLICIES

### **(a) Key contents of the policy, including general objectives and material IRO(s) addressed, as well as monitoring process**

Norske Skog's environmental policy is centred on responsibility, accountability, and sustainability. It sets objectives for reducing environmental impact through measures in climate change mitigation and adaptation, energy efficiency, circular economy, pollution control, water management, and biodiversity protection. The policy aligns with global agreements such as the Paris Agreement and the Montreal Agreement.

Topics covered include climate change, pollution control, sustainable resource use, and biodiversity. The policy mandates continuous improvement and adherence to international environmental standards. Monitoring is carried out through annual reviews by the board of directors, reporting from business units, and corporate-level performance tracking, including the Norske Skog Environmental Index. Business units must report severe deviations immediately.

### **(b) Scope and exclusions**

The policy applies to all business units and covers the entire value chain, including raw material sourcing, production, and distribution. There are no specific exclusions mentioned, and it extends to suppliers and subcontractors to ensure high environmental standards throughout the supply chain.

### **(c) Most senior accountable level**

The board of directors holds the highest responsibility for implementing the environmental policy. The corporate management ensures its execution at the operational level.

### **(d) References to third-party standards and initiatives**

Norske Skog commits to the Paris Agreement (net zero emissions), the Montreal Agreement (biodiversity), and the EU Action Plan "Towards a Zero Pollution for Air, Water, and Soil." The company also adheres to internationally recognised environmental management systems and certification standards.

### **(e) Consideration of stakeholder interests**

The policy integrates stakeholder interests by supporting customers' environmental objectives, engaging in dialogue with local communities, and ensuring transparency in environmental reporting. Suppliers are expected to meet the same environmental standards as Norske Skog's operations.

### **(f) Availability of the policy**

The policy is communicated internally through training and reporting mechanisms. Externally, it is available to stakeholders, including customers, suppliers, and regulators, ensuring alignment across the value chain, and on: <https://www.norskeskog.com/sustainability/environment/environmental-policy>

## ADDRESSING POLLUTION, HAZARDOUS SUBSTANCES, AND EMERGENCY SITUATIONS:

### **Mitigating pollution**

Norske Skog aligns with the EU Action Plan on pollution reduction. The company sets annual targets to limit air and water pollution (SO<sub>x</sub>, NO<sub>x</sub>, particulate matter, suspended solids, and chemical oxygen demand in discharged wastewater). Emergency response plans are in place to manage

pollution incidents and will correspondingly be reported immediately both internally and externally. Every breach of permit is reported within 24 hours.

### **Avoiding and managing incidents**

Preventative measures, including training and emergency preparedness, are implemented to minimise environmental accidents. If an incident occurs, immediate containment measures are required to reduce environmental and human impact. Norske Skog collaborates with authorities to ensure a coordinated response to environmental emergencies.

## ACTIONS AND RESOURCES

Norske Skog Skogn took actions in 2024 to reduce pollution of air, emissions and improve energy efficiency. The key initiative encompasses the purchase and instalments of a new thermomechanical pulp (TMP) production line and steam turbine, both part of the Switch project. These two projects amount to NOK 180 million investment, including NOK 48 million in NO<sub>x</sub> Fund grants, replaces costly recycled paper with fresh fibre, cutting costs and emissions.

Expected outcomes include an 80% reduction in CO<sub>2</sub>, 40% lower NO<sub>x</sub> emissions, and a 60% decrease in ash production, aligning with Norske Skog's environmental goals. These efforts impact the entire value chain, improving sustainability in raw material sourcing and reducing energy use.

The TMP line was fully operational medio 2025, with the steam turbine following soon after. Emission reductions and energy efficiency improvements will be monitored over the coming years. Norske Skog also continues to address past environmental impacts by investing in cleaner technologies and aligning with industry best practices. The Switch project highlights how strategic investments drive both economic and environmental benefits, reinforcing Norske Skog's commitment to pollution prevention, sustainability, responsible resource management.

Actions to reduce effluents to water:

- Norske Skog Bruck has placed particular emphasis on reducing wastewater discharge from wood-pulp bleaching, with a primary focus on lowering chemical oxygen demand (COD).
- Norske Skog Golbey will continue to increase the share of recycled water in 2026.
- Norske Skog Saugbrugs has experienced a negative trend in water-discharge performance throughout 2025, and the specific COD discharge will exceed the annual limit set forth in the permit. Actions have been implemented to optimise the treatment plant by replacing both the granules and equipment to increase oxygen levels in the aerobic stage of the wastewater treatment plant.
- At Norske Skog Skogn, the discharge levels have remained somewhat high throughout the year, and significant local efforts have been directed towards resolving challenges related to the wastewater treatment plant. A key priority for 2026 is to implement additional internal cleaning and process-water recycling through a micro flotation system. This is expected to reduce the volume entering the wastewater treatment plant and decrease suspended solids, thereby lowering the load on the plant and improving its overall performance and efficiency. Norske Skog Skogn maintains an ongoing dialogue with the Norwegian Environment Agency regarding the condition of the wastewater treatment plant and the necessary measures.

## 2. Metrics and targets

### POLLUTION-RELATED TARGETS AND MANAGEMENT APPROACH

Norske Skog has established time-bound and outcome-oriented targets to mitigate pollution impacts and enhance environmental performance. These targets align with our environmental policy and broader sustainability commitments, ensuring compliance with international frameworks such as the EU Action Plan “Towards a Zero Pollution for Air, Water and Soil.”

Targets presented in this chapter were established by Norske Skog in 2020. Norske Skog currently have no targets in line with the ESRS. However, until such targets have been developed, we work in accordance with the following ambitions and milestones.

#### Pollution of air

Main objective: Prevent, control and reduce pollution of air from sulphur dioxide (SO<sub>2</sub>) and nitrogen dioxide (NO<sub>x</sub>) from our operations.

- Target: Reach the as low as possible emission but at least below the environmental permit given by the authorities.
- Relevance to policy: Supports Norske Skog’s policy by reduce air pollution from industrial processes.
- Ambition: Ensure compliance with emission permits and regulations.
- Activities: Perform mill activities related to SO<sub>2</sub> and NO<sub>x</sub> improvements.
- Target Scope: Applies to all Norske Skog mills.
- Measurement: Absolute reduction in tonne SO<sub>2</sub> and NO<sub>x</sub> emissions.
- Base and target year: no base or target year defined.
- Methodology: Based on scientifically validated methodologies and aligned with EU and international climate policies.
- Monitoring & Review: Progress is tracked annually through corporate sustainability reports.
- The air pollution is quantified through automated measuring systems. No data has been estimated.

#### Pollution of water

Main objective: Prevent, control and reduce pollution of water from our operations.

- Target:
  - o Reach the as low as possible chemical oxygen demand (COD) but at least below the environmental permit given by the authorities.
  - o Install anaerobic wastewater treatment and biogas at all European mills by 2030.
- Relevance to policy: Reduces pollution to water and improves overall water quality by adopting sustainable water management practices.
- Ambition: Reduce Chemical Oxygen Demand (COD) to water recipient.
- Activities: Invest in equipment enabling target achievement.
- Target Scope: Covers Norske Skog’s European mills.
- Measurement: Reduction of Chemical Oxygen Demand (COD) in wastewater discharges.
- Base and target year: base year 2020, target year 2030 for anaerobic wastewater treatment.
- Monitoring & Review: Regular water quality assessments and compliance with EU water regulations.
- The air pollution is quantified through automated measuring systems. No data has been estimated.

#### Pollution control and compliance measures

1. Air pollutants control: Norske Skog monitors and reduces emissions of SO<sub>x</sub>, NO<sub>x</sub>, and particulate matter through investments in bio-boiler efficiency and clean energy sources.

2. Water emissions control: Compliance with EU water discharge standards, treatment plant upgrades, and ongoing water recycling initiatives.
3. Substances of concern: Norske Skog follows strict regulations on chemicals used in production, ensuring minimal environmental harm.

#### Stakeholder involvement and continuous improvement

1. Stakeholder engagement: Norske Skog collaborates with industry partners, regulatory bodies, and local communities to refine environmental targets.
2. Tracking & reporting: Performance against targets is evaluated through sustainability disclosures, with transparent reporting on progress and challenges.
3. Alignment with global agreements: Targets are based on EU environmental directives, national policies, and internationally recognised sustainability standards.

By setting these targets, Norske Skog demonstrates its commitment to pollution reduction and environmental stewardship.

### POLLUTION OF AIR, WATER AND SOIL

Emissions to air are always monitored and reported annually in the annual report. Deviations from permits are reported directly to proper national authority. The business units’ environmental permits will dictate the monitoring locations, frequency and methodology and legal reporting requirements. Norske Skog reports discharges of organic substances (COD), discharges of suspended solids (SS), and discharge of wastewater (m<sup>3</sup> per tonne of paper). In addition, Norske Skog reports on SO<sub>2</sub> and NO<sub>x</sub>.

#### POLLUTANTS

Norske Skog generates emissions to air and water through its paper production processes. The primary pollutants include:

- Air emissions: sulphur dioxide (SO<sub>2</sub>), Nitrogen oxides (NO<sub>x</sub>).
- Water emissions: suspended solids, nitrogen and phosphorus compounds, dissolved organic material.
- Microplastics: Norske Skog does not produce or use microplastics in its manufacturing processes. The group’s processes focus on using natural fibres, and there are no synthetic polymer additives in paper production.

#### NUMBER OF POLLUTANTS EMITTED

Norske Skog reports the following changes in emissions per facility from 2024 to 2025, in compliance with Annex II of Regulation (EC) No 166/2006:

- Dissolved organic material (COD) increased by 48%.
- Suspended solids (SS) increased by 90%.
- Nitrogen reduced by 1%, and phosphorus increased by 14%.
- The material increases in COD and SS are due to emissions at Norske Skog Skogn that have been elevated due to fluctuating operational conditions at the wastewater treatment plant.

#### CONSOLIDATION OF EMISSIONS DATA

The emissions data reported includes facilities under Norske Skog’s financial and operational control, including Norske Skog Skogn, Norske Skog Saugbrugs, Norske Skog Golbey, and Norske Skog Bruck. Only mills exceeding the threshold values in Annex II of Regulation (EC) No 166/2006 are included.

#### CONTEXT AND METHODOLOGIES

a) *Changes over time*: Emission reductions have been observed in CO<sub>2</sub> equivalents due to energy efficiency improvements and process optimisations. SO<sub>2</sub> increased by 14% compared to 2024, but it is a total reduction in SO<sub>2</sub> by

98% because Norske Skog Boyer is excluded from the 2025 group figures. The total SO<sub>2</sub> emission in 2024 was 896 tonnes including Norske Skog Boyer; whereas, the 2025 total SO<sub>2</sub> emission was 14. 2024 NOx emissions is reduced by 20% from 2024 to 2025, which means that total NOx emissions is reduced with 518 tonnes from 2024 to 2025 due to excluding Norske Skog Boyer, from the figures. Norske Skog Boyer had high figures due to coal fire boiler.

*b) Measurement methodologies:* Norske Skog follows EU BREF standards for measuring emissions. Continuous monitoring systems (AMS) are in place for air emissions. Water quality and pollutant discharge are measured using on-site and third-party laboratory testing.

*c) Data collection processes:* Data is collected from automated monitoring systems and third-party accredited sources. Norske Skog Boyer has implemented third-party verification for SO<sub>2</sub> and NOx to rectify previous underreporting.

#### EXPLANATION OF METHODOLOGIES USED

Direct measurement methods are used for air and water emissions at facilities. Indirect estimation methods are used only when continuous monitoring is not feasible. New methodologies from accredited third-party sources have ensured more accurate data since 2023.

#### UNITS AND BREAKDOWN

Emissions data is reported in tonnes. The report provides emissions on a group level, but site-level data is available upon request. This disclosure ensures compliance with relevant environmental regulations and Norske Skog's commitment to transparency in pollution reporting.

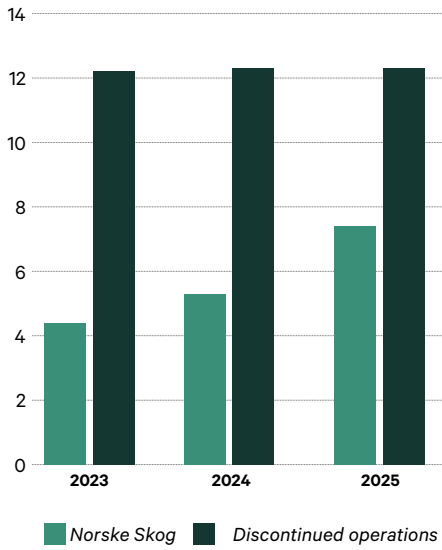
#### ANTICIPATED FINANCIAL EFFECTS FROM POLLUTION-RELATED IROS

Norske Skog is dedicated to disclosing the potential financial implications arising from pollution-related IROs as part of our commitment to transparency and sustainable operations. In 2025, there were no major financial effects related to pollution. Going forward this section will be in line with phase-in provisions of ESRS E2.

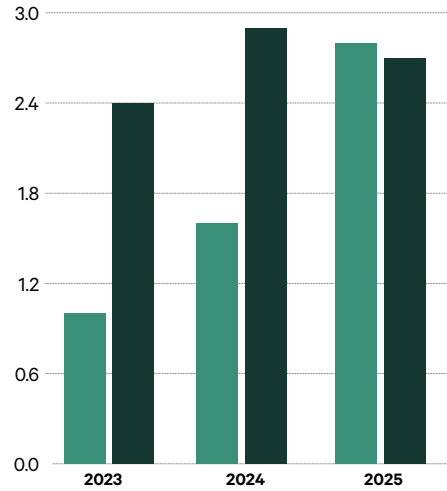


Norske Skog Golbey  
Photo: Carsten Dybevig

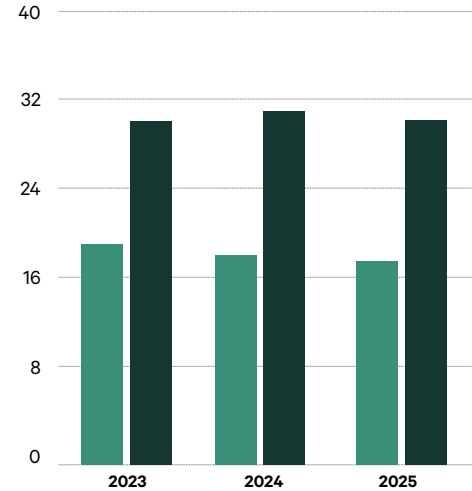
**DISCHARGES OF ORGANIC SUBSTANCES (COD)**  
Kg per tonne of paper



**DISCHARGES OF SUSPENDED SOLIDS (SS)**  
Kg per tonne of paper



**DISCHARGES OF WASTEWATER**  
m³ per tonne of paper



**E2-4 POLLUTION OF AIR AND WATER**

E2-4 Pollution of air, water	Unit	2023	2024	2025	% change 2024-25
<b>Released to air</b>					
Sulphur oxides (SO <sub>2</sub> )	tonnes	5	13	14	14%
Nitrogen oxides (NO <sub>x</sub> )	tonnes	758	635	510	-20%
<b>Released to water</b>					
Chemical oxygen demand (COD)	tonnes	4 752	6 801	10 078	48%
Suspended solids (SS)	tonnes	1 137	2 030	3 854	90%
Total nitrogen	tonnes	135	162	161	-1%
Total phosphorus	tonnes	14	20	23	14%

E2-4 Pollution of air, water*	Unit	2023	2024	2025
<b>Released to air</b>				
Discontinued operations - sulphur oxides (SO <sub>2</sub> )	tonnes	1 025	883	221
Discontinued operations - sulphur oxides (SO <sub>2</sub> )	tonnes	473	393	98
<b>Released to water</b>				
Discontinued operations - chemical oxygen demand (COD)	tonnes	2 949	2 904	726
Discontinued operations - suspended solids (SS)	tonnes	574	671	168
Discontinued operations - total nitrogen	tonnes	114	106	26
Discontinued operations - total phosphorus	tonnes	11	10	3

\* Discontinued operations: estimated data for Q1 2025 based on 25% of 2024



# Water and marine resources (ESRS E3)

## 1. Impacts, risks and opportunities

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Water withdrawal</b>							
<b>Potential water shortage</b>	Risk		x				x
A potential shortage of fresh water whether temporary or permanent, poses a risk to stable production in the pulp and paper industry. Climate-driven factors such as drought, uneven rainfall, shrinking snowpacks, and higher temperatures reduce water availability and complicate logging periods. At the same time, stricter environmental permits and regulations on water use and wastewater discharge further limit access to this scarce resource, threatening the long-term operational stability and financial soundness of affected mills.							

The double materiality assessment described in IRO-1 determined the following water and marine resources-related material impact.

Assessment of environmental impacts and strategic responses:

Norske Skog operates in the publication paper and packaging paper industry and utilises large quantities of water in the production process. The group is committed to minimising its environmental impact by reducing the amount of water and ensuring compliance with all relevant regulations.

The substantial water usage in the production process poses a significant risk of future shortages driven by climate-related factors. Paper manufacturing, particularly for publication and packaging grades, relies heavily on water for pulping, bleaching, and heating. Most of this usage occurs at production facilities, especially at mills situated in regions where climate change may increasingly constrain water availability.

The current and anticipated effects business model, value chain, strategy, and decision-making are:

- Water shortage risks:
  - o The CEMAsys resilience water availability analysis covers both short-term (1–5 years) and long-term (10–30 years) time horizons. There is no immediate risks of water shortage, due to water availability and regulatory permits, while the long-term horizon considers concludes with less water availability causing water shortage and restrictive governmental water conservation programmes.
  - o Anticipated water scarcity (especially in the Norske Skog Golbey and Norske Skog Bruck mills due to higher temperatures and drier summers) could lead to production disruptions, forcing the company to consider water rationing or find alternative water sourcing methods.
- Climate change and water availability: However, regions in Europe could face higher operational costs related to water sourcing and wastewater treatment. The water sourcing risks due to climate change, such as increased drought and changing precipitation patterns, are a significant challenge. Water scarcity could trigger both regulatory and operational disruptions, particularly in regions like Golbey and Bruck. A wetter climate in Norway reduces water risks in those locations.

**Norske Skog has adopted the following response to the impact:**

- Water management efforts: Norske Skog has committed to minimising water usage and reusing more water in the production process. In Golbey, the water usage per tonne produced is at a material lower level than the

other paper mills. The company’s environmental policy focuses on ensuring sustainable water sourcing and waste management practices, particularly in areas at water risk.

- Water circularity and reuse: With a transition to a higher degree of water circularity, Norske Skog aims to mitigate environmental risks and lower dependence on external water source.

The material negative impact of water intensive production process will affect people or the environment and their connection to strategy and business model in the following manner:

**1. Environmental and social impacts:**

- Water scarcity and availability:
  - o Reduced water availability in key production areas could disrupt operations, leading to potential layoffs or production halts. Long-term water contamination risks could impact local communities dependent on freshwater sources, harming both local ecosystems and human populations.
  - o Climate change may lead to water shortages, affecting operations, especially in areas like Bruck and Golbey.
- Wastewater discharge: Improper treatment of wastewater could lead to environmental contamination, negatively affecting water bodies and marine ecosystems near production facilities.

**2. Connection to strategy:**

- The group commitment to sustainability, particularly with water and marine resources, is directly linked to its broader strategy of improving and optimising operations, reducing its carbon footprint, and ensuring long-term competitiveness through eco-friendly innovations in bio-products and renewable energy.

**3. Time horizons:**

- Short-term: Immediate risks from water quality issues and water rationing are not immediate concern, although the national authorities may set forth periodic water limitation measures.
- Long-term: As climate change intensifies, the long-term risks to water availability and marine ecosystems could increase, leading to more stringent regulatory requirements and operational disruptions. Only the Norwegian mills will have more water availability in the long-term scenario contrary to the other mills in the long-term perspective.

The Norske Skog strategy and business model are resilient and do adequately address impacts and risks (including opportunities).

Resilience analysis:

- Water usage:
  - o Norske Skog's commitment to minimising water consumption and improving water recycling processes enhances its resilience to water-related risks. The ongoing efforts to develop and implement -better water management strategies ensure the business unit's ability to adapt to climate-induced water shortages.
- Water availability:
  - o Assumes that climate change will lead to more frequent water shortages in some regions, which will require a shift toward more closed-loop systems and water conservation strategies.
- Time horizon for resilience:
  - o Short-term: Immediate focus on improving water sourcing efficiency and wastewater treatment to comply with existing environmental regulations. The wastewater treatment plant will have to improve circularity instead of discharging water into the recipient.

- Long-term: Increased circularity of water will reduce water usage with an important effect of reducing the energy needed to heat water for the production process.
- There are no changes compared to previous period except there is an increased awareness of water risks, particularly in areas like Golbey and Bruck, where climate change may exacerbate droughts and water shortages, according to CEMAsys study (2023).

The entity-specific disclosures for Norske Skog would primarily focus on:

- o Water and wastewater management: Detailed reports on water usage, wastewater discharge, and compliance with local environmental regulations.

Risks related to water availability and quality: Detailed analysis of water risks in Norske Skog's mills, especially considering climate change impacts (water rationing, droughts, flooding).



Photo: Carsten Dybevig

## 2. Impact, risk and opportunity management

### POLICIES

Norske Skog's environmental policy focuses on mitigating negative impacts from water usage, ensuring responsible sourcing, and reducing water pollution. It targets water efficiency, wastewater management, and prevention of water pollution from operations. The policy emphasises compliance with international standards and continuous improvement in water management.

The policy addresses material IROs such as water consumption, sourcing, and wastewater management. It sets targets for water efficiency and action plans to reduce consumption, especially in water-stressed areas. The business units collaborate with local authorities to meet legal requirements and ambitious water permit goals where relevant.

Efficacy is monitored through regular, annual reports on water usage, wastewater treatment, and deviations from targets, which are submitted to corporate management. Business units are responsible for ongoing improvements and reporting progress.

The board of directors is accountable for policy implementation, while operational personnel ensure integration into daily activities. Norske Skog adheres to international frameworks like the EU Water Framework Directive and engages with stakeholders to consider their concerns.

The policy is accessible to employees through internal communications and training, and to external stakeholders on the Norske Skog web page for transparency and accountability.

Norske Skog's policies address water-related issues in the following areas:

- **Water management:** The group aims to reduce water usage by optimising processes and improving recovery, while ensuring responsible water sourcing. Wastewater is treated in plants before discharge to minimise pollution and ensure compliance with regulations.
- **Commitment to reduce consumption:** In water-stressed areas, the Norske Skog plans to implement measures to ensure responsible water use due to risk of water shortage, stricter permit levels and reduced water heating costs.

Norske Skog's facilities are for the time being not in high-water-stress areas, and this is not specifically covered by the policies. However, some European mills may in the long-term face risks due to climate change and water availability. The group is monitoring these impacts and developing action plans to ensure resilience and will periodically review its water management policies.

Norske Skog's policy promotes sustainable marine practices, focusing on minimising impacts on marine ecosystems and ensuring responsible water use, especially in areas where discharges affect fresh water and brackish water bodies. Norske Skog works with both with national and local authorities to protect marine environments.

Norske Skog integrates water and marine resource policies into its broader environmental strategy, aiming to reduce water withdrawals, minimise discharges, and protect aquatic ecosystems. These policies align with the EU Water Framework Directive and the Paris Agreement's climate goals.

Norske Skog's policies concentrate on preserving water bodies' quality, reducing pollution, and safeguarding biodiversity. The company's operations comply with EU regulations and international standards, ensuring minimal environmental impact. Efforts to reduce water usage and pollutant discharge help maintain the health of surrounding ecosystems.

### ACTIONS AND RESOURCES

Norske Skog has taken significant steps to mitigate the negative impact of its water-intensive production processes and address the risks associated with water shortages and increasing regulatory requirements. The group remains committed to ensuring sustainable water usage through continuous improvements in wastewater treatment, collaboration with authorities, and strategic investments in infrastructure.

### KEY ACTIONS TAKEN IN 2025 AND PLANS FOR THE FUTURE

#### 1. Enhanced water treatment facilities:

- Norske Skog Golbey upgraded its water treatment facility to accommodate the new packaging paper production line. This investment substantially increases the recycling of used water, improves the quality of treated wastewater before discharge and ensures compliance with stricter environmental regulations.
- At Norske Skog Skogn, the discharge levels have remained somewhat high throughout the year, and significant local efforts have been directed towards resolving challenges related to the wastewater treatment plan, see E2 for further details. Continued operational improvements in 2026 are important to ensure full compliance and avoid potential regulatory measures from the National Environmental Agency.

#### 2. Collaboration with authorities for environmental protection:

- Norske Skog Skogn collaborates with national and local authorities to protect land and marine resources in the delta of Hotranvassdraget. The partnership with the authorities safeguards aquatic ecosystems especially protecting the bird sanctuary.

#### 3. Long-term climate risk mitigation measures:

- The group recognises the risk of water shortages in areas like Golbey and Bruck due to climate change. Plans are in place to periodically review climate risks and implement adaptive measures such as water conservation strategies and alternative water sourcing options.
- In areas where water abundance is expected (Norway), Norske Skog is preparing strategies to manage excess rainfall and potential flooding that may impact operations and raw material supply chains.

The scope of the actions covers Norske Skog's core production activities, primarily focusing on mills located in high-risk water areas such as Golbey and Bruck. The measures affect to a small degree the upstream suppliers, but affect downstream stakeholders, including local communities and regulatory bodies, by promoting cleaner water discharge and ecosystem protection.

### TIME HORIZONS AND REMEDIES

Short-term actions (2025-26) include completing water treatment upgrades at Norske Skog Golbey, monitoring the new thermomechanical pulp line at Norske Skog Skogn, and continuously improving wastewater treatment efficiency. Medium-term actions (2025-2030) involve implementing further

water conservation measures in high-risk mills, upgrading infrastructure, and maintain collaboration with authorities. Long-term actions (2030 and beyond) emphasize on adaptation strategies for climate change-driven water shortages and excess rainfall challenges across all mills.

Norske Skog actively manages permit breaches by working closely with supervisory authorities to address any deviations and implement corrective actions. The resolution of wastewater treatment challenges at Norske Skog Skogn has led to improved water discharge quality, ensuring compliance with local environmental standards.

### PERFORMANCE

Quantitative results from 2025 demonstrate the following in wastewater treatment:

- Discharged process water from waste-water treatment slightly increased from 22.5 to 23.1 million m<sup>3</sup>.
- Organic substance discharges (COD) increased from 6 801 to 10 078 tonnes.
- Suspended solids (SS) increased from 2 030 to 3 854 tonnes.
- Phosphorus (Tot-P) increased somewhat but is at low levels.
- Nitrogen (Tot-N) discharges decreased somewhat but is still at low levels.

Norske Skog Skogn accounted for more than 50% of the quantitative results in 2024 while around 30% of the tonnes produced. The figures above do not include Norske Skog Boyer, which has been removed for comparison purpose. The discharged process water from waste-water treatment, including Norske Skog Boyer, was 29.7 million tonnes for 2024. Including Norske Skog Boyer, the figures in tonnes would have been for 2024: 9 704 (COD), 2 701 (suspended solids) and 298 (nitrogen and phosphores).

### FINANCIAL AND OTHER RESOURCES ALLOCATED

- Norske Skog allocated substantial financial resources towards water treatment upgrades in 2024 (about EUR 10million), particularly in Golbey and Skogn, ensuring compliance with evolving regulations and reducing environmental impact. The amount spent in 2025 on capital expenditures and maintenance was around NOK 1.5 million. Norske Skogn initiated an internal project to improve fluctuations in the wastewater treatment plan.
- Future investments will focus on further efficiency measures, potential water recycling initiatives, and climate adaptation strategies.



Photo: Carsten Dybevig

### 3. Metrics and targets

#### TARGETS

Norske Skog's commitment to environmental sustainability is underscored by the establishment of robust water and marine resources-related target aligned with international standards and regulatory frameworks. Norske Skog currently have no targets in line with the ESRS. However, until such targets have been developed, we work in accordance with the ambitions and milestones described in this chapter. The risk factors being potential water shortage and stricter permit levels will be handled individually at each mill and will receive full attention in the long-term horizon.

However, Norske Skog aims to support UN SDG number 6 about water and clean sanitation by improving water quality, reducing pollution, minimising hazardous chemical releases, and adopting sustainable water management. These efforts enhance environmental stewardship, ensure compliance, protect public health, and support long-term sustainability.

#### REDUCTION OF RISK

Norske Skog continuously monitors its water usage and wastewater treatment efficiency. The group aims for 100% of its production process waste to be treated through wastewater systems, reducing pollution and mitigating risks associated with industrial water discharge. Compliance with the EU Water Framework Directive ensures that all discharged water meets regulatory standards, protecting local ecosystems and aquatic biodiversity.

#### MANAGING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES

Norske Skog recognises the risks posed by climate change and resource scarcity. Freshwater availability is a critical factor in production, and climate change-induced droughts pose a significant operational risk. To mitigate this, the group has implemented water efficiency measures and invested in wastewater treatment technologies. Norske Skog Saugbrugs, for instance, collaborates with The Norwegian Institute for Water Research (NIVA) to monitor and mitigate potential impacts on local water bodies.

#### METRICS

Norske Skog relies on fresh water for the production of publication and packaging paper. Climate change-induced temperature rises are expected to alter precipitation patterns, leading to periods of drought, inconsistent rainfall, and shrinking water sources. This poses a business risk as it may result in water shortages that impact production capacity and raise concerns over industrial water usage compared to public needs. Additionally, water scarcity could trigger ecological and biodiversity risks, leading to stricter regulations on water usage.

#### WATER CONSUMPTION

In 2025, the total water consumption amounted to 1.72 million cubic meters (m<sup>3</sup>), marking a 16% increase from the previous year due to increased production volumes at Norske Skog Golbey during 2025 compared to 2024. For 2024, the total water consumption, including Norske Skog Boyer, was 1.76 m<sup>3</sup>.

The disclosed metrics and related calculation have been updated in accordance with definitions provided in ESRS. In 2024, the disclosure has been updated to cover the share of total input that is not discharged back into the water recipient (river/fjord). The total water consumption cover evaporation and water content in sold paper and containerboard products.

A substantial portion of the commitment to sustainable water management lies in using less water but also in recycling and reusing water resources. All Norske Skog mills recycle and reuse considerable amounts of water, equal to ~20% of the water input. This figure has been estimated as there are currently no established KPIs to measure recycled and reused water. For 2025, it was a target to implement tools to measure water reusage, but there is currently no adequate measurement tools available. This will be assessed during 2026. During 2025, Norske Skog Golbey increased the share of reused and recycled water to 27%.

In accordance with the requirements of ESRS, we applied the Aqueduct Water Risk Atlas tool of the World Resources Institute (WRI) to assess areas of high-water stress. Based on this methodology, no mills are in regions of high-water stress.

Recognising the critical role of process water in operations, Norske Skog have implemented, and will continue to implement, further water conservation and efficiency measures. The approach includes monitoring of water basins' quality and quantity, adhering to established standards and methodologies for data compilation. The data is primarily sourced from direct measurements.

In 2025, Norske Skog had total water consumption of 1.9 million litre per million EUR net revenue in own operations. This ratio demonstrates a potential to reduce water consumption per unit of economic output.

In addition to consumption, Norske Skog recognise the importance of water withdrawals and discharges, metrics we have included in this chapter. These aspects are integral to the sustainability strategy, and Norske Skog are actively exploring ways to minimise withdrawals while ensuring responsible discharge management. Through continued diligence and investment in water conservation, Norske Skog aim to further reduce the environmental footprint and contribute positively to the communities and regions where Norske Skog operate.

#### ANTICIPATED FINANCIAL EFFECTS

As per the ESRS Phase-in option in ESRS E3, we will begin to report on anticipated financial effects from water and marine resources-related IROs in the subsequent years.

E3-4 Water consumption	Metric	Unit	2023	2024	2025	% change 2024-25
Water withdrawals*	Volume	million m <sup>3</sup>	65.1	62.7	61.2	-3%
Water discharge**	Volume	million m <sup>3</sup>	64.4	61.3	59.5	-3%
Total water consumption***	Volume	million m <sup>3</sup>	1.22	1.48	1.72	16%
Share of the measure obtained from direct measurement from sampling and extrapolation, or from best estimates	Percent	%	100	100	100	0%
Water intensity ratio	Intensity	million m <sup>3</sup> /NOK million	0.00011	0.00015	0.00016	13%
Discontinued operations						
Total water consumption****	Volume	million m <sup>3</sup>	0.3	0.3	0.1	

\* Include the sum of all sources of water drawn into the boundaries of Norske Skog including surface water, ground water, public water as well as water content in wood, pulp, DIP and chemicals.  
 \*\* Include the sum of effluents and other water sources leaving Norske Skog boundaries including discharged cooling water, treated water from effluent treatment plants.  
 \*\*\* Water consumption include the total amount of water drawn into the boundaries of Norske Skog and not discharged back to the water environment or a third party over the course of the reporting period. Sources include water evaporation and water in product.  
 \*\*\*\* Discontinued operations: estimated data for Q1 2025 based on 25% of 2024.



Photo: Carsten Dybevig

# Biodiversity and ecosystems (ESRS E4)

## STRATEGY

In Norske Skog's commitment to sustainable forest industry practices, we are dedicated to aligning our business model with the global efforts to protect and restore nature. Norske Skog will in 2026 start preparation of a transition plan to enhancing the resilience of Norske Skog's operations and contributing positively to biodiversity and ecosystems.

## ASSESSMENT OF IMPACTS, DEPENDENCIES, RISKS, AND OPPORTUNITIES

Norske Skog recognises the significant impact its operations have on biodiversity and ecosystems, especially through land and water use changes, raw material harvesting practices, and the emissions associated with industrial production. As a group that depends on ecosystem services like water supply, climate regulation, and protection from natural hazards, it is essential to understand how these impacts can trigger changes in our strategy and business model.

### 1. Biodiversity and ecosystem impacts:

- Land and water use change: The demand for fresh water for paper production and potential disruptions due to climate change such as reduced precipitation in regions like Bruck and Golbey pose risks to the availability of this critical resource. In addition, shifts in land use due to the harvesting of raw materials affect local biodiversity, particularly around forest ecosystems.
- Raw material harvesting: Although 95% of our wood fibre is certified by FSC and PEFC, sustainable sourcing practices are vital for ensuring the conservation of biodiversity, preventing deforestation, and protecting habitats.

### 2. Dependencies and risks:

- Resource scarcity: Overexploitation of forest resources due to climate change, deforestation, and market volatility may impact our wood supply chain, threaten business continuity and driving the need for more diversified and sustainable sourcing strategies.

### 3. Opportunities for strategy adaptation:

- Circular economy and resource efficiency: By adopting circular economy principles, we can reduce waste, enhance resource efficiency, and minimise the environmental footprint. Innovations packaging also offer potential avenues for growth while aligning with sustainable practices.
- Biodiversity conservation initiatives: Collaborating with local stakeholders, certification bodies like PEFC and FSC, and conservation groups, especially in Norway, allows us to enhance habitat restoration efforts and promote sustainable forestry practices. These initiatives align with both environmental regulations and global biodiversity targets.

As such, these biodiversity and ecosystem challenges present not only risks but also opportunities for Norske Skog to enhance its sustainable practices, innovate in product offerings, and strengthen its relationships with stakeholders.

## RESILIENCE OF STRATEGY

### 1. Resilience assessment:

- Current business model resilience:
  - Norske Skog's business model is relatively resilient to biodiversity and ecosystems-related risks, as it integrates sustainability into its core operations through certified wood sourcing, habitat restoration projects,

and a strong focus on minimising water and energy consumption.

- However, increasing climate change risks (e.g., changing forest conditions) and stricter regulations on biodiversity and ecosystem services require adaptation of the model.

### • Upstream and downstream analysis:

- The resilience analysis encompasses the entire supply chain, from sourcing certified wood and managing forest habitats to the downstream impacts of product lifecycle and waste disposal.
- Our commitment to FSC/PEFC certifications, circular economy principles, and collaborating with local stakeholders in Norway strengthens our supply chain resilience.

### 2. Scope of resilience analysis:

- The entire value chain is considered, especially in relation to the potential scarcity of forest resources and ecological threats such as deforestation and soil erosion.

### 3. Key assumptions:

- Forest health: Assumes continued dependence on certified and sustainably sourced wood fibre, with increasing emphasis on forest restoration and biodiversity conservation initiatives.
- Regulatory landscape: Assumes that global and local policies regarding biodiversity and deforestation will become more stringent, necessitating better traceability and reporting practices in the supply chain like the EU's Directive on Deforestation requiring traceability of wood log geo-location in the finished product declaration from 2026.

### 4. Time horizons:

The certification bodies like PEFC and FSC will have to consider the broader impacts of forest regeneration, climate change adaptation, and biodiversity restoration efforts in revision of their standards.

### 5. Results of the resilience analysis:

- Short-term resilience is moderately high due to existing sustainability practices and certifications, but risks related to forest resource scarcity remain a concern.
- Long-term resilience is dependent on proactive climate adaptation strategies, ongoing collaboration with stakeholders, and continuous improvements in resource efficiency and circularity. These initiatives are critical to maintaining business continuity in the face of biodiversity and ecosystem-related risks.

### 6. Stakeholder involvement:

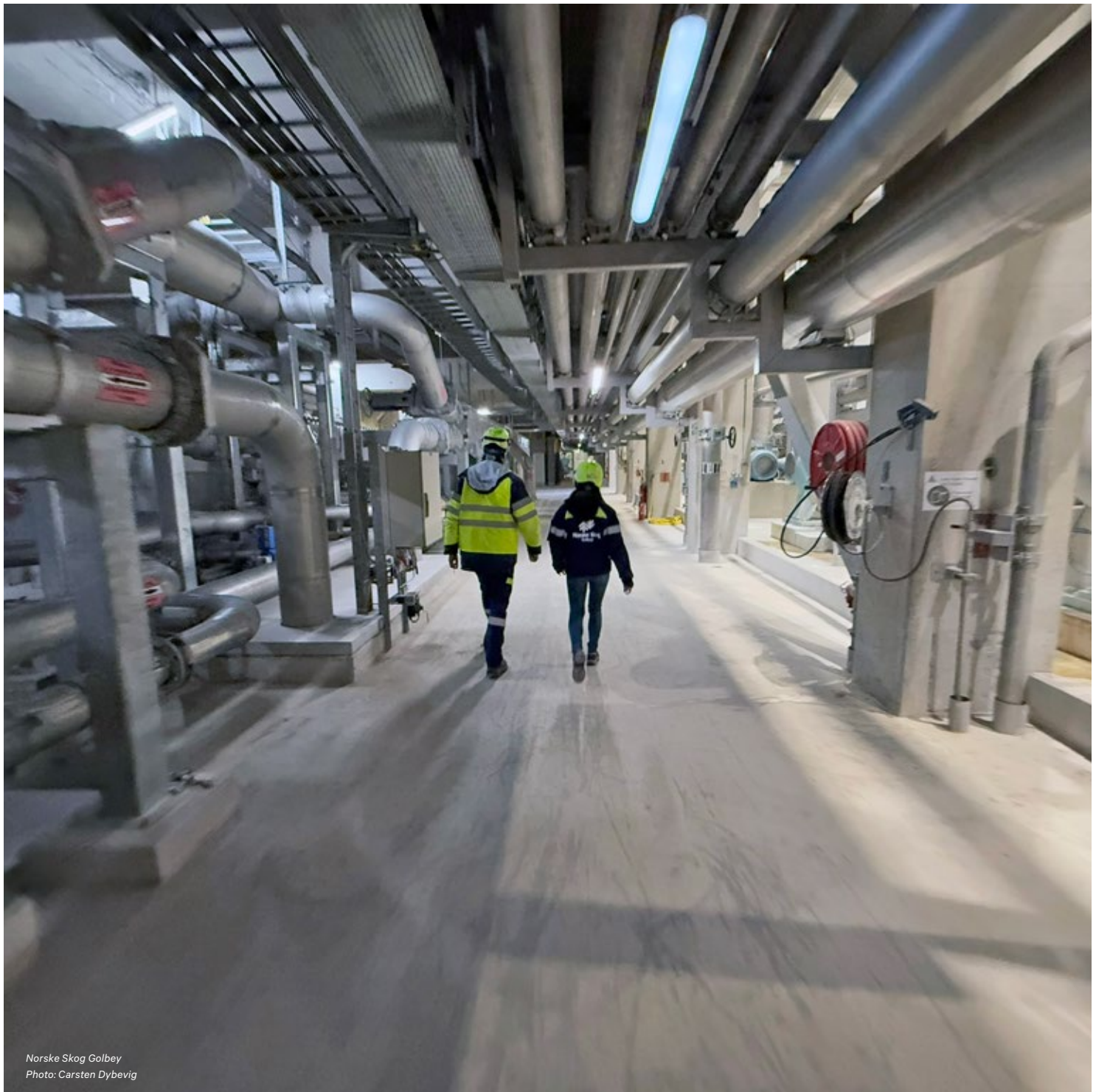
- Indigenous and local knowledge: In Norway, Norske Skog collaborates with local regulatory authorities and environmental agencies to ensure sustainable water and forest management practices.
- Consultation with experts: Ongoing consultations with environmental authorities and experts, industry associations (e.g., CEPI, TFB, FSC and PEFC), and conservation groups ensure that Norske Skog's strategies are aligned with best practices and global biodiversity frameworks.

## ALIGNING WITH GLOBAL INITIATIVES

In alignment with the Kunming-Montreal Global Biodiversity Framework and the EU Biodiversity Strategy for 2030, Norske Skog commits to achieving its biodiversity and ecosystem-related goals by 2050. Our strategy integrates

climate change adaptation and biodiversity conservation into the business model through improved resource efficiency, water management, sustainable sourcing, and habitat restoration. By supporting global biodiversity goals, Norske Skog aims to minimise its impact on ecosystems and align with planetary boundaries related to biosphere integrity and land-use change.

Norske Skog is committed to maintaining transparency in reporting the progress towards these goals and engaging with stakeholders to ensure that the strategy remains adaptable to the evolving environmental landscape.



Norske Skog Golbey  
Photo: Carsten Dybevig

## 2. Impacts, risks and opportunities

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Ecosystem services</b>							
<b>Dependency on natural resources: sourcing of wood</b>	Risk	x			x		
Norske Skog has mills that are entirely dependent on sourcing of wood, which causes a risk due to possible future scarcity of forest resources. The availability may be affected by overexploitation due to high demand, deforestation issues, climate change, loss of biodiversity, erosion and high and volatile market price of wood. Also, social conflicts, such as land use disputes, stricter environmental regulation and revised certification mechanism will affect the sourcing of wood.							
<b>Land degradation</b>							
<b>Degradation of land through felling of forests</b>	Impact, negative	x			x		
Norske Skog consumes large quantities of forest resources which is having a negative impact on the biodiversity. The felling of forest has several negative impacts on degradation of land. This intensifies the loss of carbon sequestration by reducing CO <sub>2</sub> absorption and releasing stored carbon. In addition, the logging cause deforestation and thus soil erosion and loss of soil fertility. Other consequences are loss of biodiversity and ecosystems imbalance. Without proper forest management practises, it may trigger reduced regrowth and irreversible transformations of land.							

The environment is affected by deforestation, loss of biodiversity, depletion of non-renewable raw materials, excessive use of fossil solutions. The entire value chain may meet stricter permit levels regarding logging methods, means of transportation, production process and content of finished goods.

Norske Skog’s operations have notable impacts on biodiversity and ecosystems, primarily in the operations and across the value chain. Key areas of concern include:

**1. Operations:**

- All sites are linked to raw material harvesting, all of which affect local ecosystems.
- Forest sourcing, governed by FSC/PEFC certifications, aims to mitigate environmental risks, though poor logging practices can cause habitat loss, species disruption, and soil degradation.

**2. Upstream and downstream:**

- Upstream: The sourcing of certified fibre (99%) helps reduce risks of deforestation and forest degradation. However, climate change and overexploitation threaten long-term fibre availability.
- Downstream: Norske Skog collaborates with customers to minimise impacts during the product lifecycle, especially through recycling and waste management practices.

**Impacts on business model:**

- Current risks:
  - o Sourcing of wood: Forest overexploitation and habitat loss could disrupt supply chains, driving up costs and affecting production.
- Anticipated risks:
  - o Regulatory pressures: Stricter environmental regulations could raise operational costs and harm the company’s reputation.
  - o Supply chain disruptions: A shortage of raw materials, driven by climate change and deforestation, could lead to cost volatility.
- Responses:
  - o Norske Skog is adapting by focusing on sustainable forest management, water system improvements, and closer collaboration with certification bodies to safeguard biodiversity.

**Effects on people and the environment:**

- People: Operations may harm local communities through pollution and deforestation, affecting health and livelihoods. Increased sourcing costs may impact job security.

- Environment: The main environmental effects include biodiversity loss, habitat destruction, and climate change exacerbated by deforestation.

**Norske Skog’s strategy and business model:**

Norske Skog’s strategy emphasises sustainability with a focus on fibre certification, circularity, and biodiversity protection. The company integrates biodiversity risks into its long-term planning with an eye on reducing environmental impacts and ensuring resource availability.

**Time Horizons:**

- Short-Term (0-5 years): Immediate challenges include regulatory changes and water scarcity.
- Medium-Term (5-10 years): Tighter certification standards and enhanced biodiversity monitoring will shape business decisions.
- Long-Term (10+ years): Risks like raw material depletion and water shortages may necessitate a business model shift, potentially toward alternative bio-products and increased finished product circularity.

The group’s environmental policy aims to ensure resilience against biodiversity risks. Its focus on renewable energy, sustainable sourcing, and reforestation strengthens long-term business resilience.

**Main disclosures:**

- Material sites: Key sites in Skogn, Halden, Golbey, and Bruck are focused on water management and sustainable harvesting, with specific attention given to biodiversity-sensitive areas in proximity to the sites.
- Land degradation: Forestry practices are designed to minimise land degradation, although unsustainable practices may still contribute to soil erosion.
- Impact on threatened species: The Forest Owner Association, from whom we purchase the wood, monitors and mitigates effects on endangered species through restoration projects in collaboration with the authorities, certification bodies, and wildlife organisations.

These elements highlights Norske Skog’s commitment to reducing environmental impacts while maintaining a resilient strategy that addresses biodiversity, climate change, and resource sustainability.

## 3. Impact, risk and opportunity management

### POLICIES

Norske Skog's environmental policy guides biodiversity and ecosystems management, focusing on raw material sourcing, water use, pollution control, and biodiversity preservation. The group ensures sustainability through responsible forest management, FSC/PEFC certification, and deforestation minimisation. Regular monitoring includes annual performance reviews by the board, with business units tracking progress and reporting deviations. This aligns operations with global environmental goals like the Paris and Montreal Agreements.

The policy covers Norske Skog's entire value chain, emphasising biodiversity-sensitive areas near forests and water. It promotes sustainable forestry, pollution control, and circular economy principles. All stakeholders, including employees, suppliers, communities, and regulators, must adhere to high environmental standards. The board and senior management oversee implementation, ensuring compliance with evolving regulations like the EU's EUDR and ISO 14001. Norske Skog engages stakeholders through transparent dialogue and publicly shares policy details, reinforcing employee awareness via training programmes.

### DISCLOSURES

Aligned with ESRS 2 and ESRS E4, Norske Skog's policies address biodiversity risks and sustainable sourcing, ensuring raw materials contribute to ecosystem resilience. The group monitors biodiversity mitigates climate risks (water availability, deforestation, habitat loss) and follows global sustainability agreements. Operations in biodiversity-sensitive areas adhere to stringent conservation and sustainable forestry standards, minimising marine and aquatic impacts through responsible water management. Committed to zero deforestation, Norske Skog balances economic growth with environmental and social responsibility.

### KEY ACTIONS

Norske Skog addresses one material negative impact, and one risk factor related to biodiversity and ecosystems in the following manner:

#### Material negative impact: degradation of land through felling of forest

##### Key actions taken and planned for the future

###### 1. Sustainable forestry practices:

- Action taken: Norske Skog has collaborated with the value chain, forest associations, environmental organisations, and governing bodies like FSC and PEFC to ensure responsible sourcing of wood fibre.
- Expected outcomes: Reduced impact on biodiversity in the surrounding forests, with an emphasis on forest regeneration and ecosystem preservation.
- Future plans: Continue strengthening partnerships with forest certification bodies and expand monitoring of forest health in collaboration with partners in the value chain.
- Policy contribution: Contributes to the achievement of sustainable forestry practices, supporting SDG 15 (Life on Land).

###### 2. Reforestation and habitat restoration:

- Action taken: Active reforestation and habitat restoration projects have been initiated, including transferring significant areas of birdlife habitats to the Norwegian Environmental Agency (Skogn).
- Expected outcomes: Restoration of biodiversity, including the protection of endangered species. Improved carbon sequestration.

- Future plans: expand reforestation efforts, especially in areas affected by forest harvesting.
- Policy contribution: Supports SDG 13 (Climate Action) by promoting carbon absorption through restored habitats.

##### 3. Wildlife monitoring and water management:

- Action taken: Regular wildlife monitoring and water quality assessments are conducted, especially in Norway, in collaboration with the National Authorities and Norwegian Institute for Water Research (NIVA).
- Expected outcomes: Protection of local wildlife and improved water quality in nearby fjords and rivers.
- Future plans: Expand monitoring efforts, focusing on water ecosystems and long-term biodiversity impacts.
- Policy contribution: Contributes to SDG 6 (Clean Water and Sanitation) and SDG 15 (Life on Land).

The scope of actions covers Norske Skog's global operations, including facilities in Norway, France, and Austria. The focus is on sustainable sourcing of wood fibre through certification schemes like FSC, Controlled Wood, and PEFC. Direct stakeholders include forestry value chain partners, environmental NGOs, local regulatory authorities, and the communities surrounding the mill sites. Norske Skog works closely with local authorities, conservation organisations, and community groups to support remediation efforts. Sustainable forestry practices and reforestation are ongoing with continuous improvements and specific milestones set for the next 3-5 years to increase forest regeneration.

#### Risk factor: Dependency on natural resources: sourcing of wood

##### Key actions taken and planned for the future

###### 1. Sustainable sourcing and certification:

- Action taken: 95% of purchased fibre is certified through FSC and PEFC, ensuring that wood is sourced from responsibly managed forests.
- Expected outcomes: Reduction in deforestation and forest degradation, contributing to the long-term sustainability of wood fibre supply.
- Future plans: Reach 100% of certified wood sources, collaborating with forest owners in reaching the target, and strengthen partnerships with forest certification organisations.
- Policy contribution: Contributes to SDG 12 (Responsible Consumption and Production) and SDG 15 (Life on Land).

###### 2. Monitoring and enhancing raw material harvesting:

- Action taken: Continuous monitoring of raw material sourcing and improvements to harvesting practices.
- Expected outcomes: Improved environmental impact from wood fibre sourcing and a reduction in land degradation.
- Future plans: Expand efforts to improve sourcing practices and engage in industry-wide initiatives to reduce overexploitation.
- Policy contribution: Supports SDG 12 and SDG 15.

The scope of actions focuses on Norske Skog's supply chain, particularly in regions where deforestation and overexploitation are concerns, involving sourcing partners, certification bodies (FSC, PEFC), and local communities affected by forestry practices. Sustainable sourcing is ongoing with full certification of all wood fibre by 2027, while raw material harvesting monitoring is ongoing with incremental improvements every 2-3 years.

**Planned and allocated resources**

To support the implementation of these actions, Norske Skog allocates dedicated financial and operational resources across its business units, including investments in sustainable sourcing systems, certification processes, and environmental monitoring technologies. Operational budgets ensure continuous compliance with certification standards such as FSC and PEFC. The company also invests in data collection and digital monitoring tools to track water quality, enabling more informed decision-making and transparency in reporting. Human resources include specialised environmental experts,

sustainability managers, and procurement teams working closely with suppliers to ensure alignment with environmental standards and long-term resource availability.

The company actively collaborates with National Pulp and Paper Associations, environmental NGOs, research institutions, and Forest Owner Associations to strengthen ecosystem protection and sustainable forestry. In addition, Norske Skog engages with local communities and authorities to ensure responsible land use and to support shared environmental objectives.

## 4. Metrics and targets

**TARGETS**

Norske Skog’s commitment to environmental sustainability is underscored by the establishment of robust biodiversity and ecosystems-related targets aligned with international standards and regulatory frameworks.

In 2020 Norske Skog established a set of ambitious targets to mitigate negative environmental impacts, enhance positive contributions to biodiversity, and manage material risks and opportunities associated with its operations. These targets align with the group’s environmental policy and are designed to address its material dependencies, risks, and impacts across the entire value chain, ensuring a sustainable and responsible approach to forestry and paper production.

Norske Skog currently have no targets in line with the ESRS. Our ambition was to establish such targets during 2025, but this process was postponed until an internal framework is in place. Until such targets have been developed, we work in accordance with the ambitions and milestones described in this chapter.

**REDUCTION OF NEGATIVE IMPACTS**

Norske Skog has committed to ensuring that 100% of the wood used across all mills is certified under internationally recognised schemes such as FSC and PEFC. This target directly supports the group’s policy objectives by promoting sustainable forestry practices, reducing deforestation risks, and preserving biodiversity. The baseline for this target was set in 1995, with the goal of achieving full compliance by 2030. This commitment applies to all mills, including Norske Skog Skogn, Norske Skog Golbey, Norske Skog Bruck, Norske Skog Saugbrugs, ensuring sustainable sourcing and minimal ecosystem disruption.

To further limit negative environmental impacts, Norske Skog has set a goal of

sending zero ash to landfill by 2030. This absolute target is measured in tonnes of ash diverted from landfills and is part of the company’s broader circular economy efforts.

**ENHANCING POSITIVE IMPACTS**

Norske Skog actively contributes to ecosystem restoration through habitat conservation initiatives. The company has undertaken reforestation projects and habitat restoration efforts in partnership with organisations such as FSC and PEFC. At Skogn, a significant birdlife area has been transferred to the Norwegian Environmental Agency, demonstrating Norske Skog’s commitment to preserving biodiversity in industrially affected regions.

**MANAGING MATERIAL IMPACTS, RISKS AND OPPORTUNITIES**

The group also acknowledges the risk associated with forest resource availability due to overexploitation and regulatory changes. By securing long-term agreements with certified suppliers and prioritising PEFC/FSC-certified wood, Norske Skog aims to minimise exposure to sourcing risks and ensure sustainable supply chains.

**STAKEHOLDER INVOLVEMENT AND SCIENTIFIC BASIS**

All targets set by Norske Skog are based on conclusive scientific evidence and aligned with international environmental frameworks, including the Paris Agreement and the Montreal Agreement. The group engages with stakeholders, including investors, regulators, and environmental organisations, to ensure that targets are robust and feasible. Targets are monitored through regular internal audits, third-party verifications, and annual reporting.

By setting these ambitious goals, Norske Skog aims to balance industrial growth with environmental responsibility, ensuring that its operations contribute positively to biodiversity conservation while mitigating climate risks and resource dependencies.

Performance metrics and targets in tabular format

Measurement unit	Target level	Target year	Baseline value (year)	Current progress
% of certified wood used	100%	2025	98% (2023)	99% achieved
Tonnes of ash sent to landfill	0	2030	Baseline (2022)	28 338 tonnes
% of production waste treated	100%	Continuous	Not relevant	Compliant with EU standards
m³ per tonne of paper	Reduced water use	Continuous	Not relevant	Implemented at all mills

**METRICS**

Norske Skog consumes large quantities of forest resources, which has a notable impact on climate and land degradation. The logging of forests reduces carbon sequestration, leading to increased CO<sub>2</sub> emissions and stored carbon release. Additionally, deforestation contributes to soil erosion, loss of soil fertility, biodiversity loss, and ecosystem imbalances. If not mitigated through sustainable forestry practices and climate action, this could lead to reduced regrowth rates and irreversible transformations of land.

**Risk: Availability of forest resources**

Norske Skog's mills are dependent on a consistent supply of wood. The availability of forest resources is threatened by overexploitation, deforestation, climate change, biodiversity loss, erosion, and fluctuating wood prices. Social conflicts, such as land use disputes, stricter environmental regulations, and revised certification mechanisms, could further impact sourcing, making it more challenging to secure sustainable raw materials.

**NORSKE SKOG'S APPROACH TO BIODIVERSITY AND ECOSYSTEM CONSERVATION**

Norske Skog acknowledges the impact of its global operations and associated value chain on biodiversity and ecosystem services. The primary drivers of nature loss related to its business include land and water use changes, climate change, pollution, and raw material harvesting practices. The group is responsible for managing ecosystem risks within its operations and broader business activities.

Stricter regulations on biodiversity and ecosystems could impact Norske Skog's financial standing, increase costs and potentially affect investor confidence. As a result, Norske Skog follows stringent national and international laws to minimise its environmental footprint.

**BIODIVERSITY MANAGEMENT BY REGION****Halden, Skogn, and Golbey:**

- Implementing sustainable forestry practices in collaboration with FSC and PEFC to ensure responsible wood sourcing and habitat preservation.
- Engaging in reforestation and habitat restoration projects, including transferring significant land areas to environmental agencies.
- Conducting regular wildlife impact assessments and implementing mitigation measures as necessary. Monitoring of water recipients is carried out in accordance with the EU Water Framework Directive.

**Bruck:**

- Following strict environmental management systems that integrate biodiversity conservation into operational practices.
- Collaborating with local conservation organisations to identify and protect biodiversity hotspots.

**REPORTING AND MONITORING OF BIODIVERSITY IMPACTS**

To ensure transparency and accountability, Norske Skog discloses material biodiversity impacts through verifiable and scientifically robust metrics. The company assesses its operations in proximity to some few biodiversity-sensitive areas and implements strategies to minimise negative effects. Norske Skog reports the status annually.

**Ecosystem monitoring, reporting, and stakeholder dialogue**

Norske Skog monitors biodiversity and ecosystem conditions in areas adjacent to the operations, including Tistadalen in Halden and the Hotran river delta in Skogn. In Tistadalen, particular attention is given to the river ecosystem, recognised as a salmon river, as well as surrounding deciduous forest habitats. Monitoring activities include regular assessments of water quality and the status of forest ecosystems. In Skogn, the bird habitats surrounding Hotran

river delta are subject to ongoing observation, with a focus on preserving biodiversity and maintaining suitable conditions for birdlife.

The company maintains continuous dialogue with both central and local authorities regarding the environmental status of these areas. Norske Skog systematically follows up on this dialogue, ensuring that any regulatory requirements or recommended actions are implemented and tracked over time. The status of ecosystems is regularly reviewed enabling adaptive management and supporting transparent reporting in line with biodiversity-related sustainability objectives.

**METHODOLOGIES AND ASSUMPTIONS**

- Metrics and scope: Norske Skog applies internationally recognised methodologies to assess biodiversity impact, covering corporate business units, site-level operations, and raw material sourcing.
- Data reliability: The group relies on a mix of primary, secondary, and modelled data sources, supplemented by expert judgment.
- Regulatory compliance: Metrics are aligned with EU biodiversity directives, FSC, PEFC certifications, and other relevant environmental regulations.
- Monitoring and adaptive management: Biodiversity data is updated continuously, ensuring adaptive strategies are implemented to mitigate identified risks.

**BIODIVERSITY BASELINE AND THRESHOLDS**

Norske Skog establishes biodiversity baselines based on planetary boundaries and ecological thresholds. Continuous monitoring ensures that any significant environmental changes are addressed through adaptive management. The group works with regulatory agencies, scientific institutions, and industry associations to maintain compliance and improve biodiversity conservation efforts.

By integrating biodiversity management into its long-term sustainability strategy, Norske Skog aims to mitigate negative environmental impacts while ensuring responsible forest resource utilisation. Norske Skog's commitment to 100% certified wood sourcing, and habitat restoration, underscores its proactive approach to biodiversity conservation.

**FINANCIAL EFFECTS**

Norske Skog exercises the right, as per the ESRS Phase-in option, to postpone reporting on this disclosure later.

# Resource use and circular economy (ESRS E5)

## 1. Impacts, risks and opportunity management

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Resource inflows including use</b>							
<b>Utilisation of renewable and recycled resources in production of products</b>	Positive impact	x		x	x		
Norske Skog has mills that are entirely dependent on sourcing of wood, which causes a risk due to possible future scarcity of forest resources. The availability may be affected by overexploitation due to high demand, deforestation issues, climate change, loss of biodiversity, erosion and high and volatile market price of wood. Also social conflicts, such as land use disputes, stricter environmental regulation and revised certification mechanism will affect the sourcing of wood.							
<b>Availability of recycled fibre for production of products</b>	Risk	x			x		
Because the authorities' climate change policy encourages use of recycled fibre in the production of paper products, it is a risk that there will be scarce availability at sustainable price level to produce paper products due to the purchasing power of our customers. Also, the use of recycled fibre may find other alternatives to paper products causing scarcity.							
<b>Resource outflows related to products and services</b>							
<b>Production waste</b>	Negative impact		x	x	x		
Waste generated from the pulp and paper production process can have significant environmental impacts if not properly managed. Landfilling production waste, such as bark, sludge, and ash, can contaminate soil and water, release harmful substances into ecosystems, and produce methane from decomposing organic matter, contributing to climate change. Improper disposal can also disrupt local biodiversity. At the same time, waste presents opportunities for resource recovery. Norske Skog's waste management strategy focuses on minimising landfill disposal and maximising reuse, repurposing most of the production waste for energy, construction materials, or agricultural use. By improving processes and recovery methods, the company seeks to reduce environmental impact and transform waste into valuable resources.							

Norske Skog's commitment to sustainability and circular economy principles is deeply embedded in its business model, operations, and upstream and downstream value chains. The group's use of renewable and recycled resources, waste-to-energy initiatives, and waste utilisation for product development contribute significantly to reducing its environmental footprint while enhancing economic efficiency. However, there are also risks associated with the availability of recycled fibre for production due to market demand and policy influences.

Through strategic attention on optimising raw material use, energy efficiency, and waste reduction, Norske Skog demonstrates a strong commitment to sustainable business practices. The approach ensures resilience to external risks while reinforcing its competitive position in the evolving global market for renewable and recycled materials.

**POLICIES**

Norske Skog's resource use and circular economy policy is designed to reduce environmental impact by increasing the use of recycled and renewable

resources. Implementation is closely monitored through environmental management systems and annual sustainability reporting to ensure continuous improvement.

The policy applies to the entire value chain, encompassing raw material sourcing, production processes, and end-of-life product management. All business units are required to comply with resource efficiency guidelines, and there are no significant exclusions from this policy.

Accountability for the policy rests with the board of directors, which provides oversight, while corporate management is responsible for its implementation at the operational level. Norske Skog aligns its practices with internationally recognised third-party standards, including ISO 14001, FSC, PEFC, and the EU's Zero Pollution Action Plan, ensuring adherence to best environmental practices.

Stakeholder engagement is a critical component of the policy. Norske Skog actively collaborates with governmental bodies, NGOs, suppliers, and

customers to align interests and drive sustainability improvements across the industry. To maintain transparency, the policy is publicly available through sustainability reports and corporate documentation.

A key aspect of Norske Skog's sustainability strategy is the transition from virgin to recycled resources and sustainable sourcing. Norske Skog continuously enhances its recycling processes to increase the use of secondary fibres and reduce dependence on virgin materials. Additionally, Norske Skog ensures that all raw materials come from sustainably managed forests, with a strong preference for FSC- and PEFC-certified wood.

To address material impacts, risks, and opportunities (IROs) throughout the value chain, Norske Skog prioritises sustainable forestry practices and responsible supplier selection upstream. Within the operations, Norske Skog emphasises waste minimisation and circularity in production. Downstream, Norske Skog works to improve the recyclability of its finished products and actively promotes customer participation in circular initiatives.

Norske Skog adheres to the principles of the waste hierarchy, focusing first on waste prevention through efficient material use. Norske Skog encourages the reuse of byproducts wherever possible and maximises fibre recovery through recycling. Waste-to-energy initiatives further contribute to resource efficiency, while disposal is treated as a last resort to minimise landfill impact.

Circular economy principles are deeply embedded in Norske Skog's operations. Norske Skog prioritises material repurposing over recycling to extend product life cycles and designs eco-friendly products that enhance recyclability and circularity. Through these efforts, Norske Skog reinforces its commitment to sustainability, ensuring resource efficiency and a reduced environmental footprint across its entire value chain.

#### **ACTIONS AND RESOURCES**

Norske Skog is committed to optimising resource use and advancing circular economy principles throughout its operations. Norske Skog has undertaken several key actions to achieve its sustainability objectives, focusing on increasing the utilisation of renewable and recycled resources, minimising waste, and maximising resource efficiency across the value chain.

One of the primary initiatives is the increased use of renewable and recycled materials in the production of its goods. By integrating these materials, Norske Skog effectively reduces its carbon footprint while supporting a circular economy where resources are reused, thereby lowering the demand for virgin raw materials. This practice also mitigates environmental contamination by reducing landfill waste. Norske Skog has observed a growing market demand for products derived from recycled and renewable sources, particularly as governmental policies impose tariffs on fossil-based alternatives. By meeting this demand, Norske Skog actively contributes to climate mitigation efforts by reducing reliance on high-carbon-footprint materials.

Another key initiative involves utilising waste as an energy source for both Norske Skog's operations and local communities. By repurposing production waste, including bark, gas, and materials from wastewater treatment plants, Norske Skog ensures that waste serves as a valuable energy source rather than contributing to landfill accumulation. This practice aligns with Norske Skog's sustainability commitments by preventing environmental degradation and reducing harm to ecosystems. Similarly, Norske Skog is utilising waste

materials for product development, particularly through the production of biogas and the repurposing ash generated by energy plants to replace a portion of traditional cement in construction materials. This approach not only reduces emissions but also minimises the demand for materials with a high carbon footprint, such as traditional cement.

Despite these positive initiatives, Norske Skog acknowledges the risk associated with the availability of recycled fibre for production. Climate change policies encourage increased use of recycled fibres in paper production, potentially leading to supply shortages and unsustainable price levels. Additionally, alternative uses for recycled fibre could divert resources away from paper production, exacerbating the scarcity issue. Norske Skog continuously monitors market conditions and collaborates with industry partners to mitigate these risks.

To implement and sustain these initiatives, Norske Skog has established Corporate Standards with detailed environmental and societal performance improvement guidelines. Environmental considerations are integrated into strategic and operational decisions, with oversight provided by the board of directors. Business units are tasked with implementing actions that align with energy efficiency and resource utilisation targets, ensuring that production processes remain efficient and environmentally responsible.

A core focus of Norske Skog's sustainability strategy is maintaining high yield efficiency in raw material and energy use. All raw materials are sourced from sustainably managed forests, with rigorous certification standards in place to ensure compliance. Norske Skog actively participates in climate change mitigation efforts by promoting circularity in raw materials, finished goods, and waste resources. By investing in innovative recycling and energy recovery technologies, Norske Skog is enhancing its environmental performance while supporting industry-wide sustainability advancements.

Norske Skog commits to resource use optimisation and circularity, emphasising key achievements such as recycling approximately 75% of its finished goods one of the highest rates within the EU. Norske Skog has also begun producing containerboard exclusively from recycled paper and developing bio-composites to replace fossil-based plastics. Additionally, its energy recovery initiatives have allowed it to reuse production waste efficiently, with sludge from wastewater treatment plants repurposed as an energy source for bio-boilers.

Looking ahead, Norske Skog will continue to implement and expand its circular economy initiatives, including further investments in renewable energy deployment, waste recovery, and sustainable material sourcing. Norske Skog aims to identify new applications for ash generated in its energy plants to reduce landfill disposal. By adhering to its sustainability commitments and continuously improving its environmental performance, Norske Skog reinforces its leadership in sustainable resource management and circular economy innovation.

### 3. Metrics and targets

#### TARGETS

Norske Skog has set ambitious targets aligned with our commitment to resource efficiency, circular economy principles, and sustainability relating to the three IROs. These targets serve as guiding benchmarks to reduce negative impacts, drive positive impacts, mitigate risks, and foster innovation across our operations and throughout our value chain.

In 2020, Norske Skog established targets to reduce negative environmental impacts, advance positive contributions, and manage material risks and opportunities within its operations. These targets align with its resource use and circular economy policies and are fundamental in ensuring sustainable and responsible operations across all business units. No new targets have been defined in 2025. Norske Skog currently have no targets in line with the ESRS. However, until such targets have been developed, we work in accordance with the ambitions and milestones described in this chapter.

#### RECYCLED FIBRE

One of the primary targets is to achieve 100% recycled fibre as raw material in packaging paper products. This initiative supports Norske Skog's commitment to circular economy principles, reducing dependency on virgin raw materials and lowering the carbon footprint of production. The scope of this target applies to all packaging paper production across Norske Skog's operations, and progress is measured relative to current levels of recycled fibre usage. The baseline for this target is derived from prior years' data on fibre sourcing, with full achievement anticipated by a defined milestone year. Norske Skog will scale up production to reach full capacity of 760 000 tonnes of packaging paper by 2027, all based on recycled fibre.

#### CERTIFIED WOOD

Another key target is to ensure that 100% of the wood used in Norske Skog's mills is certified. This objective relates to sustainable sourcing and the cascading principle of renewable resource use. The certification process guarantees that all fresh fibre originates from responsibly managed forests, in alignment with national and international sustainability goals. The scope includes all mills utilising fresh wood fibre, with Chain of Custody certification systems in place to track compliance. The baseline is Norske Skog's current 99% certification level, with the goal of reaching full compliance.

#### WASTE MANAGEMENT

- **Ash:** In addressing waste management, Norske Skog aims for zero ash sent to landfill. Instead, ash will be repurposed for industrial applications, such as cement substitution and agricultural use. This initiative falls within the waste hierarchy principles, prioritising reuse and recycling over landfill disposal. Currently, 34% of ash is still landfilled, but Norske Skog is working to identify new applications and align with regulatory frameworks to minimise this percentage over time.
- **Waste production process:** The group has also committed to ensuring that 100% of production process waste undergoes wastewater treatment. This measure enhances environmental performance by preventing contamination and supporting the recovery of valuable materials such as biogas. The initiative is absolute in nature and applies to all Norske Skog mills globally, with a clear methodology in place for monitoring and reporting compliance.

#### BUILDING MATERIAL

Another crucial target is that all inbound building materials to energy plants must be certified. This ensures responsible sourcing and aligns with national

and EU sustainability policies. Norske Skog collaborates with suppliers and stakeholders to guarantee compliance, reinforcing transparency and accountability in the supply chain. The certification process helps minimise environmental risks and aligns with broader sustainability initiatives in the industry.

#### REPORTING

Norske Skog monitors the effectiveness of these targets through structured evaluation processes, including internal audits and external third-party verifications. Progress is internally reported periodically and external reporting annually, ensuring transparency and alignment with environmental policies. Metrics and methodologies are refined based on internal system data, regulatory requirements, and stakeholder expectation to ensure continued progress toward sustainability objectives.

These targets are a combination of mandatory and voluntary commitments, with certain initiatives driven by regulatory expectations and others by Norske Skog's ambition to lead in sustainable resource management. By integrating these goals into the production, sourcing, and waste management practices, Norske Skog reinforces a role in fostering a circular economy and mitigating climate change impacts.

#### RESOURCE INFLOWS

Norske Skog is committed to responsible resource use, ensuring that raw materials are sourced sustainably while optimising efficiency throughout the production process. The primary inputs in our operations include fresh wood fibres, sawmill chips, recovered paper, purchased pulp, and inorganic fillers or coatings. These materials are sourced through a combination of direct procurement from certified suppliers and the integration of secondary materials to support a circular economy. The group prioritises the use of certified wood, with 99% of roundwood fibres and sawmill chips originating from sustainably managed forests under FSC and PEFC certification schemes. This commitment supports biodiversity preservation and reduces the environmental impact associated with raw material extraction.

The methodologies used to determine resource inflows are based on direct measurement, supplier certifications, and verified tracking systems. Fibre sourcing is conducted through a Chain of Custody (CoC) certification process that ensures compliance with international sustainability standards. The use of recovered paper and secondary materials is integral to Norske Skog's strategy to reduce dependency on virgin resources. In 2025, 0.8 million tonnes of recovered paper were used, contributing significantly to the circularity of the production process. Additionally, sawmill chips accounted for 10% of fresh fibre inputs, promoting resource efficiency by utilising industry by-products.

The total material usage in Norske Skog's operations during the reporting period was 1.5 million cubic meters of fresh fibre (0.62 million tonnes), supplemented by 0.8 million tonnes of recovered paper. The overall weight of inorganic fillers and coatings utilised was 144 960 tonnes. The breakdown of material inputs per mill highlights variations based on geographic location, production capacity, and available resources. For instance, the Norske Skog Skogn mill processed 945 000 million m<sup>3</sup> (382 553 bdt) cubic meters of roundwood, whereas Norske Skog Golbey relied entirely on recovered paper as a fibre source. Such diversity in input sourcing aligns with Norske Skog's strategic objective of minimising transport distances and optimising material use.

A key component of Norske Skog's sustainability approach is the transition towards greater use of recycled materials in packaging paper production. Norske Skog has set ambitious targets, including achieving 100% recycled fibre in its packaging paper products and ensuring that all wood used is certified. This aligns with broader industry goals and regulatory frameworks aimed at reducing reliance on virgin materials and enhancing circularity. The integration of nanocellulose and bio-composites into production at the Norske Skog Saugbrugs mill further exemplifies innovation in sustainable material use, substituting fossil-based plastic materials with renewable alternatives that can be recycled and reused.

In terms of material sustainability, the proportion of secondary or recycled materials in Norske Skog's production processes is substantial. The average recycling rate for finished goods stands at approximately 75%, the highest within the EU according to CEPI figures. Additionally, containerboard production is exclusively using recovered paper, reinforcing the group's commitment to a circular economy. Methodologies for assessing material use include supplier declarations, third-party certifications, and internal tracking systems that provide accurate and verifiable data. As Norske Skog continues to innovate and implement sustainability measures, resource efficiency and material circularity remain core priorities driving its environmental performance.

**RESOURCE OUTFLOWS**

Norske Skog is committed to optimising resource use and fostering a circular economy in its operations, ensuring that material flows are effectively managed to minimise waste and maximise recirculation. The company's approach is centred on efficient utilisation of raw materials, sustainable product design, and continuous process improvements. By integrating circularity principles into production, Norske Skog enhances resource efficiency, reduces waste, and promotes sustainability throughout its value chain.

**RESOURCE OUTFLOWS AND MATERIAL BREAKDOWN**

The primary products of Norske Skog's production processes are publication paper and packaging paper, both of which are designed with circularity in mind. In 2025, Norske Skog produced 1 357 526 tonnes of paper (excluding 56 257 tonnes at Boyer), utilising 1 133 739 m³ (459 004 bdt) of roundwood, 391 706 m³ (158 586 bdt) of sawmill chips and 23 745 bdt of pulp, with a certification rate of 99%. Additionally, 752 829 tonnes of recovered paper, including waste paper and old corrugated cartonboard (OCC), were used as raw material, ensuring significant contributions to circularity. By leveraging both fresh fibre and recovered paper, Norske Skog balances sustainability with operational efficiency. The company also consumes 121 751 tonnes of inorganic fillers or coatings, which contribute to paper quality and performance.

A key aspect of Norske Skog's commitment to circularity is the recycling and reuse of production residues. Approximately 58% of the waste generated in 2025 was repurposed as biofuel in bio boilers, significantly reducing reliance on fossil fuels. The sludge from wastewater treatment plants serves as an energy source, and ash from bio boilers is repurposed for use in cement and fertiliser applications. The ash generated from the combustion process totalled 84 127 tonnes, with efforts underway to find additional applications to reduce landfill dependency.

**CIRCULARITY IN PRODUCT DESIGN AND WASTE MANAGEMENT STRATEGY**

Norske Skog employs circular principles in its product design, ensuring that finished goods are recyclable and reusable. Norske Skog collaborates with partners in the upstream value chain, forest owner's suppliers, and other industry suppliers to improve forest management and increase the share of certified fibres. The production of containerboard exclusively from recycled paper products proves to Norske Skog's dedication to sustainability. On

average, 75% of Norske Skog's finished goods are recycled, making it one of the highest recycling rates in the European market according to the European Paper Recycling Council (EPRC) in 2024.

Norske Skog's waste management strategy focuses on minimising landfill waste and maximising resource recovery. In 2025, only 8% of total production waste was sent to landfill, with the remainder repurposed for energy, construction materials, or agricultural use. Norske Skog generated 427 tonnes of hazardous waste, which was disposed of through authorised national collection systems. The company aims to further reduce hazardous waste through process improvements and enhanced resource recovery methods.

**METHODOLOGIES AND REPORTING METRICS**

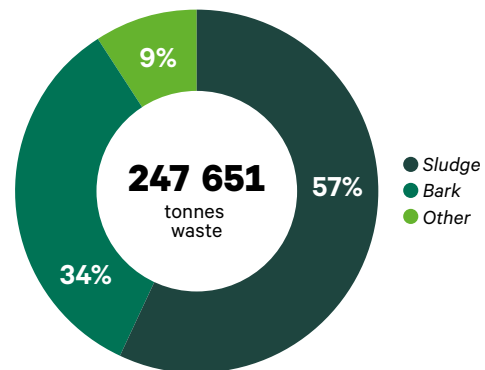
Norske Skog employs rigorous methodologies to assess and report on circularity and waste management. Norske Skog adheres to internationally recognised certification standards, including ISO 9001 and 14001, ensuring compliance with environmental regulations and industry best practices. Waste and emissions data are collected through direct measurement at production facilities, with periodic audits to verify accuracy.

By continuously refining methodologies and investing in sustainable technologies, Norske Skog is well-positioned to achieve its targets of 100% certified wood usage, zero ash to landfill, and complete integration of production waste into circular systems. Norske Skog remains committed to fostering a more sustainable and resource-efficient paper industry.

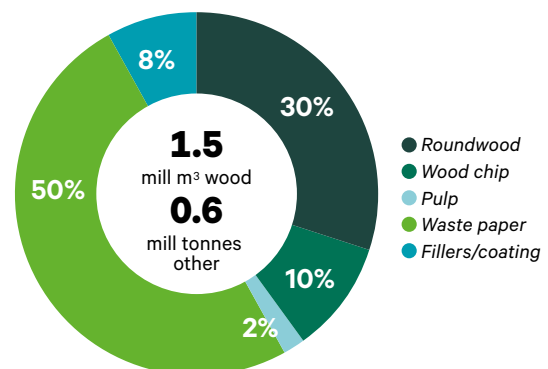
**ANTICIPATED FINANCIAL EFFECTS**

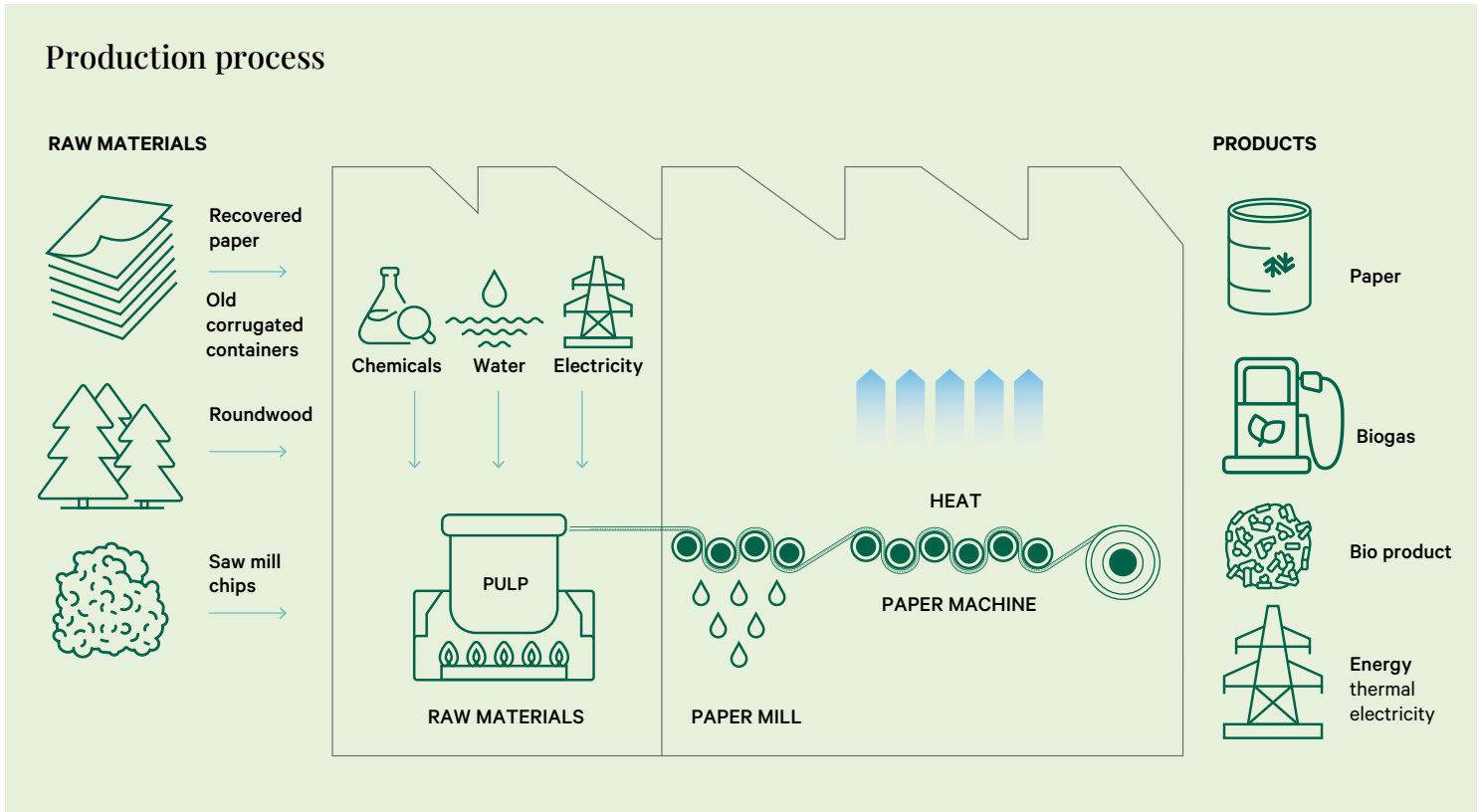
Norske Skog exercises the right, as per the ESRS Phase-in option, to postpone reporting on this disclosure.

**SOURCES PRODUCTION WASTE**



**CONSUMPTION OF RAW MATERIALS**





**Explanation to the diagram:**

The highly simplified diagram above illustrates the paper production process. Main input materials are wood, recovered paper and old corrugated container-board (OCC), as well as energy and chemicals. Wood and recovered fibres are separated during pulp production in two different processes.

Pulp production based on recovered paper and old corrugated containers (OCC) consume less energy than production from fresh fibre because the

fibres in recovered paper and OCC are more easily separated than those within wood. In the paper machine, the pulp passes along a web, firstly through a wet section, then a press section and finally through a drying section. The paper is finally rolled up on reels, and then cut to the sizes ordered by the customer. During this process, more than 90% of the wood fibres in trees are converted to paper products.



E5 - 4 Resource Inflows	Unit	2023	2024	2025	% change 2024-25
<b>Total</b>	<b>bd<sup>t</sup> *</b>	<b>1 245 131</b>	<b>1 447 799</b>	<b>1 515 914</b>	<b>5%</b>
Roundwood	bd <sup>t</sup> *	422 877	471 496	459 004	-3%
Wood chips	bd <sup>t</sup> *	108 320	146 232	158 586	8%
Pulp	bd <sup>t</sup> *	16 823	22 850	23 745	4%
Waste paper	bd <sup>t</sup> *	596 171	688 086	752 829	9%
Fillers / coating and Old Corrugated Cardboard (OCC)	bd <sup>t</sup> *	100 940	119 135	121 751	2%
Certified wood fibre, FSC/ PEFC**	%	99%	98%	99%	1%

**Discontinued operations - Total\*\*\*** **bd<sup>t</sup> \*** **259 367** **256 151** **64 038**

\* Bone dried tonnes (bd<sup>t</sup>)

\*\* Roundwood, chips, pulp

\*\*\* Discontinued operations: estimated data for Q1 2025 based on 25% of 2024

**E5 - 5 Resource outflows. Products put on market** **2023** **2024** **2025**

**Recovered paper in containerboard production**

Norske Skog Bruck, Austria	100%	100%	100%
Norske Skog Golbey, France	-	-	100%
<b>Total Norske Skog group</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Recovered paper in newsprint production**

	2023	2024	2025
Norske Skog Golbey, France	100%	100%	100%
Norske Skog Skogn, Norway	12%	6%	0%
<b>Total Norske Skog group</b>	<b>39%</b>	<b>34%</b>	<b>40%</b>

**Recovered paper in magazine production**

	2023	2024	2025
Norske Skog Bruck, Austria	23%	20%	10%
Norske Skog Saugbrugs, Norway	0%	0%	0%
<b>Total Norske Skog group</b>	<b>7%</b>	<b>7%</b>	<b>5%</b>

**E5 - 5 Resource Outflows - Waste** **Application** **Unit** **2023** **2024** **2025**

**Waste generated**

<b>Non-hazardous waste diverted from disposal</b>		tonnes	<b>97 973</b>	<b>106 092</b>	<b>113 630</b>
Recycling	Agriculture	tonnes	3 060	2 754	3 779
Recycling	Cement /road construction	tonnes	12 260	13 823	22 000
Recycling	Bed ash and other waste categories to recycling	tonnes	82 653	89 514	87 851
<b>Non-hazardous waste directed to disposal</b>		tonnes	<b>222 646</b>	<b>216 476</b>	<b>222 434</b>
Incineration	On-site energy recovery	tonnes	181 585	178 615	194 057
Landfilling	Ash, plastic	tonnes	41 061	37 861	28 377
<b>Hazardous waste directed to disposal</b>		tonnes	<b>484</b>	<b>396</b>	<b>57</b>
Landfilling	Asbestos to safe handling in municipal landfil	tonnes	-	54	0
Other disposal operations	Waste oil, electronics, paint etc. delivered collectors	tonnes	484	342	57
<b>Hazardous waste directed from disposal</b>		tonnes	<b>-</b>	<b>-</b>	<b>370</b>
Other disposal operations	Waste oil, electronics, paint etc. delivered collectors	tonnes	-	-	370
<b>Non-recycled waste*</b>		tonnes	<b>223 130</b>	<b>216 872</b>	<b>222 491</b>
Percentage of non-recycled waste*		%	69%	67%	66%
<b>Total amount non-hazardous waste</b>		tonnes	<b>320 619</b>	<b>322 568</b>	<b>336 064</b>
<b>Total amount hazardous waste</b>		tonnes	<b>484</b>	<b>396</b>	<b>427</b>
<b>Total amount of waste</b>		tonnes	<b>321 103</b>	<b>322 964</b>	<b>336 491</b>
<b>Discontinued operations</b>					
<b>Total amount of waste***</b>		tonnes	<b>61 227</b>	<b>59 112</b>	<b>14 778</b>

\* Energy recovery is not included in definition of recycling in ESRS

\*\*\* Discontinued operations: estimated data for Q1 2025 based on 25% of 2024



# 2

SOCIAL

# Own workforce (ESRS S1)

## 1. Strategy

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Working conditions</b>							
<b>Industrial accidents</b>	Negative impact		x		x		
Norske Skog has a negative impact on the health and safety of own workforce related to relevant risks within our industry and type of operations. Employees working in operations (process operators) are exposed to heavy machinery, hot media, harmful chemicals and risk of fires 24/7 due to shift work and continuous operations. This can lead to work related accidents and loss of life. Process operators are exposed to highest risk and other employee categories at mill sites are exposed to moderate risk. The negative impact is systemic for our industry.							
<b>Advocate for improved working conditions through freedom of association*</b>	Negative impact		x		x		
Freedom of association, collective bargaining and work councils has a strong position our industry, especially in France, Norway and Austria where the majority of Norske Skog employees are located. The existence of work councils and collective bargaining has a positive impact on worker's ability to advocate for improved working conditions such as working time and wages.							
<b>Equal treatment and opportunities for all</b>							
<b>Attract and keep top talent through training and skills development</b>	Risk		x		x		
Norske Skog is dependent on expertise and knowledge of its employees for value creation. By investing in apprentice programmes, cooperate with educational institutions and offer technical and soft skills training throughout the career Norske Skog has identified an opportunity to attract and keep top talent (opportunity evolving from a risk). Low female representation at Norske Skog poses a systemic risk, affecting reputation, recruitment, and stakeholder relationships, making diversity crucial for sustainable growth.							

\* The following sub-sub-topics have been combined into one sub-sub-topic, "Freedom of association and collective bargaining" as they overlap and often addressed as one topic:

- 1) Freedom of association, the existence of works councils and the information, consultation and participation rights of workers
- 2) Collective bargaining, including rate of workers covered by collective agreements
- 3) Social dialogue
- 4) Poor gender diversity

The Norske Skog group aims to build a strong, secure and safe organisation founded on our core values, and our work to ensure their safety, fair treatment, and rights is central to this. The double materiality assessment identified material impacts, risks and opportunities in relation to the following topics.

### HEALTH AND SAFETY

Health and safety have the highest priority for Norske Skog, twenty-four hours a day, seven days a week. The process industry and production of pulp, paper and containerboard is exposed to inherent health and safety risks due to use of heavy machinery, hot media, chemicals and risk of fires. More than 95% of our workforce work in our production plants and the majority of these carry out key functions related to production processes. Norske Skog is committed to provide a safe working environment for our employees, contractors, and visitors.

### WORKING CONDITIONS

Ensuring our employees' rights to a safe workplace, decent working conditions including working hours, conditions of employment and wages is key to employee wellbeing and a thriving business. Norske Skog is committed to practice openness, honesty and cooperation in dialogue with employees and

has a long history of formal agreements with elected employee representatives all levels in the organisation, on the exchange of information and consultation. The group has developed a policy on cooperation with elected employee representatives.

### EQUAL TREATMENT AND OPPORTUNITIES FOR ALL

Having a workplace where all employees feel included and motivated is important for employee welfare. Norske Skog's goal is to maintain a business-oriented, international organisation that attracts and retains highly competent and motivated employees on all levels. We strive to give people the opportunity to grow personally and professionally in a stimulating working environment.

The below disclosures set out our policies, actions, metrics and targets to address these topics. All materially affected members of our workforce are included in the scope of this disclosure.

We have identified the following material impacts affecting our workforce through our double materiality assessment:

### **INDUSTRIAL ACCIDENTS (HEALTH & SAFETY)**

Most of our workforce work in our plants where they face dangers such as exposure to heavy machinery, potential exposure to harmful chemicals, and hazardous equipment 24/7 due to shift work and continuous operations. This can lead to accidents causing injury or loss of life. This negative impact affects workers in all of Norske Skog mills and is considered systemic. Process operators, employees working in servicing and maintenance, on-site logistics and construction workers (contractors) are exposed to health and safety hazards. This actual, negative impact occurs over the short, medium and long-term.

A strong health and safety culture is directly connected to our business model and strategy and a key contribution from Norske Skog to Sustainable Development Goal 3 on “Good health and wellbeing”. Norske Skog is committed to provide a safe working environment and has a long-standing history of continuous learning through the health and safety programme at the mills called “Take care 24/7”. The programme receives high continued support across all operations and is supported by policies, procedures, training, risk analysis root cause analysis and best practice sharing between mills and in the industry.

### **WORKING CONDITIONS**

Freedom of association, collective bargaining and work councils has a strong position our industry, especially in France, Norway and Austria where most Norske Skog employees are located. Globally, more than 90% of Norske Skog’s workforce are covered by collective bargaining agreements. The existence of work councils, collective bargaining has a positive impact on worker’s ability to advocate for improved working conditions such as working time and wages.

The impact reflects Norske Skog’s values of openness, cooperation and honesty and is part of Norske Skog’s approach to an inclusive and attractive

workplace. The actual, positive impact is in own operations and occurs over the short, medium and long-term.

### **TRAINING AND SKILLS DEVELOPMENT**

Norske Skog is dependent on expertise and knowledge of its employees for value creation. By investing in apprentice programmes, cooperate with educational institutions and offer technical and soft skills training throughout the career, Norske Skog has identified an opportunity to attract and keep top talent (opportunity evolving from risk).

This opportunity evolves from a risk related to recruitment of new employees. Investment in training and skills development increases employee job satisfaction, reduces voluntary turnover rate and reduces recruitment costs. The opportunity is related to own operations and occurs over the short, medium and long-term.

### **GENDER EQUALITY – POOR GENDER DIVERSITY**

The rate of female workers in the process industry and in Norske Skog is low compared to other sectors. Shift work and unfavourable working hours have been explanations for the low female share. In 2025, the female share of the total workforce was 14% in 2025, an increase from 13% in 2024. Poor gender diversity can lead to reputational risk and negatively impact recruitment.

Norske Skog is committed to search for female talents for a wider range of roles in our company. Norske Skog recognises that further improvement is needed, and we believe that our new strategic growth Initiatives will be instrumental in terms of diversity.

The risk is considered systemic in our industry, is related to own operations and occurs over the short-, medium- and long-term.

## 2. Impact, risk and opportunity management

### POLICIES

Norske Skog's core values of openness, honesty and cooperation as well as our policies and guidelines build on the UN Universal Declaration of Human Rights and the 10 principles of UN Global Compact.

### Steering Guidelines

The Norske Skog Steering Guidelines is the overarching administrative document for the Norske Skog group and provides the fundament for our ethical, legal and sustainable conduct. It defines expectations of own employees and applies to all employees, including temporary personnel, who perform work for a company in the Norske Skog group. Norske Skog expect similar conduct and ethical standards from our customers and suppliers, as well as in partnerships, joint ventures and partially owned companies.

The Steering Guidelines addresses Norske Skog's commitment to a safe workplace, respect for labour rights and freedom of association, fair working conditions, personal and professional development and equal treatment and opportunities for all. As such the Steering Guidelines govern Norske Skog's approach to material impacts, risks and opportunities defined under S1.

In addition, the Steering Guidelines addresses the committed to respecting fundamental labour rights and constructive employee relations through strict adherence to international frameworks and conventions including the UN Guiding Principles for Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the ILO Declaration on Fundamental Principles and Rights at Work and to local legislation where we have operations. This includes the commitment to non-harassment and discrimination based on gender, religion, race, national or ethnic origin, cultural background, social group, disability, sexual orientation, marital status, age or political opinion. It also includes support for human rights and care for vulnerable groups and commitment to promote equal opportunities, diversity and inclusion by providing equal employment opportunities and treat all employees fairly and with respect.

Norske Skog's business units have a high degree of independence and accountability. Local managers are responsible and accountable for decisions and results within their units. However, Norske Skog apply a uniform basis for our operations across countries and cultures with respect to HESQ (health, environment, safety and quality), people development, financial reporting and legal compliance. In these areas, our conduct shall be based on the same principles to promote a unified Norske Skog group.

The Steering Guidelines is available on Norske Skog's webpage and its complementary documents, such as corporate standards and procedures, are available on the intranet. Steering Guidelines | Norske Skog <https://www.norskeskog.com/sustainability/governance/steering-guidelines>

The Steering Guidelines have been approved by the board of directors of Norske Skog AS and the guidelines and its supporting documents are subject to regular review and robust policy governance.

### Health & Safety

The Steering Guidelines are complemented by the following HSE documents, which are available on our intranet:

Health, safety and security:

- Norske Skog Health & Safety Standards
- Norske Skog Health & Safety Procedures

Norske Skog Health and safety standard covers all operations, throughout Norske Skog, which have the potential to adversely affect the health and safety of people, including employees, contractors, visitors and the public.

This objective of this standard is to:

- Define the minimum requirements for Health and Safety Systems at all operational levels.
- Provide a framework for measuring Health and Safety Systems.
- Promote a consistent approach to Health and Safety management.
- Support the identification and sharing of best practices across the mills.
- Enable mills to assess themselves against the Standards and continually improve their systems.
- Facilitate inter-mill reviews that offer external perspectives and recommendations for improvement.

This standard and related Norske Skog Health & Safety Procedures mandates reporting of all personal injuries with absence (H1 and H2 cases), insurance cases (damage), security breach, critical unwanted incidents including fires and near misses shall be reported within 24 hours to local and corporate management.

Root cause analysis of such incidents to continuously improve our health and safety performance is mandatory. Reporting shall always be followed by a report in Synergi Life, an operational risk management tool from DNV GL which Norske Skog has used for years. Synergi, is also a source for the transfer of experience and sharing of best practices and form the basis for our internal HSE audits.

Norske Skog has monthly Management Focus Report (MFR), which is distributed to all business units for internal distribution and includes type of injury and rates of injury, occupational disease rate, lost working days due to accidents, absenteeism, total number of work-related personal injuries and fatalities, by region and business unit.

Norske Skog Supplier Code of Conduct also requires our suppliers ensure worker safety in line with applicable International Labour Standards.

The CEO is accountable for implementation of the policy, which is subject to periodic internal audit review to ensure it remains effective. All incidents are escalated to group management level for information and guidance purposes. All our business units also have local health, safety and environmental (HSE) forums where the company and trade unions have regular meetings to address local HSE issues. At these meetings, there should be an equal number of representatives from the company and the employees, with as many different groups as possible from within the organisation represented. If the organisation has Occupational Health Services, it should also be represented on the committee. Occupational Health Services should be an advisory and independent body and represent the interests of both the employer and the employees.

Norske Skog believe that issues relating to health, safety and the environment must be fully integrated into all our activities at every level and not managed as a separate and distinct function. That is why everyone working in Norske Skog – whether an employee or contractor – is accountable for the health, environmental and safety performance.

#### **Freedom of association/cooperation with employee representatives**

The Steering Guidelines are complemented by the following people and organisational documents, which are available on Norske Skog's intranet:

- Agreement IndustriALL Global Union
- The Norwegian National Collective Agreement between The Confederation of Norwegian Enterprise and the Norwegian Labour Union

Norske Skog has signed and is committed to adhering to the Agreement IndustriALL Global Union, fully supporting the individual employee's right to join a trade union and acknowledging the unions' rights according to international conventions and national regulations. Our commitment to respecting the freedom of association is embodied in the Global Framework Agreement on the Development of Good Working Relations, concluded by Norske Skog and the IndustriALL Global Union. Additionally, Norske Skog respects and supports the human rights of all individuals potentially affected by our operations and subscribes to the United Nations Global Compact principles.

Our Norwegian business units operate under the Norwegian National Collective Agreement between The Confederation of Norwegian Enterprise and the Norwegian Labour Union. This agreement ensures fair and equitable working conditions, upholding workers' rights in alignment with national labour laws and international labour standards.

Furthermore, Norske Skog's Norwegian business units have signed the IA Agreement, which is designed to promote a more inclusive workplace by reducing sickness absence rates and increasing job attendance for all employees. The IA Agreement is a collaborative effort based on tripartite cooperation between the Norwegian government, The Confederation of Norwegian Enterprise, and the Norwegian Labour Union. Although the IA Agreement is a distinctly Norwegian framework, our non-Norwegian business units operate under similar conditions, aiming for an inclusive and supportive work environment.

The IA Agreement and Norske Skog's operational objectives include developing measurable targets to prevent sickness and absence, as well as establishing verifiable activity benchmarks to ensure a proactive and professional approach to both preventive and reactive healthcare within the company. The agreement outlines implementation measures and conflict resolution mechanisms to maintain a stable and healthy working environment. To supplement our policy framework, Norske Skog has established formal agreements with elected employee representatives to facilitate information exchange and consultation at all levels of our organisation. These representatives play a critical role in advocating for the collective interests of our workforce, identify improvements, discuss and define targets while also supporting individual employees in safeguarding their rights.

However, the most valuable collaboration remains direct, face-to-face communication and employee involvement in daily operations. This fosters

openness, visible leadership, and a corporate identity built on respect for each employee as an individual.

To ensure efficiency and evaluate the effectiveness of these policies, each Norske Skog mill has a structured and transparent process for cooperation, information sharing, and consultation, based on local legislation and agreements. A formal agreement is in place with all local unions in Norway to define the structure and process for handling information and consultation on common issues related to our business and operations.

The CEO is accountable for implementing the Agreement IndustriALL Global Union policy and ensuring compliance with the Norwegian National Collective Agreement and IA Agreement. These commitments are subject to periodic internal audit reviews to maintain their effectiveness and alignment with Norske Skog's broader corporate responsibilities.

All employees are covered by social protection, through public programmes or through benefits offered by Norske Skog, against loss of income due to any of the following major life events: sickness, unemployment, employment injury and acquired disability, parental leave, retirement,

#### **Training and development**

Norske Skog believes in developing people through their entire employment period in Norske Skog by providing training, job enrichment and career opportunities. This commitment is addressed in the Norske Skog Steering Guidelines.

Training and development at Norske Skog are focused on structured on the job training which provide rewarding achievements, excellent career development opportunities and good results for the group. A central element in our approach to training, development and recruitment is the advanced programmes for apprentices run by all mills. These programmes are the preferred source when recruiting to our business and a key contribution from Norske Skog to Sustainable Development Goal 4 on "Quality Education".

Mechanisms to monitor and report the effectiveness of this commitment include reporting on targets related to apprentice programmes and recruitment of new ordinary employees recruited from apprentice programmes. To support the policy commitment on training and development for all employees, Norske Skog has implemented processes and routines for assessing people performance and creating professional development plan for employees.

#### **Gender diversity**

The Steering Guidelines cover our commitment to equal treatment and opportunities for all including the commitment to promote gender diversity. Mechanisms for managing, monitoring and reporting the effectiveness of this include reporting of female representation in general workforce and leadership positions.

#### **Engaging with our workforce**

As described in the section about policies, dialogue and feedback mechanisms with our employees is crucial to ensure a workplace that meets the needs and demands of our workforce and creates an environment where people thrive every day. It is also vital to ensure our employee's perspectives are considered

when making decisions and developing policies, actions, metrics and targets, and therefore is undertaken both in reflection of and sometimes in advance of the development and implementation of employee-related policies.

Mills monitor the progress and the wellbeing of our employees through regular employee engagement survey. This is available to all employees. Results from the surveys are shared with local mill management and with teams for follow up. The local head of human resources is responsible for all overseeing workforce engagement – this includes monitoring the actions implemented in response to the survey and undertaking periodic evaluations to evaluate their effectiveness.

### PROCESSES TO REMEDIATE NEGATIVE IMPACTS AND CHANNELS FOR OWN WORKFORCE TO RAISE CONCERNS

Norske Skog has a reporting channel in place for all employees and non-employees to report concerns and complaints. This is aligned to the UN Guiding Principles on Business and Human Rights effectiveness criteria. Reports can be submitted by email to [compliance@norskeskog.com](mailto:compliance@norskeskog.com).

It is an important principle under the Steering Guidelines that the reporting in good faith by employees of actual or suspected breaches or other concerns within Norske Skog shall not have adverse consequences for the relevant employee's employment relationship with Norske Skog. It is equally important to avoid misuse of the reporting mechanisms, which leads to unfounded or unfair treatment or negative consequences for employees.

The Steering Guidelines are complemented by the following documents, which are available on our intranet:

- Norske Skog reporting routine
- Form for receiving a report on non-compliant circumstances

We ensure employees are aware of this channel by incorporating them into management touchpoints and throughout the onboarding process. For matters of legal or financial impropriety we also have in place whistleblowing policies and procedures.

We take all concerns raised very seriously, and every report is handled with the utmost sensitivity. Confidentiality is protected to the greatest extent possible. Upon receiving a grievance, we carry out a thorough due-diligence process to establish the facts of the case. Once the information is verified, we work to address and remedy any adverse impacts. The type and scope of remedial action will depend on the nature of the impact.

The SVP General Counsel informs the corporate management and board of directors about grievances raised on an annual basis to understand any trends over time and monitor the effectiveness of the system. We track trust in these mechanisms via dialogue with the local human rights and compliance officers in the mills and regional sales offices.

### ACTIONS

#### Health & safety

To meet the commitment to a safe and healthy workplace Norske Skog actions focus on building a strong health and safety culture. Safety culture is built over time and require continuous focus, maintenance and development to remain effective.

To supplement our policy framework, Norske Skog has a health and safety programme at the business units, called "Take Care 24 hours". The programme is adapted to different cultures and local requirements where we operate and shall always meet the requirements of our health and safety standards for international activities. Two mills, Norske Skog Saugbrugs and Norske Skog Bruck, hold management system certificates for health and Safety (ISO 45001).

There are many elements that make up good health & safety management systems, and all mills have regular reviews of plant & equipment integrity, legal compliance and safe working procedures. Equal important is to measure the more intangible elements like leadership commitment, communication or employee participation and safe working behaviour. Widespread awareness is integral to the management and prevention of safety hazards. Actions related all elements are in place in all mills and serve to reduce safety hazards. Additionally, the health & safety policy and management system is available to all staff via the intranet.

Norske Skog continue to evolve and improve its health and safety programme.

#### Below is a list of actions that was carried out in the reporting year related to health and safety targets (S 1-5);

##### Zero injuries:

- Maintenance and repair: Improved routines for maintenance- and cleaning stops due to identified high risk procedures at identified mills.
- New procedures: Draft and implement new procedures and staff training for new facilities and operations at Bruck and Golbey mill.
- Visible leadership: Increased focus on safety walks centred around process observation and behaviour, documentation and standards for H&S leadership.
- Awareness-raising campaigns: Several mills have rolled out awareness-raising campaigns related to Norske Skog health and safety programme "take care 24/7" or other similar activities.

##### Reduce sick leave:

- Medical centres: Continued operations of BU medical centres
- Well-being: initiatives initiated at mills offering local fitness services, social events

##### Knowledge sharing:

- Internal knowledge network: regular meetings with health and safety managers from European mills focused on review of risk and sharing of best- practices.
- Training: Evaluation of mill health and safety training with increased focus on new production processes and facilities at Bruck and Golbey.

These, and other local actions rolled out by the mills, help us to improve how we address health & safety impacts, risks and opportunities. Norske Skog

continues to monitor the effectiveness of management systems and evaluate necessary actions to keep all employees safe.

#### **Freedom of association/cooperation with employee representatives**

Throughout the year, business units have remained focused on measures that can support improved working conditions. Actions include:

- Adjustment of wages based on job description and responsibilities in cooperation with labour unions.
- Employee surveys mapping working environment, mental and physical stress and employee well-being.
- Dialogue with employee representatives and unions related to organisational changes, reduction in workforce and temporary employment.

In addition to attractive working conditions, several of Norske Skog mills offer employees' pension- and insurance plans, subsidised lunch and gym access.

To support Norske Skog's policy commitment and target to invest in our employees, business units have implemented planned actions in the following areas in 2025:

#### **INVEST IN OUR PEOPLE THROUGH TRAINING AND DEVELOPMENT**

Employee training and development plans varies depending on job profiles, type of machinery and individual needs. Education and training are part of the annual cycle at all mills. Local human resource management and respective divisions keep track of all planned training and update schedules according to needs. New employees are assigned to training programmes according to their job profile.

Over the last two years Norske Skog has been setting up a containerboard knowledge network group to prepare the workforce for entering the packaging paper market. Actions in this area has been maintained during 2025 and is related to the business model and strategy of the group to diversify its operations in new growth markets.

#### **ATTRACT AND KEEP TOP TALENT**

All business units cooperate with selected schools, colleges, and universities in their region. The engagement embraces annual activities such as mill visits, project work, diploma theses, trainee, and apprentices' programmes. Norske Skog takes pride in delivering advanced programmes for apprentices. These programmes are the preferred source when recruiting to our business.

All mills are increasing their efforts related to talent acquisition and development. Key actions in the reporting year include dialogue and awareness raising with managers. This includes approaches to stimulate mid-level managers to improve the completion rate for annual performance reviews and development plans. The mills are working to identify challenges and solutions to further improve the execution of annual performance reviews development plans in 2026.

#### **Gender diversity**

Norske Skog mills are responsible for implementing local measures related to inclusion and diversity, including gender diversity to support Norske Skog's policy commitment. All mills work systematically with locally defined annual action plans and roll out appropriate measures.

The two Norwegian mills have established Inclusion and Diversity Committees that hold the main responsibility for this work. At Norske Skog Golbey, the Social and Economic Committee (Labour Committee) serves similar functions but not pure Inclusion and Diversity. However, these committees typically consist of the chief union representative, the chief safety delegate, representatives from management, and HR (i.e., a joint committee). The committee has regular meetings and works to investigate and evaluate risks of discrimination, plan and implement measures. The committees are responsible for rolling out annual initiatives aimed at strengthening diversity, preventing discrimination, and creating an inclusive culture in the workplace.

An important part of the work to ensure equality and improve gender diversity in the workplace takes place during recruitment processes (internal and external).

#### **In 2025, actions implemented in the mills have been focused on:**

- Actively collaborating with educational institutions so that we become visible to students early in their education. Especially the opportunities available in vocational education, with a particular focus on recruiting female employees.
- Motivating female employees to take on leadership positions, especially process operators
- Ensuring that unconscious bias regarding gender, ethnicity, orientation, age, and disability do not appear in the recruitment process.
- Objective tests and selection criteria are applied used in the recruitment to ensure that all candidates are evaluated on equal measures.

Norske Skog mills are actively working to increase the proportion of female employees, and some mills have defined targets to increase the proportion of women in their workforce and leadership positions.

### 3. Performance, metrics and targets

**TARGETS**

Norske Skog currently have no targets in line with the ESRS. However, until such targets have been developed, we work in accordance with the following ambitions and milestones.

**Health & safety targets**

Norske Skog has set the following targets to meet the commitment to a safe and healthy workplace and to support Sustainable Development Goal 3 related to “Good health and wellbeing”. The targets were set in 2020, and the scope include all employees and contractors.

Focus area	Ambition/area	Target	Planned actions
Health & safety	Increase job attendance for all employees	Reduce absenteeism	<ul style="list-style-type: none"> <li>• Provide medical assistance for injuries</li> <li>• Provide health and wellbeing programmes for employees</li> </ul>
	Health & safety	Reach zero personal injuries (H1 and H2)	<ul style="list-style-type: none"> <li>• Develop leadership training programme</li> <li>• Perform regular self-assessments to identify areas of improvement</li> </ul>
	Inspire others to learn from our occupational health and safety standards	Share knowledge through relevant professional forums and industry organisations	<ul style="list-style-type: none"> <li>• Participate in and share knowledge with membership association like Federation of Norwegian Industries and CEPI (Confederation of European Paper Industry)</li> <li>• Review and develop internal e-Learning HESQ-material for local training</li> <li>• Focus on Contractor Management contracts</li> </ul>

**Working conditions targets - Freedom of association/cooperation with employee representatives**

Norske Skog’s target related to working conditions are covered by our targets related to health and safety and training and development.

**Training & development targets**

The Norske Skog group aims to be an attractive employer in our communities where we operate. In 2020 we defined the following targets to support our ambitions to attract and keep top talent.

Focus area	Ambition/area	Target	Planned actions
Learning and development	Attract and keep top talent	Achieve at least 75% of new hired skilled workers to be recruited from apprentices programmes by 2025	Implement advanced apprentice programmes and extended training programmes at all mills.
		Offer ten trainee positions or internships for master degree students annually	Cooperate with local schools and selected universities about relevant programmes
	Invest in our people through training and development	Provide training modules for technical core skills, soft skills and compliance skills	Offer training and supplementary education for all through their entire job career
		Achieve a 100% completion rate for annual performance reviews and development plans.	Stimulate mid-level managers to carry out performance reviews and annual plans for training and development

**Gender diversity**

Norske Skog operates in a male-dominated industry. Improving the share of female employees is a focus area in recruitment of new employees. The Norske Skog group has not set formal targets at group level in this area.

## ACCOUNTING POLICIES

### **Characteristics of own employees**

Annual metrics reported in this chapter represent status per end of December for each year. Employee data on headcount is reported monthly in Adaptive, Norske Skog's finance reporting tool. Reporting on own workforce include full-time employees, temporary employees, non-guaranteed hours employees, apprentices and internal resources.

External contractors are considered non-employees in Norske Skog's workforce and include people not on Norske Skog payroll running their own business or being employed by a contractor, agency or supplier company working on a regular basis within the unit. Full-time employees mean employees on ordinary/permanent employment contract with Norske Skog. This includes employees on leave, holiday, and sick absence but still on payroll. Employees on non-paid leave are included if they have a formal employment with Norske Skog.

Temporary employees are employees on a temporary contract with Norske Skog covering vacancies, holidays, projects, temporary workloads or other special reasons. Temporary employees include apprentices.

Apprentices are normally younger people who are recruited on a temporary employment contract with the main objective to develop their professional skills and competence. Normal working tasks and responsibilities, "on the job training", might be a part of their development activities. This includes trainees, apprentices or graduates on special graduate programmes. Apprentices can be fully or partly financed by external or public sources.

Top management is defined as employees in the following levels of the organisation; corporate management team, mill management team and Hub MD and inside sales managers. Other management is defined as management level below top management that include personnel responsibility.

Breakdown of employee data by gender and employment type is reported by headcount for 2024 and 2025. Data for 2023 is reported by FTE. Employment type by gender and age group for 2023 has been estimated based overall gender split. The calculation of FTE is an employee's scheduled hours divided by Norske Skog's hours for a full-time workweek.

### **Health and safety**

Reporting of incidents, root cause analysis and related data is reported in Synergi Life, an operational risk management tool from DNV GL.

Rate of recordable work-related accidents (TRI): This includes total number of fatalities, lost time injuries, substitute work, and other injuries requiring treatment by a medical professional per million hours worked (H1 in Norway).

Lost days due to work-related injuries, ill-health, accidents and fatalities (LTD): This includes lost time injuries per million working hours (H2 in Norway).

### **Social dialogue and collective bargaining**

Data is reported to corporate head quarter as part of the ESRS reporting on an annual basis in Adaptive, Norske Skog's finance reporting tool. Data reporting started in Adaptive for 2024. Data for 2023 was collected from entities in excel based reporting tools.

Employees covered by collective bargaining agreements are those individuals to whom Norske Skog is obliged to apply the agreement. Data for 2024 and 2025 have been reported by headcount in adaptive, data for 2023 is covering permanent employees only.

Workers' representatives mean trade union representatives, namely representatives designated or elected by trade unions or by members of such unions. Data has been reported in adaptive for 2024 and 2025 and estimated for 2023.

### **Training and development**

Data is reported to corporate head quarter as part of the ESRS reporting on an annual basis in Adaptive, Norske Skog's finance reporting tool. Data reporting started in Adaptive for 2024. Data for 2023 estimated based on 2024.

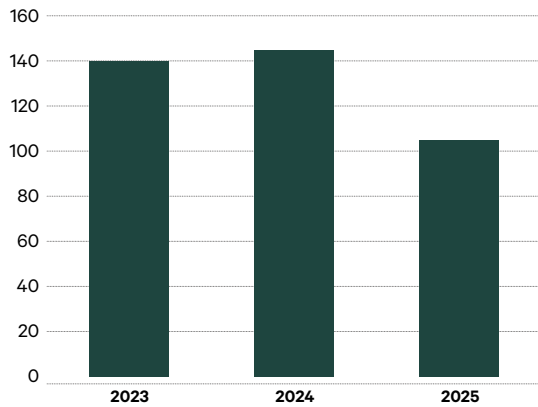
Training hours have been estimated on hours allocated to annual training programmes and performance reviews. There is no consolidated summary tool for counting the group's actual hours.

Training hours include initiatives put in place by Norske Skog aimed at the maintenance and/or improvement of skills and knowledge of own employees. It can include different methodologies, such as on-site and on-the-job training, and online training. Training can be conducted by internal or external staff. Apprentice training (external and on the job) is not included. shall not be counted in this category.

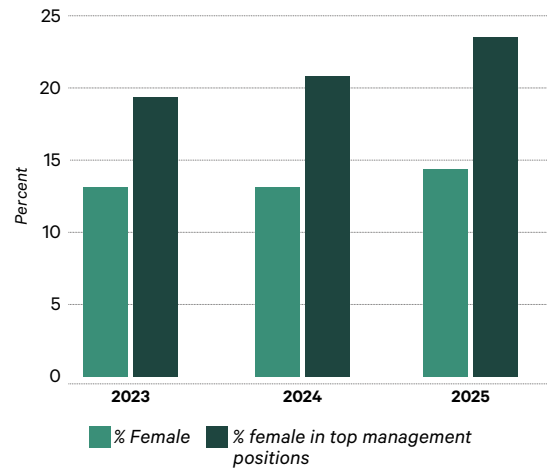
### **Discontinued operations**

Boyer is included in all metrics and data for historical data including 2024. For 2025 Boyer has been excluded from all data and metrics.

**APPRENTICES**  
Headcount



**SHARE OF FEMALE EMPLOYEES**  
In organization and management positions (%)



**S1-6 Turnover rate**

	Unit	2023	2024	2025
Employee turnover rate	%	11	11	9
Number of employees who left	Number	223	224	151

**S1-6 Number of employees - by gender and employment type\*\*\***

	Unit	2023			2024			2025		
		FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE	TOTAL
<b>Number of employees</b>	<b>Number</b>	<b>283</b>	<b>1 878</b>	<b>2 161</b>	<b>275</b>	<b>1 827</b>	<b>2 101</b>	<b>241</b>	<b>1 434</b>	<b>1 674</b>
Number of permanent employees	Number	255	1 691	1 946	247	1 653	1 900	218	1 315	1 533
Number of temporary employees***	Number	26	177	203	25	160	185	20	103	123
Number of non-guaranteed hours employees	Number	2	10	12	3	14	17	3	15	18

\* Data for 2024 and 2025 reported by headcount, data for 2023 reported by FTE.  
 \*\* Employment type by gender 2023 estimated based overall gender split.  
 \*\*\* Apprentices are included in number of temporary employees.

**S1-6 Number of employees - by country\***

	Unit	Number of employees (headcount)		
		2023	2024	2025
Norway	Number	893	839	789
France	Number	426	415	400
Austria	Number	510	513	462
Australia	Number	307	312	0
Germany	Number	15	12	13
UK	Number	10	10	10
<b>Total</b>		<b>2 161</b>	<b>2 101</b>	<b>1 674</b>

\* Data for 2024 and 2025 reported by headcount, 2023 by FTE

**S1-8 Collective bargaining and social dialogue**

	Unit	2023	2024	2025
Employees covered by collective bargaining agreements*	%	90	86	95
Employees covered by workers representatives**	%	81	81	95

\* Data for 2024 and 2025 reported by headcount, 2023 by FTE  
 \*\* Data estimated for 2023

## S1-8 Collective bargaining and social dialogue

## Collective bargaining coverage

## Social dialogue

Coverage rate	Employees – EEA	Employees – Non-EEA	Workplace representation
80-100%	Norway France Austria		Norway France Austria

## S1-9 Diversity

## Unit

## 2023

## 2024

## 2025

## Gender diversity

Women in top management	FTE	10	11	10
Women in top management	%	19	21	24
Women in other management positions	%	14	17	17
<b>Distribution of employees by age group*</b>				
Under 30 years old	%	15%	15%	18%
Between 30-50 years old	%	37%	37%	39%
Over 50 years old	%	48%	48%	44%

\* Distribution of employees by age group estimated for 2023

## S1-13 Training and skills development

## 2023

## 2024

## 2025

<b>% Participation in performance reviews</b>		<b>40%</b>	<b>56%</b>	<b>67%</b>
Of which% were men*		69%	69%	83%
Of which% were women*		31%	31%	17%
<b>Total performance reviews</b>		<b>862</b>	<b>1 181</b>	<b>1 116</b>
Performance reviews per employee		1	1	1
<b>Total number of training hours*</b>		<b>47 868</b>	<b>46 540</b>	<b>30 008</b>
Men		43 339	42 143	25 763
Women		4 529	4 397	4 245
<b>Average number of training hours*</b>		<b>20</b>	<b>20</b>	<b>18</b>
Men		23	23	18
Women		16	16	18

\* Data for 2023 estimated based on 2024

## S1-14 Health and Safety metrics

## 2023

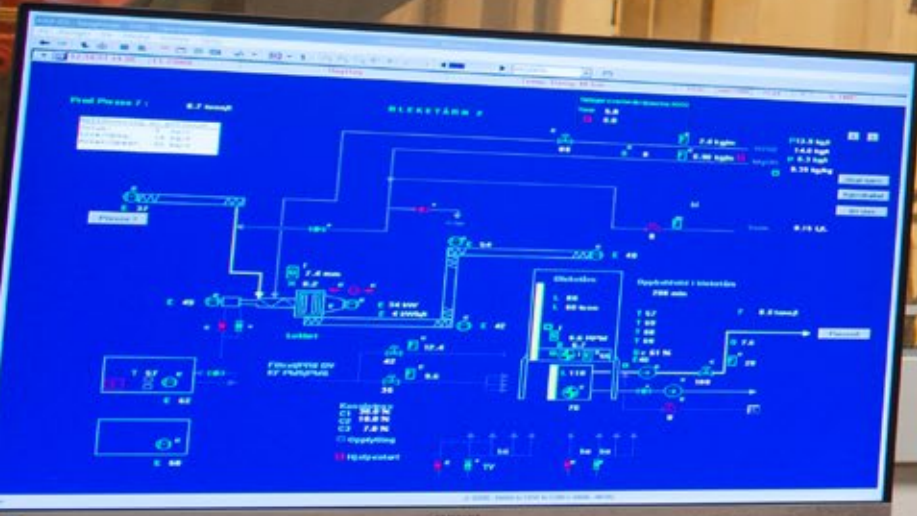
## 2024

## 2025

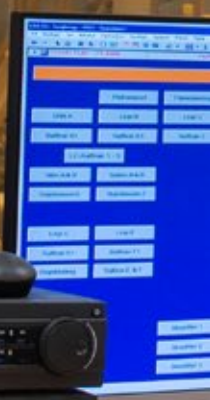
% workforce covered by H&S management system (based on headcount)		100%	100%	100%
<b>Number of fatalities</b>		<b>0</b>	<b>0</b>	<b>0</b>
Employees		0	0	0
Value chain workers working on own sites		0	0	0
Number of recordable work-related accidents		23	36	36
Rate of recordable work-related accidents (H1+H2)**		5.7	9.9	12.3

\* Total number of fatalities, lost time injuries, substitute work, and other injuries requiring treatment by a medical professional per million hours worked.

\*\* No serious accidents or fatalities at Boyer mill in Q1 2025.



Technical document or data table, possibly a process log or equipment specifications, displayed vertically on a stand.





# 3

## CORPORATE GOVERNANCE



# Business conduct (ESRS G1)

## 1. Material impacts, risks and opportunities

The materiality assessment identified the following impacts relating to business conduct to be material to Norske Skog:

### ESRS G1 Business conduct

Material Impacts risks and opportunities

Impacts, Risks and Opportunities (IRO)	Type	Location in value chain			Time horizon		
		Upstream	Own operations	Downstream	Short term	Medium term	Long term
<b>Corporate culture</b>							
<b>Unethical business practice</b>	Risk		x		x		
Norske Skog is a global company, and engaging with international business partners inherently carries the risk of unethical practices. Within our own operations, the sales and procurement organisations face an elevated risk when securing contracts, which could result in fines and reputational damage, potentially undermining trust and relationships with customers, suppliers, and employees. Similarly, failure to protect whistleblowers or their anonymity can harm reputation, erode trust, and affect employee wellbeing, underscoring the need for strong ethical and compliance practices.							

### BUSINESS CONDUCT

We are committed to conducting our business with integrity and ensuring compliance with all applicable laws and regulations. We seek to embed a strong compliance culture through regular training and awareness raising.

At Norske Skog, our material risks related to business conduct reveal both negative and positive dimensions, tied to our business model, operations, and value chain. Risk like unethical business practices, are concentrated within our own operations particularly in sales and procurement where securing contracts globally heightens exposure to risks like anti-competitive behaviour, especially in regions with weaker regulatory frameworks. Upstream, our supply chain faces risks from supplier non-compliance with ethical standards, while downstream, customer trust could erode if our publication paper operations are linked to unethical conduct.

Measures to mitigate the risks are handled in our robust Steering Guidelines, fostering a culture of openness, honesty, and cooperation across all business units, enhancing our reputation as a “best in class” partner. These risks influence our strategy by reinforcing zero-tolerance policies and due diligence processes, with ongoing adjustments to training and auditing to mitigate risks. Over the short term (1-3 years), reputational damage or fines could disrupt operations, while long-term (5-10 years) resilience hinges on sustained ethical performance. Our involvement arises directly from our global activities and business relationships, necessitating vigilant oversight of suppliers and joint ventures. To assess resilience, we qualitatively evaluate compliance adherence and quantitatively monitor incident reports, ensuring our strategy adapts to emerging risks over these time horizons.

The effects of these risks are profound: unethical practices could harm employee wellbeing, local communities, and environmental standards particularly in resource-intensive regions while our ethical commitments uplift stakeholder trust and support human rights, aligning with our business model’s emphasis on sustainability and independence of local units. Material risks may often originate from external pressures in high-risk markets. We

respond by embedding ethical principles into decision-making, with plans to further integrate the Code of Conduct into supplier contracts. No significant shifts in risks occurred compared to the last reporting period, reflecting stable governance amid growing international exposure.

Material business-conduct risks at Norske Skog centre on unethical practices and whistleblower protection failures, while risk mitigating measures lie in leveraging our ethical framework to strengthen market position. Risks are concentrated in our own operations sales and procurement teams navigating international deals and upstream, where suppliers in diverse geographical areas (e.g., Asia or emerging markets) may flout anti-competitive norms. Downstream, risks emerge if distributors or customers perceive inconsistent ethical standards. These risks currently strain financial performance via potential fines (estimated at 1-5% of annual revenue in severe cases) and reputational costs. We respond by enforcing the Steering Guidelines. Resilience is qualitatively assessed via stakeholder feedback and quantitatively via compliance incident trends, projecting stability over short-term (1-2 years), medium-term (3-5 years), and long-term (10+ years) horizons. Compared to the prior period, risks remain steady, though opportunities may grow with increased supplier engagement.

Financially, risks could reduce cash flows by 2-3% (estimated figure) annually in the short term if severe incidents occur, with medium-term recovery dependent on mitigation investments. Current financial effects are minimal, with no significant adjustments to assets or liabilities anticipated within the next year. Our strategy’s resilience withstands risks through geographically diversified operations and robust reporting, with qualitative evaluation of legal exposure and quantitative forecasts of penalty impacts ensuring preparedness. Anticipated effects remain manageable, with no transformative divestments or acquisitions planned.

**PROMOTING A CULTURE OF INTEGRITY**

Norske Skog's policies addressing material business conduct impacts, risks, and opportunities are rooted in our Steering Guidelines and Code of Conduct, overarching frameworks approved by the board of directors. These guidelines tackle unethical practices and whistleblower protection by mandating ethical, legal, and sustainable conduct across all operations, with a zero-tolerance stance on non-compliance. Key contents include anti-corruption measures, compliance with laws, and robust reporting mechanisms, directly addressing risks like reputational damage and fines from unethical behaviour in sales and procurement, as well as trust erosion from whistleblower neglect.

The policy applies universally to all employees, temporary staff, and, where feasible, partly owned companies, with no exclusions, covering the entire value chain. Implementation is overseen by the CEO, cascading through line management, and aligns with the UN Convention against Corruption through its bribery prohibition. Stakeholders' interests, particularly employees and business partners, are considered to foster trust, and the guidelines are accessible via the intranet, supported by training and auditing to monitor efficacy.

Our corporate culture of openness, honesty, and cooperation is established and promoted through the Steering Guidelines, which every employee must follow, reinforced by leadership's commitment to model impeccable behaviour. We develop this culture via a people-oriented strategy, encouraging professional growth and inclusivity, and evaluate it through regular training, audits, and compliance reporting, ensuring alignment with our "best in class" goal. Concerns about unlawful or unethical conduct are identified and reported via multiple channels superiors, HR, HSE reps, or a confidential

email ([compliance@norskeskog.com](mailto:compliance@norskeskog.com)) accessible to internal and external stakeholders. Investigations are prompt, independent, and objective, extending beyond whistleblower reports, with the corporate legal department ensuring rigor. External investigators will be used when appropriate and especially in situations where members of the board or corporate management are reported to the whistleblower function. Typical external investigator could be a lawyer, auditor or other expert independent of Norske Skog and the persons involved.

Sales and procurement functions are most at risk for anti-competitive behaviour due to global contract dealings, targeted by mandatory training. This training, offered annually to all employees, covers ethical conduct in depth, with records tracking participation and effectiveness.

Whistleblower protection is embedded in the Steering Guidelines, offering confidential reporting channels and explicit non-retaliation guarantees per Directive (EU) 2019/1937. We provide training to workers on reporting processes and to staff handling reports, ensuring awareness and competence. The guidelines' efficacy is monitored via the Continuous Compliance Programme, with local management agendas and incident reports tracking progress. In especially serious cases, the compliance officer will consult with the board of directors to determine if any regulatory and/or authority will be reported to. Empirical evidence proves that most of the whistleblower cases being reported are human resource issues and handled accordingly. This comprehensive approach, rooted in our core values, ensures accountability, protects stakeholders, and upholds our ethical standards across all business conduct matters.

## 2. Metrics and targets

Norske Skog currently have no targets in line with the ESRS. However, until such targets have been developed, we work in accordance with the following ambitions and milestones.

No incidents related to fraud, corruption, bribery, breach of anti-trust, competition laws and whistleblowing cases were reported in 2025 (2024: No incidents)..

Norske Skog did not receive any convictions or fines for violations of anti-corruption or anti-bribery law in the year, nor has it been subject to any legal action relating to corruption and bribery.

All employees have undergone annual training sessions both for new employees and repetitive training for existing employees.



Norske Skog Bruck  
Photo: Thomas Moser



# 4

## APPENDIX

**CONTENT INDEX OF ESRS DISCLOSURE REQUIREMENTS**

List of material DRs	Reference - section in report
<b>ESRS 2 - General disclosures</b>	
BP-1 General basis for preparation of the sustainability statement	General disclosures - Basis for preparation
BP-2 Disclosures in relation to specific circumstances	General disclosures - Basis for preparation
GOV-1 The role of the administrative, management and supervisory bodies	General disclosures - Governance
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	General disclosures - Governance
GOV-3 Integration of sustainability-related performance in incentive schemes	General disclosures - Governance
GOV-4 Statement on due diligence	General disclosures - Governance
GOV-5 Risk management and internal controls over sustainability reporting	General disclosures - Governance
SBM-1 Strategy, business model and value chain	General disclosures - Strategy, stakeholders, material impacts, risks and opportunities
SBM-2 Interests and views of stakeholders	General disclosures - Strategy, stakeholders, material impacts, risks and opportunities
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	General disclosures - Strategy, stakeholders, material impacts, risks and opportunities
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures - Impacts, risks and opportunity management
IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	General disclosures - Impacts, risks and opportunity management
<b>E1 - Climate change</b>	
ESRS 2 GOV-3-E1 Integration of sustainability-related performance in incentive schemes	General disclosures - Governance
E1-1 Transition plan for climate change mitigation	Climate change (ESRS E1) - Strategy
ESRS 2 SBM-3-E1 Material impacts, risks and opportunities and their interaction with strategy and business model	Climate change (ESRS E1) - Impacts, risks and opportunities
ESRS 2 IRO-1-E1 Description of the processes to identify and assess material climate-related impacts, risks and -opportunities	General disclosures - Impacts, risks and opportunity management
E1-2 Policies related to climate change mitigation and adaptation	Climate change (ESRS E1) - Impacts, risks and opportunity management
E1-3 Actions and resources in relation to climate change policies	Climate change (ESRS E1) - Impacts, risks and opportunity management
E1-4 Targets related to climate change mitigation and adaptation	Climate change (ESRS E1) - Metrics and targets
E1-5 Energy consumption and mix	Climate change (ESRS E1) - Metrics and targets
E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Climate change (ESRS E1) - Metrics and targets
<b>E2 - Pollution</b>	
ESRS 2 IRO-1-E2 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	General disclosures - Impacts, risks and opportunity management
E2-1 Policies related to pollution	General disclosures - Impacts, risks and opportunity management
E2-2 Actions and resources related to pollution	Pollution (ESRS E2) - Impacts, risks and opportunity management
E2-3 Targets related to pollution	Pollution (ESRS E2) - Impacts, risks and opportunity management
E2-4 Pollution of air, water and soil	Pollution (ESRS E2) - Metrics and targets
<b>E3 - Water and marine resources</b>	
ESRS 2 IRO-1-E3 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	General disclosures - Impacts, risks and opportunity management
E3-1 Policies related to water and marine resources	Water and marine resources (ESRS E3) - Impacts, risks and opportunity management
E3-2 Actions and resources related to water and marine resources	Water and marine resources (ESRS E3) - Impacts, risks and opportunity management
E3-3 Targets related to water and marine resources	Water and marine resources (ESRS E3) - Metrics and targets
E3-4 Water consumption	Water and marine resources (ESRS E3) - Metrics and targets
<b>E4 - Biodiversity and ecosystems</b>	
E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Biodiversity and ecosystems (ESRS E4) - Strategy
ESRS 2 SBM-3-E4 Material impacts, risks and opportunities and their interaction with strategy and business model	Biodiversity and ecosystems (ESRS E4) - Strategy
ESRS 2 IRO-1-E4 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks dependencies and opportunities	General disclosures - Impacts, risks and opportunity management
E4-2 Policies related to biodiversity and ecosystems	Biodiversity and ecosystems (ESRS E4) - Impacts, risks and opportunity management
E4-3 Actions and resources related to biodiversity and ecosystems	Biodiversity and ecosystems (ESRS E4) - Impacts, risks and opportunity management
E4-4 Targets related to biodiversity and ecosystems	Biodiversity and ecosystems (ESRS E4) - Metrics and targets
E4-5 Impact metrics related to biodiversity and ecosystems change	Biodiversity and ecosystems (ESRS E4) - Metrics and targets

List of material DRs	Reference - section in report
<b>E5 - Resource use and circular economy</b>	
ESRS 2 IRO-1-E5 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	General disclosures - Impacts, risks and opportunity management
E5-1 Policies related to resource use and circular economy opportunity management	Resource use and circular economy (ESRS E5) - Impacts, risks and opportunity management
E5-2 Actions and resources related to resource use and circular economy opportunity management	Resource use and circular economy (ESRS E5) - Impacts, risks and opportunity management
E5-3 Targets related to resource use and circular economy	Resource use and circular economy (ESRS E5) - Metrics and targets
E5-4 Resource inflows	Resource use and circular economy (ESRS E5) - Metrics and targets
E5-5 Resource outflows	Resource use and circular economy (ESRS E5) - Metrics and targets
<b>S1 - Own workforce</b>	
ESRS 2 SBM-2-S1 - Interests and views of stakeholders	Own workforce (ESRS S1) - Strategy
ESRS 2 SBM-3-S1 - Material impacts, risks and opportunities and their interaction with strategy and business model	Own workforce (ESRS S1) - Strategy
S1-1 Policies related to own workforce	Own workforce (ESRS S1) - Impacts, risks and opportunity management
S1-2 Processes for engaging with own workforce and workers' representatives about impacts	Own workforce (ESRS S1) - Impacts, risks and opportunity management
S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	Own workforce (ESRS S1) - Impacts, risks and opportunity management
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	Own workforce (ESRS S1) - Impacts, risks and opportunity management
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce (ESRS S1) - Metrics and targets
S1-6 Characteristics of the undertaking's employees	Own workforce (ESRS S1) - Metrics and targets
S1-8 Collective bargaining coverage and social dialogue	Own workforce (ESRS S1) - Metrics and targets
S1-9 Diversity metrics	Own workforce (ESRS S1) - Metrics and targets
S1-13 Training and skills development metrics	Own workforce (ESRS S1) - Metrics and targets
S1-14 Health and safety metrics	Own workforce (ESRS S1) - Metrics and targets
<b>G1 - Business conduct</b>	
ESRS 2 SBM-3-G1 Material impacts, risks and opportunities and their interaction with strategy and business model	Business conduct (ESRS G1) - Impacts, risks and opportunity -management
ESRS 2 GOV-1-G1 The role of the administrative, management and supervisory bodies	General disclosures - Governance
ESRS 2 IRO-1-G1 Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures - Impacts, risks and opportunity management
G1-1 Business conduct policies and corporate culture	Business conduct (ESRS G1) - Impacts, risks and opportunity -management
G1-3 Prevention and detection of corruption and bribery	Business conduct (ESRS G1) - Metrics and targets
G1-4 Incidents of corruption or bribery	Business conduct (ESRS G1) - Metrics and targets

## LIST OF DATAPPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material/not material	Paragraph reference annual report
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	Governance - Competence and expertise in governing bodies
ESRS GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	Governance - Competence and expertise in governing bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	Governance - Competence and expertise in governing bodies
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	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 material	N/A
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	N/A
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	N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	Climate change (ESRS E1) - Strategy - Transition plan
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 material	N/A
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	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		Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	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)		Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	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 8(1)		Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	N/A
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		Material	N/A - Phasing in requirement

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material/not material	Paragraph reference annual report
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	N/A - Phasing in requirement
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	Governance - Competence and expertise in governing bodies
ESRS GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	Governance - Competence and expertise in governing bodies
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	Governance - Competence and expertise in governing bodies
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	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 material	N/A
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	N/A
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	N/A
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	N/A
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	Climate change (ESRS E1) - Strategy - Transition plan
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 material	N/A
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1	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		Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6 Table #1 of Annex 1				Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	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)		Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3 Table #1 of Annex 1	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 8(1)		Material	Climate change (ESRS E1) - Metrics and targets
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	N/A
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		Material	N/A - Phasing in requirement

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material/not material	Paragraph reference annual report
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Material	N/A - Phasing in requirement
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			Material	N/A - Phasing in requirement
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Material	N/A - Phasing in requirement
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 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Material	Pollution (ESRS E2) - Metrics and targets
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1				Material	Water and marine resources (ESRS E3) - Metrics and targets
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	N/A
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	N/A
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Material	Water and marine resources (ESRS E3) - Metrics and targets
ESRS E3-4 Total water consumption in m <sup>3</sup> per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Material	Water and marine resources (ESRS E3) - Metrics and targets
ESRS 2- SBM-3 - E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Material	Biodiversity and ecosystems (ESRS E4) - Strategy
ESRS 2- SBM-3 - E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Material	Biodiversity and ecosystems (ESRS E4) - Strategy
ESRS 2- SBM-3 - E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Material	Biodiversity and ecosystems (ESRS E4) - Strategy
ESRS E4-2 Sustainable land/ agriculture practices or policies paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Material	N/A - Voluntary disclosure
ESRS E4-2 Sustainable oceans /seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Material	N/A - Voluntary disclosure
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Material	N/A - Voluntary disclosure
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Material	Resource use and circular economy (ESRS E5) - Metrics and targets
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1				Material	Resource use and circular economy (ESRS E5) - Metrics and targets
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	N/A
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	N/A
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Not material	N/A
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	Own workforce (ESRS S1) - Policies
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I				Not material	N/A

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark regulation reference	EU climate law reference	Material/not material	Paragraph reference annual report
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I				Material	Own workforce (ESRS S1) - Policies
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	Own workforce (ESRS S1) - Policies
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		Material	Own workforce (ESRS S1) - Metrics and targets
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Material	Own workforce (ESRS S1) - Metrics and targets
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 material	N/A
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Not material	N/A
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Not material	N/A
ESRS S1-17 Nonrespect of UN-GPs on Business and Human Rights and OECD Guidelines paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Not material	N/A
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material	N/A
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Not material	N/A
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Not material	N/A
ESRS S2-1 Nonrespect of UN-GPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	N/A
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labour Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not material	N/A
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 1				Not material	N/A
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	N/A
ESRS S3-1 non-respect of UN-GPs on Business and Human Rights, ILO principles or OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	N/A
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	N/A
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	N/A
ESRS S4-1 Non-respect of UN-GPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	N/A
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material	N/A
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15 Table #3 of Annex 1				Material	Business conduct (ESRS G1) - Promoting a Culture of integrity
ESRS G1-1 Protection of whistle-blowers paragraph 10 (d)	Indicator number 6 Table #3 of Annex 1				Material	Business conduct (ESRS G1) - Promoting a Culture of integrity
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Material	Business conduct (ESRS G1) - Metrics and targets
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Indicator number 16 Table #3 of Annex 1				Material	Business conduct (ESRS G1) - Promoting a Culture of integrity

# The UN Sustainable Development Goals are an integral part of our strategy

The UN Sustainable Development Goals (SDGs), adopted by world leaders in September 2015, are a call for action for all countries and businesses to promote prosperity while protecting the planet. Norske Skog supports all 17 SDGs but realise that some are more relevant to our business than others. We believe that we can make the greatest difference and contribute positively through the prioritised SDGs highlighted in the illustration. In 2023 Norske Skog added one more prioritised SDG, which is number 6 regarding clean water and sanitation, in addition to the already five prioritised SDGs in 2022. Higher public awareness concerning clean water and despite effective wastewater treatment plants, Norske Skog will face severe public attention in occurrences of unwanted discharges or breach of wastewater emission permits. We have summarised what the prioritised SDGs mean to us in one sentence:

**Norske Skog shall create value for people and society in a responsible way, while promoting a sustainable environment and principles of circular economy.**

The 17 Sustainable Development Goals (SDGs) are important for Norske Skog's business operations for several key reasons:

- **Alignment with global priorities:** The SDGs represent a universal call to action to end poverty, protect the planet, and ensure prosperity for all. By aligning with the SDGs, Norske Skog demonstrates commitment to addressing pressing global challenges and contributing to sustainable development.
- **Risk management:** The SDGs highlight critical sustainability issues, including climate change, social inequality, and environmental degradation. By integrating the SDGs into our operations, our business units can identify and mitigate risks associated with these challenges, safeguarding their long-term viability and resilience.
- **Enhanced reputation and brand value:** Embracing the SDGs may enhance our reputation and brand value by demonstrating our commitment to social and environmental responsibility. Contributing actively to achieving the SDGs may attract socially conscious consumers, investors, and partners, gaining a competitive advantage in the marketplace.
- **Innovation and market opportunities:** The SDGs present significant opportunities for innovation and market growth. Our ability to develop sustainable products, services, and business models aligned with the SDGs may drive customer loyalty and capture new revenue streams.
- **Regulatory compliance and license to operate:** Governments, regulatory bodies, and international organisations increasingly incorporate the SDGs into policy frameworks and reporting requirements. By integrating the SDGs into our operations, we ensure compliance with relevant regulations, maintain their social license to operate, and avoid reputational and legal risks.
- **Access to capital and investment:** Investors are increasingly considering environmental, social, and governance (ESG) factors when making investment decisions. Aligning with the SDGs may attract sustainable investment capital, access financing at favourable terms, and enhance their appeal to socially responsible investors.

- **Supply chain resilience:** Integrating the SDGs into supply chain management practices enhance resilience, traceability, and transparency throughout the value chain. Our business units may work with suppliers to promote ethical sourcing, reduce environmental impact, and ensure social responsibility, mitigating risks associated with supply chain disruptions and reputational damage.
- **Employee engagement and talent attraction:** We believe that embracing the SDGs will foster employee engagement, satisfaction, and retention by providing meaningful opportunities for employees to contribute to positive social and environmental impact. Business units that prioritise sustainability and social responsibility may also attract top talent aligned with our values and mission.

The SDGs provide a comprehensive framework for our operations to address sustainability challenges, manage risks, seize opportunities, and create long-term value for stakeholders, society, and the planet. By integrating the SDGs into our business strategy, we believe it will positively impact our operations, foster innovation, and contribute to a more sustainable and prosperous future for all.

Norske Skog business units have during the last 50 years been seeking best environmental practice, and the reported figures show great progress in the same period. The group has achieved significant results in collaboration with stakeholders, national authorities, and employee initiatives. Norske Skog has been nationally recognised for its labour practices and excellent work environment.

Our operations must be based on sustainable sourcing by using certified wood and chips documented through the Chain of Custody certifications and use of recycled paper. Improved margins and reduced environmental impacts from the value chain and the mills are achieved through effective resource and energy management. We monitor activities to achieve sustainable products and processes throughout the entire value chain.

In addition, Norske Skog continuously strives to maintain our status as the most attractive industry partner for suppliers and customers. The corporate strategy consists of three elements and gives us a well-defined foundation for our work related to the prioritised SDGs:

- Improve and optimise publication paper cash flows
- Become a leading and independent European producer of renewable packaging paper
- Integrate vertically within the entire value chain

To make the SDG targets relevant for the board, management and the rest of the group, the intention was to align and integrate the 5 prioritised sustainable development goals to the resolved strategic goals already effectuated by the board of directors.

The following six sustainable development goals that were selected to be most relevant to the existing strategy:

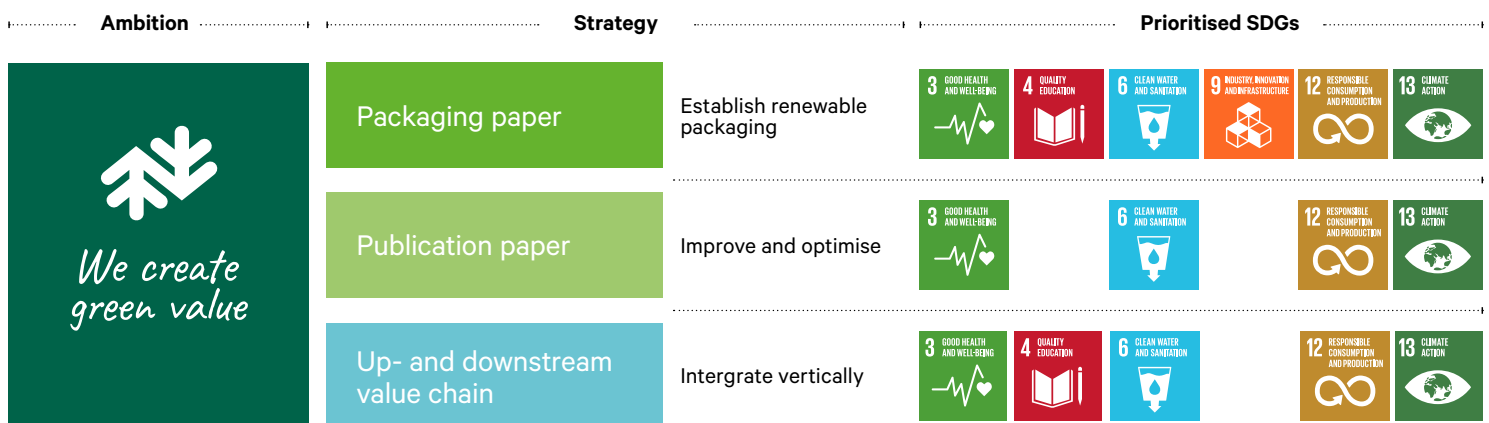


- SDG 3:** Good health and wellbeing (no change)
- SDG 4:** Quality education (no change)
- SDG 6:** Clean water and sanitation (no change)
- SDG 9:** Industry, innovation and infrastructure (no change)
- SDG 12:** Responsible consumption and production (no change)
- SDG 13:** Climate action (no change)

**THE REASON AND ANALYSIS BEHIND THE SELECTION ARE:**

SDG	Justification to prioritise the SDG	
<b>SDG 3</b>	Good health and wellbeing	Good health and wellbeing is not only a moral imperative but also a strategic decision that can benefit Norske Skog, its stakeholders, and society as a whole. By investing in health and wellbeing initiatives, the company can create positive impacts that extend beyond its operations and contribute to a healthier, more sustainable future.
<b>SDG 4</b>	Quality education	Investing in quality education enables Norske Skog to develop a skilled and knowledgeable workforce. By providing employees with access to education and training programmes, the company can enhance productivity, innovation, and overall performance. By supporting educational initiatives, such as scholarships, vocational training, or school infrastructure improvements, the company can help improve access to quality education for children, youth, and adults in these communities. Quality education plays a critical role in succession planning and ensuring the long-term viability of Norske Skog's business. By investing in employee training and development, the company can cultivate a pipeline of talent and leadership capabilities to support future growth and continuity.
<b>SDG 6</b>	Water and clean sanitation	Improve water quality by reducing pollution, minimising hazardous chemical release, and adopting sustainable water management practices, is crucial for Norske Skog to promote environmental stewardship, comply with regulations, protect public health, ensure sustainable operations, mitigate risks, and meet stakeholder expectations.
<b>SDG 9</b>	Industry, innovation and infrastructure	Industry, innovation, and infrastructure aligns with Norske Skog's commitment to sustainability, competitiveness, and long-term business success. By investing in innovation and infrastructure, the company can drive positive social, economic, and environmental impacts while positioning itself for future growth and resilience in a rapidly changing world.
<b>SDG 12</b>	Responsible consumption and production	Norske Skog works proactive to implement measures to improve production efficiency, optimise raw material usage, and reduce energy consumption, leading to cost savings and enhanced competitiveness. Norske Skog adopts circular business models, such as recycling paper, process residues, reusing by-products, and exploring alternative materials, contributing to a more sustainable and resilient economy. Responsible consumption and production align with Norske Skog's sustainability objectives, business values, and long-term viability. By adopting responsible practices, the company can drive positive environmental and social impacts while maintaining competitiveness and fostering stakeholder trust and loyalty.
<b>SDG 13</b>	Climate action	Climate action is essential for Norske Skog to mitigate climate risks, reduce emissions, transition to renewable energy, promote sustainable forestry practices, adapt to climate impacts, and meet stakeholder expectations, thereby contributing to global efforts to address climate change and build a more sustainable future.

**THESE 6 SDGS ARE AN INTEGRAL PART OF OUR BUSINESS STRATEGY:**



# Appendix

## List of Abbreviations in the Sustainability Statement

Abbreviation	Explanation
AIB	Association of Issuing Bodies – An organisation providing emission factors for electricity in European markets.
AOX	Adsorbable Organic Halides – Chlorinated organic compounds potentially formed in bleaching processes (not used by Norske Skog).
AR	Assessment Report – Refers to reports from the Intergovernmental Panel on Climate Change (IPCC).
BAT	Best Available Technology – EU reference values for environmental performance in paper and pulp production.
BCTMP	Bleached Chemi-Thermomechanical Pulp – A type of pulp production process mentioned in Norske Skog's projects.
BECCS	Bioenergy with Carbon Capture and Storage – A technology for capturing and storing biogenic CO <sub>2</sub> emissions.
BP	Basis for Preparation – Refers to ESRS 2 section on general basis for sustainability statements.
BREF	Best Available Techniques Reference Document – EU guidelines for industrial emissions in the paper industry.
CapEx	Capital Expenditure – Investments in assets and processes, reported under EU Taxonomy.
CCM	Climate Change Mitigation – An EU Taxonomy category for activities contributing to climate goals.
CEPI	Confederation of European Paper Industries – An industry association for paper recycling and sustainability.
CEMAsys	CEMAsys – A Nordic ESG consulting firm assisting with climate-related scenario analysis.
COD	Chemical Oxygen Demand – A measure of organic substances in wastewater discharges.
CO <sub>2</sub>	Carbon Dioxide – A greenhouse gas emitted from operations and value chain activities.
CSRD	Corporate Sustainability Reporting Directive – EU directive (2022/2464) mandating sustainability reporting.
DEFRA	Department for Environment, Food & Rural Affairs – UK source for emission factors in GHG calculations.
DMA	Double Materiality Assessment – Process to identify material impacts, risks, and opportunities under ESRS.
DNV GL	Det Norske Veritas Germanischer Lloyd – Provider of Synergi Life, a risk management tool (now DNV).
DNSH	Do No Significant Harm – EU Taxonomy criteria ensuring activities do not harm environmental objectives.
EACs	Energy Attribute Certificates – Certificates for renewable energy (e.g., Guarantees of Origin).
EcoTransit	EcoTransit – A tool for calculating emissions from transportation and distribution.
EL	Eligible – EU Taxonomy status for activities meeting eligibility criteria.
E-PRTR	European Pollutant Release and Transfer Register – EU regulation for reporting pollutant emissions.
ERM	Enterprise Risk Management – A tool for risk assessment (not used separately by Norske Skog).
ESG	Environmental, Social, and Governance – Metrics for sustainability reporting and performance.
ESRS	European Sustainability Reporting Standards – EU standards for sustainability disclosures.
ETS	Emissions Trading System – EU system for trading greenhouse gas emission allowances.
EU	European Union – Supranational entity referenced in regulations and directives.
EUDR	EU Deforestation Regulation – EU regulation requiring traceability to prevent deforestation.
FSC	Forest Stewardship Council – Certification scheme for sustainable forest management.
FTE	Full-Time Equivalent – Measure of employee headcount based on full-time work equivalents.
GHG	Greenhouse Gas – Gases contributing to climate change, measured in emissions scopes.
GOV	Governance – ESRS 2 section on governance disclosures.
GVE	Green Valley Energie – Joint venture for biomass boiler at Norske Skog Golbey.
HR	Human Resources – Department handling employee management and development.
HSEQ	Health, Safety, Environment, and Quality – Managers responsible for sustainability at mills.
IA	Inclusive Workplace – Norwegian agreement to reduce sickness absence and promote inclusion.
IBAT	Integrated Biodiversity Assessment Tool – Tool for identifying biodiversity-sensitive areas.
IEA	International Energy Agency – Source for climate scenarios and energy outlooks.
ILO	International Labour Organisation – UN agency for labour rights and standards.
IPCC	Intergovernmental Panel on Climate Change – UN body providing climate assessments.
IRO	Impacts, Risks, and Opportunities – Key elements assessed in double materiality.
ISO	International Organisation for Standardization – Standards for quality (9001), environment (14001), energy (50001).
JV	Joint Venture – Business partnership, e.g., Green Valley Energie.
KPI	Key Performance Indicator – Metrics for tracking performance, e.g., in EU Taxonomy.
LEAP	Locate, Evaluate, Assess, Prioritise – Approach for assessing pollution-related impacts.
LNG	Liquefied Natural Gas – Fossil fuel affecting energy prices.
LTI	Lost Time Injuries – Rate of work-related injuries causing absence.
MDR-T	Materiality Determination Requirement - Targets – ESRS element for reviewing targets.
MFR	Management Focus Report – Monthly report on health, safety, and environmental data.
N	Nitrogen – Pollutant in wastewater discharges.
NA	Not Applicable – Used in EU Taxonomy reporting for irrelevant categories.
N/EL	Not Eligible – EU Taxonomy status for activities not meeting criteria.
NIBIO	Norwegian Institute of Bioeconomy Research – Institute for biodiversity and ecosystem research.
NIVA	Norwegian Institute for Water Research – Organisation monitoring water quality.
NOx	Nitrogen Oxides – Air pollutants from boilers and energy production.
OECD	Organisation for Economic Co-operation and Development – Guidelines for multinational enterprises.
OCC	Old Corrugated Containers – Recycled material for containerboard production.
OpEx	Operational Expenditure – Costs related to maintenance and operations under EU Taxonomy.
P	Phosphorus – Pollutant in wastewater discharges.
PEFC	Programme for the Endorsement of Forest Certification – Scheme for sustainable forestry.
PM	Particulate Matter / Paper Machine – Air pollutant or production equipment (context-dependent).
PPE	Personal Protective Equipment – Safety gear for workers.
REPL	Read Eval Print Loop – Code execution environment (mentioned in tools, not core text).
SBM	Strategy and Business Model – ESRS 2 section on strategy disclosures.
SFDR	Sustainable Finance Disclosure Regulation – EU regulation for financial sustainability reporting.
SO <sub>2</sub>	Sulphur Dioxide – Air pollutant from boilers.
SSP	Shared Socioeconomic Pathways – IPCC scenarios for climate assessments.
SS	Suspended Solids – Pollutant in wastewater discharges.
Synergi Life	Synergi Life – DNV GL tool for operational risk management.
TCFD	Task Force on Climate-related Financial Disclosures – Framework for climate risk assessment.
TFB	Treforedlingsindustriens Bransjeforening (Norwegian Pulp and Paper Association)
TMP	Thermomechanical Pulping – Process for converting wood into pulp.
Tot-N	Total Nitrogen – Measure of nitrogen in wastewater.
Tot-P	Total Phosphorus – Measure of phosphorus in wastewater.
TRI	Total Recordable Injuries – Rate of work-related accidents.
UN	United Nations – Global organisation for human rights and sustainability.
UNGPs	United Nations Guiding Principles – Principles on Business and Human Rights.
VOCs	Volatile Organic Compounds – Air pollutants from operations.
VTT	VTT Technical Research Centre of Finland – Source for emission factors in printed products.
WEO	World Energy Outlook – IEA report on energy scenarios.
WRI	World Resources Institute – Provider of Aqueduct Water Risk Atlas tool.
WE	Waste-to-Energy – Boiler technology converting waste to energy.

# Board of directors statement on corporate governance

Norske Skog ASA is the ultimate parent company of the Norske Skog group, which is a paper manufacturing group with production and sales operations in Europe. Norske Skog's goal is to increase shareholder value, through profitable and sustainable production of publication and packaging paper as well as other fibre and energy related business. Norske Skog ASA is a Norwegian registered public limited liability company listed on the Euronext Oslo Børs and is subject to Norwegian law, including Norwegian and EU securities legislation and stock exchange regulations.

The board of directors of Norske Skog has a strong focus on ensuring compliance with applicable corporate governance standards. Norske Skog is subject to reporting requirements for corporate governance pursuant to Section 2-9 of the Norwegian Accounting Act and complies with the Norwegian Code of Practice for Corporate Governance (the "Code", see [www.nues.no](http://www.nues.no), English pages). The Code was last revised on 28 August 2025.

Corporate governance principles as referred to in this statement define roles and responsibilities, powers, and processes, between and within governing bodies, such as the general meeting, the board of directors and the corporate management. For further information on corporate bodies and corporate governance matters, please visit Norske Skog's website [www.norskeskog.com/sustainability/governance](http://www.norskeskog.com/sustainability/governance).

Corporate governance is continuously addressed by the board of directors, and the board of directors has approved this corporate governance statement. There are no material amendments to the corporate governance statement compared to the corporate governance statement included in the annual report for 2024. The amendments made are mainly reflecting the changes made to the Norske Skog Corporate Governance Policy in 2025 to adapt to the latest revision of the Code

## 1. Implementation and reporting on corporate governance

This corporate governance statement follows the structure of the Code published on 28 August 2025. Deviations from the Code shall be explained where relevant in this statement, together with a summary of all deviations in this section 1.

*There are currently no deviations from the Code.*

The corporate governance principles adopted by Norske Skog are set out in the company's Corporate Governance Policy and are fundamental for the company's corporate governance and value creation. Norske Skog's Corporate Governance Policy is based on the Code and, as such, it is designed to establish a basis for good corporate governance and to support achievement of the company's core objectives on behalf of its shareholders, including the achievement of profitability for the shareholders of Norske Skog in a sustainable manner. The way Norske Skog is governed is vital to the development of its value over time.

Norske Skog believes that good corporate governance involves openness, honesty and cooperation between all parties involved in and with the group: the shareholders, the board of directors and executive management, employees, customers, suppliers, public authorities, and the society in general.

By pursuing the principles set out in the Corporate Governance Policy, the board of directors and management shall contribute to achieving the following objectives:

- Openness and honesty. Communication with the interest groups of Norske Skog shall be based on openness and honesty on issues relevant for the evaluation of the development and position of the company.
- Independence. The relationship between the board of directors, the management and the shareholders shall be based on independence. Independence shall ensure that decisions are made on an unbiased and neutral basis.
- Equal treatment. One of Norske Skog's primary objectives is equal treatment and equal rights for all shareholders.
- Control and management. Good control and corporate governance mechanisms shall contribute to predictability and reduce the level of risks for shareholders and other interest groups.

The development of, and improvements in, the company's Corporate Governance Policy are ongoing and important processes that the board of directors and management have continuous focus on.

*Deviations from the Code: None.*

## 2. Business

Norske Skog's business purpose is set out in the Articles of Association, article 2: "The company's objective is to conduct wood processing industry, investing activities and activities related to this, as well as providing headquarter services for the group, including raise of external loans and conducting group financing arrangements." The Articles of Association are available on the company's website, [www.norskeskog.com/investors/articles-of-association](http://www.norskeskog.com/investors/articles-of-association). The business of the company is conducted in accordance with the targets, strategies and risk profile determined by the board of directors, within the scope of the company's business purpose, to realise value creation for the shareholders in a sustainable manner. The board of directors considers the targets, strategies, and risk profile of the company on a continuous basis.

The company has established guidelines and principles which are used to integrate considerations to human rights, decent working conditions, employee rights and social matters, the external environment and anticorruption and other compliance efforts in its business strategies, its day-to-day operations and in relation to its stakeholders. This includes but is not limited to the Norske Skog Steering Guidelines and the Code of Conduct. Compliance with the Steering Guidelines and the Code of Conduct is mandatory for all employees in the group and others acting on the group's behalf, and similar conduct and ethical standards are expected from suppliers, customers, other business relations and in partnerships, joint ventures, and partially owned subsidiaries. The Steering Guidelines and the Code of Conduct can be found on the company's website, [www.norskeskog.com/sustainability/governance/steering-guidelines](http://www.norskeskog.com/sustainability/governance/steering-guidelines).

Sustainability and corporate social responsibility are integrated parts of the group's business and are described in the sustainability report section of the annual report.

*Deviations from the Code: None.*

### 3. Equity and dividends

#### SHARE CAPITAL

The share capital of Norske Skog is set out in the Articles of Association, article 4. The company's share capital at year end 2025 was NOK 339 352 940, divided into 84 838 235 shares, each with a nominal value of NOK 4.00.

#### EQUITY

The board of directors is responsible for ensuring that the group is adequately capitalised relative to the risk and scope of operations and that the capital requirements set forth in laws and regulations are met. The company shall have an equity capital at a level appropriate to its objectives, strategy, and risk profile. The board of directors shall continuously monitor the group's capital situation and shall immediately take adequate steps if the company's equity or liquidity is less than adequate.

Norske Skog's consolidated total equity as at 31 December 2025 was NOK 5 819 million, which is equivalent to 39.6% of total assets (for Norske Skog ASA, the total equity was NOK 4 199 million, which is equivalent to 56.9% of total assets).

#### DIVIDEND POLICY

It follows from Norske Skog's Corporate Governance Policy that the company shall, always, have a clear and predictable dividend policy established by the board of directors. The dividend policy forms the basis for the board of directors' proposals on dividend payments to the company's general meeting. The company's dividend policy is to pay dividends reflecting the underlying earnings and cash flow while ensuring efficient capital allocation in the group. When deciding the dividend level, the board of directors will among other things take into consideration capital expenditure plans, financing requirements and maintaining the appropriate strategic flexibility of the group.

Dividend payments are restricted under the group's financing facilities to a maximum of 50% of net profit for the previous financial year, and are subject to that the leverage ratio does not exceed 1.50x following the relevant dividend payment.

#### CAPITAL INCREASES AND ISSUANCE OF SHARES

The general meeting in 2025 authorised the board of directors to increase the share capital one or several times with an aggregate amount of up to NOK 33 935 294, equivalent to 10% of the company's share capital. The authorisation may be used for general corporate purposes, including, but not limited to, financing of the company's strategic plans and in connection with acquisitions of companies or other businesses. The authorisation was granted for the period up to the annual general meeting in 2026. As of the date hereof, the authorisation has not been used.

The general meeting in 2025 furthermore authorised the board of directors to acquire own shares with a total nominal value of up to NOK 33 935 294, equivalent to 10% of the company's share capital. The authorisation may be used to optimise the company's capital structure. The authorisation was granted for the period up to the annual general meeting in 2026. As of the date hereof, the authorisation has not been used.

The Articles of Association do not include provisions regarding share capital increases, issuance of shares or purchase of own shares.

*Deviations from the Code: None.*

### 4. Equal treatment of shareholders

The company has only one class of shares. Each share in the company carries one vote, and all shares carry equal rights, including the right to participate in general meetings. All shareholders shall be treated on an equal basis unless there is just cause for treating them differently.

In the event of an increase in share capital through issuance of new shares, a decision to deviate from existing shareholders' pre-emptive rights to subscribe for shares shall be justified. The board of directors shall in the event of a proposed deviation specifically explain and provide reasons for the proposal, both when the share capital increase is resolved by the general meeting and when the share capital increase is made through an authorisation granted to the board of directors by the general meeting. The justification will be publicly disclosed in a stock exchange announcement issued in connection with the share issuance and shall specifically state how the consideration of equal treatment of shareholders has been taken into account.

Any transactions in treasury shares carried out by the company shall be carried out on the Oslo Børs, and in any case at the prevailing stock exchange price. If there is limited liquidity in the company's shares, the company will consider other ways to ensure equal treatment of shareholders. Any transaction in treasury shares by the company is subject to notification requirements and shall be publicly disclosed in a stock exchange announcement.

*Deviations from the Code: None.*

### 5. Shares and negotiability

The shares of the company are freely negotiable and there are no limitations on any party's ability to own or vote for shares in the company.

*Deviations from the Code: None.*

### 6. General meetings

The general meeting is the shareholders' forum and the supreme governing body of the company. The Articles of Association do not limit the shareholders' rights as provided by the Public Limited Liability Companies Act. The board of directors sets the agenda for the general meeting. The minutes from the general meeting are published externally and on the company's website, in accordance with applicable laws and deadlines.

The board of directors shall ensure that as many of the company's shareholders as possible are able to exercise their voting rights at the company's general meetings, and that the general meeting is an effective forum for shareholders and the board of directors, which shall be facilitated through the following:

- the resolutions and any supporting documentation shall be sufficiently detailed, comprehensive, and specific allowing shareholders to understand and form a view on all matters to be considered at the general meeting.
- deadlines for shareholders to give notice of their attendance at the general meeting shall be set as close to the date of the general meeting as practically possible.
- the board of directors and the chair of the nomination committee shall be present at general meetings, while other members of the nomination committee as well as the auditor shall be present at general meetings where matters of relevance for such committees/persons are on the agenda; and
- the board of directors shall ensure that the general meeting can elect an independent chair for the general meeting.

The shareholders shall be able to vote on each of the matters on the agenda

and shall be able to vote separately on each candidate at elections. Shareholders who are unable to be present at the general meeting, or for other reasons so desire, shall be given the opportunity to vote electronically through VPS in advance of the general meeting, be represented by proxy and to vote by proxy. The company shall in this respect:

- provide information on the procedure for voting electronically in advance of the general meeting.
- provide information on the procedure for attending by proxy.
- nominate a person who will be available to vote on behalf of shareholders as their proxy; and
- prepare a proxy form, which shall, to the extent this is possible, be set up so that it is possible to vote on each of the items on the agenda and the candidates nominated for election.

*Deviations from the Code: None.*

## 7. Nomination committee

Pursuant to the Articles of Association, article 8, the company shall have a nomination committee consisting of between one and three members. The company's general meeting elects the members and the chair of the nomination committee and determines their remuneration. The majority of the members of the nomination committee shall be independent from the company's board of directors and executive management. The members of the nomination committee shall not be members of the board of directors or the executive management, and not offer themselves for election to the board of directors. The composition of the nomination committee should be such that the interests of shareholders in general are represented. The nomination committee currently consists of three members, Richard Heiberg, who serves as the chair of the committee, Gert Steens and Rune Smestad.

The general meeting shall approve the instructions for the nomination committee. These instructions set out the objectives, responsibilities, and functions of the nomination committee, and provide guidelines for rotation of its members. The company shall provide information regarding the composition of the nomination committee, the members of the nomination committee and any deadlines for submitting proposals to the nomination committee as part of its recommendations to the general meeting.

The nomination committee shall recommend candidates for the election of members and chair of the board of directors, candidates for the election of members and chair of the nomination committee, and remuneration of the members of the board of directors, its board committees, and the nomination committee.

The nomination committee shall have contact with shareholders, the board of directors on individual basis and the company's executive personnel as part of its work on proposing candidates for election to the board.

The nomination committee's recommendation of candidates to the nomination committee shall ensure that they represent a broad group of the company's shareholders. The nomination committee's recommendation of candidates to the board of directors shall ensure that the board of directors is composed to comply with legal requirements and principles of corporate governance. The nomination committee shall justify why it is proposing each candidate separately. The proposals from the nomination committee shall include a reasoning for its proposal, as well as a statement on how it has carried out its work. The nomination committee's proposal shall include information about the candidates and shall be made available at the latest in accordance with the 21 days' notice rule to call for a general meeting. Shareholders shall be given the opportunity to submit proposals to the nomination committee for

candidates for election to the board of directors and other appointments in a simple and practical manner and information on how to submit proposals shall be included on the company's website. Any date for when such proposals must be submitted to be considered by the nomination committee shall be specified as part of such information. The nomination committee of Norske Skog are, however, available to receive proposals for candidates or other input from shareholders at any time throughout the year.

*Deviations from the Code: None.*

## 8. The board of directors' composition and independence

According to the Articles of Association, the board of directors of Norske Skog shall have between three and eight board members, and board members are elected for a period of two years unless another term is determined by the general meeting. The current number of board members is four, and in addition there are two observers to the board of directors being union representatives from each of the two Norwegian mills. Prior board member Christoffer Bull (elected at the annual general meeting in 2023) resigned from the board of directors with effect from 1 January 2026 as a consequence of being employed in the role as SVP Business Development with the company.

The composition of the board of directors should ensure that the board of directors has the expertise, capacity and diversity needed to achieve the company's goals, handle its main challenges, and promote the common interests of all shareholders. Each board member should have sufficient time available to devote to his or her appointment as a board member. The number of board members should be determined on this basis. Furthermore, individuals of the board of directors shall be willing and able to work as a team, resulting in the board of directors working effectively as a collegial body. Further requirements to the composition of the board of directors are set out in the instructions for the nomination committee, as further described in section 7 above. The company does not have separate guidelines for equality and diversity in the composition of the board of directors, management and control bodies and their sub-committees for the reason that adequate regulations are considered to be provided for in the Norwegian Public/Private Limited Liability Companies Act, the Norwegian Equality and Non-Discrimination Act and the principles promoted in the Norske Skog group on equality and diversity, as further described in the sustainability statement in the report of the board of directors.

The board of directors shall be composed so that it can act independently of any special interests. A majority of the shareholder-elected members of the board of directors shall be independent of the executive management and material business connections of the company. At least two of the members of the board of directors shall be independent of the executive management and material business connections of the company. At least two of the members of the board of directors shall be independent of shareholders that owns or controls 10% or more of the company's shares or votes, meaning that there are no circumstances or relations that may be expected to be able to influence the independence of the board members' assessments.

The members of the board of directors and the chair of the board of directors shall be elected by the company's general meeting. No member of the company's executive management shall be a member of the board of directors. At least half of the members of the board of directors shall reside in Norway or another EEA country. Both genders shall be represented on the board of directors in compliance with the gender representation requirements set out in section 6-11a of the Norwegian Public Limited Liability Companies Act. The term of office for the board members shall not be longer than two years at a

time. Members of the board of directors may be re-elected. The election of the members to the board of directors should be phased so that the entire board of directors is not replaced at the same time.

The following table summarises the roles of the members of the board of directors and meeting attendance at board meetings held in 2025:

Name (i)	Residence	Role	Committee memberships	Board meetings attended	Board member since	End of term
Arvid Grundekjøn	Oslo, Norway	Chair	Audit committee and remuneration committee	10/10	2018	2027
Trine-Marie Hagen <sup>(ii)</sup>	Oslo, Norway	Board member	Audit committee and remuneration committee	2/2	2019	2025
Christoffer Bull <sup>(iii)</sup>	Oslo, Norway	Board member	Remuneration committee	10/10	2023	2027
Tone Wille <sup>(iv)</sup>	Oslo, Norway	Board member	N/A	2/2	2024	2026
Terje Sagbakken	Gjøvik, Norway	Board member	Audit committee	10/10	2024	2026
Eva Karlsson Berg <sup>(v)</sup>	Karlstad, Sweden	Board member	N/A	8/8	2025	2027
Trude Ulven <sup>(v)</sup>	Løten, Norway	Board member	Remuneration committee	8/8	2025	2027

(i) Please refer to the description in the board of directors' section of the annual report for further information on the expertise, experience and independence of the members of the board of directors, as well as the board members' respective shareholdings in the company. Comments have been provided in the following for board members who have not served in their roles for the whole of 2025.

(ii) Trine-Marie Hagen's term as a board member ended at the annual general meeting in 2025 and she participated in 2 of the 2 board meetings held prior to the annual general meeting in 2025.

(iii) Christoffer Bull resigned as a board member with effect from 1 January 2026 as a consequence of being employed in the role as SVP Business Development with the company.

(iv) Tone Wille resigned as a board member with effect from the annual general meeting in 2025 and she participated in 2 of the 2 board meetings held prior to the annual general meeting in 2025.

(v) Eva Karlsson Berg and Trude Ulven were elected as new board members by the annual general meeting in 2025 and participated in 8 of the remaining 8 board meetings in 2025.

The board members have a statistic attendance at board meetings of 100% as described in further detail in the schedule above.

Members of the board of directors are encouraged to own shares in the company. However, caution should be taken not to let this encourage a shortterm approach, which is not in the best interests of the company and its shareholders in the longer term.

The nomination committee's proposal to the general meeting (as further described in item 7 above) shall include detailed information on candidates for the board of directors (both appointments and re-elections) and shall be made available at the latest in accordance with the 21 days' notice rule to call for a general meeting.

*Deviations from the Code: None.*

## 9. The work of the board of directors

The board of directors' main tasks comprises the overall responsibility for the management of the company and overseeing the daily administration and operations of the company. The work of the board of directors is carried out in accordance with the rules and standards applicable to the group, as described in the company's Corporate Governance Policy's instructions to the board of directors. The instructions to the board of directors include detailed description of duties and responsibilities of the board members, as well as working and meeting procedures. The Corporate Governance Policy's instructions to the board of directors and the instructions to the CEO include procedures for how the board of directors and executive management shall handle agreements with related parties, including whether an independent valuation must be obtained. Agreements with related parties are described in Note 31 Related parties in the consolidated financial statements.

The board of directors prepares an annual plan for its work, clearly setting out strategic, financial, operational, and organisational matters for discussion and resolution. In addition to addressing the matters on such plan, the board of directors continuously addresses matters and processes which require the board of directors' involvement from time to time. Throughout 2025 and into

2026, the board of directors has in addition to recurring matters concentrated a significant amount of time on the strategic development and projects of the group. Among the most important strategic projects of the group worked on by the board of directors during 2025 is the finalisation, start-up and ramp-up of the converted containerboard paper machine at the Norske Skog Golbey mill in France and studies of operational alternatives at the Norske Skog Saugbrugs mill in Norway. In addition, the board of directors allocated significant time to optimise the financing structure of the group over the course of 2025, as well as certain asset sale processes, in particular at the Norske Skog Saugbrugs mill in Norway. Furthermore, efforts and results within the areas of health, environment and safety are annually reported comprehensively to the board of directors, and the CEO reports on health, environment and safety, operations, and market developments in every board meeting. The board of directors actively manages the resources of the board of directors and its committees in accordance with the relative strategic and commercial importance of matters.

The board of directors has two sub-committees, an audit committee, as required by the Public Limited Liability Companies Act, and a remuneration committee. The members of the audit committee are Arvid Grundekjøn (chair) and Terje Sagbakken. The members of the remuneration committee are Arvid Grundekjøn (chair) and Trude Ulven. The company's Corporate Governance Policy includes a set of instructions for each of the committees, describing defined areas of responsibility. The committees undertake preparatory discussions and submit their recommendations to the board of directors.

The audit committee focused on the company's financing structure, financial reporting and internal control function during 2025. The CEO attends the meetings of the remuneration committee, except if excused for discussions on the CEO's remuneration.

The following table summarises the meeting attendance of the board members at board and committee meetings held in 2025:

Name (i)	Committee memberships	Board meetings attended	Audit committee meetings attended	Remuneration committee meetings attended
Arvid Grundekjøn	Audit committee and remuneration committee	10/10	6/6	2/2
Trine-Marie Hagen <sup>(ii)</sup>	Audit committee and remuneration committee	2/2	2/2	2/2
Christoffer Bull <sup>(iii)</sup>	Remuneration committee	10/10	N/A	N/A
Terje Sagbakken	Audit committee	10/10	4/4	N/A
Trude Ulven <sup>(iv)</sup>	Remuneration committee	8/8	N/A	N/A

(i) Please refer to the description in the board of directors' section of the annual report for further information on the expertise, experience and independence of the members of the board of directors, as well as the board members' respective shareholdings in the company.

(ii) Trine-Marie Hagen's term as a board member ended at the annual general meeting in 2025 and she participated in 2 of the 2 meetings of each of the board, audit committee and remuneration committee held prior to the annual general meeting in 2025.

(iii) Christoffer Bull was appointed as a member of the remuneration committee at a later time than the committee meetings held in 2025. He resigned as a board member with effect from 1 January 2026 as a consequence of being employed in the role as SVP Business Development with the company.

(iv) Trude Ulven was elected as a new board member by the annual general meeting in 2025 and appointed as a member of the remuneration committee at a later time than the committee meetings held in 2025.

The board members have a statistic attendance at committee meetings of 100%. In 2025, the board of directors held ten meetings and one matter was resolved by written resolutions. The audit committee held six meetings in 2025. The remuneration committee held two meeting in 2025. The meetings of the board of directors and its committees are held as physical meetings, with the possibility to participate by video conference if board members are prevented from participating in person. Representation at meetings of the board of directors is at 100% (see the schedule included under item 8 above for further details) and representation at committee meetings is at 100%.

The board of directors shall annually evaluate its performance and expertise for the previous year. This evaluation shall include the composition of the board of directors and the way its members functions, both individually and as a group, in relation to the objectives set out for its work. The report shall be made available to the nomination committee.

*Deviations from the Code: None.*

## 10. Risk management and internal control

The board of directors is responsible for ensuring that the company has sound and appropriate internal control systems and systems for risk management, and that these systems are proportionate to and reflect the extent and nature of the company's activities. Having effective internal control systems and systems for risk management in place are important to prevent the group from situations that can damage its reputation and financial standing. Furthermore, effective, and proper internal control and risk management are important factors when building and maintaining trust, to reach the company's objectives, and ultimately create value. Having in place an effective internal control system means that the company is better suited to manage commercial risk, operational risk, the risk of breaching legislation and regulations as well as other forms of risk that may be material to the company. As such, there is a correlation between the company's internal control systems and effective risk management. The internal control system shall also address the organisation and execution of the company's financial reporting, as well as cover the company's guidelines for how it integrates considerations related to stakeholders into its creation of value. Norske Skog shall comply with all laws and regulations that apply to the group's business activities.

Norske Skog's enterprise risk management processes are based on COSO's Enterprise Risk Management framework, and cover financial, operational, market and organisational risks. By this delineation of risk control, all sustainability and responsibility areas covered by Norske Skog's Steering Guidelines are also covered by its enterprise risk management processes and is reported to the board of directors. The system is based on the management teams in each business unit and in key corporate functions annually reporting potential risk factors to the company's risk management function, which in turn provide a basis for the agenda of the corporate management meetings and adequate follow-up measures. In addition, Norske Skog reports on sustainability in accordance with CSRD. The review of the sustainability statement is carried out by an independent and internationally recognised

audit firm, currently PwC. Further information on sustainability is provided in the sustainability statement in the report of the board of directors.

The internal control systems within the finance organisation primarily cover the financial reporting structure and processes. Routines for internal control over financial reporting are defined in Norske Skog's internal control documentation (Financial Reporting Manual, Financial Closing Manual and Financial Closing Checklist). Responsibilities are clearly defined in terms of execution, documentation, and control. As part of the continuous focus on compliance, regular reviews of business processes, investments or other issues are carried out. These compliance processes are carried out on the basis of risk assessments and support the business in improving internal control and achieving the set goals. The group also has a power of attorney structure which describes and regulates financial empowerment to individual positions.

In addition, Norske Skog has implemented internal routines to ensure continuous attention and efforts on maintaining high compliance standards throughout the group. These internal routines are set out in Norske Skog's Continuous Compliance Programme and include a number of compliance related activities that shall be carried out over the course of a calendar year.

Norske Skog has clearly established channels and procedures for reporting and handling instances of possible serious misconduct (whistleblowing). Such channels are described on our website, intranet and in the Steering Guidelines. It is the opinion of the board of directors that Norske Skog's internal control and systems for risk management are adequate and proportionate to the nature and complexity of the company's operations and financial situation.

*Deviations from the Code: None.*

## 11. Remuneration of the board of directors

The remuneration of the board of directors is decided by the annual general meeting on the basis of the nomination committee's proposal. The committee considers the level of responsibility, complexity and time consumption, as well as the required expertise, for the board members. Proposals for annual adjustments of the remuneration of the board of directors are based on considerations to ensure that Norske Skog remains attractive and competitive on the market for governing bodies' competencies.

No board member has carried out specific tasks or commissions for the company in addition to the directorship, and Norske Skog has not paid other remuneration to any board member than the ordinary board remuneration.

Separate remuneration is set for the chair and members of the board of directors and respective committees under the board of directors. The current remuneration amounts are as follows:

1. The remuneration for the chair of the board is NOK 606 000 per year.
2. The remuneration for the other members of the board is NOK 342 000 per year.
3. The remuneration for the chair of the audit committee is NOK 135 000 per year.
4. The remuneration for other members of the audit committee is NOK 55 000 per year.
5. The remuneration for the chair of the remuneration committee is NOK 33 000 per year.
6. The remuneration for other members of the remuneration committee is NOK 22 000 per year.
7. Travel expenses in connection with board and committee meetings are paid in accordance with the Norwegian Government's Travel Allowance Regulation.

The total remuneration for the board of directors in 2025, including committee work, was NOK 2 190 000. For further information, please refer to the report on salary and other remuneration to leading personnel, which is available on the company's website, [www.norskeskog.com/sustainability/governance/remuneration-of-leading-personnel](http://www.norskeskog.com/sustainability/governance/remuneration-of-leading-personnel).

*Deviations from the Code: None.*

## 12. Remuneration of executive personnel

The board of directors has adopted guidelines for determining salary and other remuneration to leading personnel in accordance with Section 6-16 a of the Public Limited Liability Companies Act and the Regulation on guidelines and reporting on remuneration for leading personnel. In the preparation of the guidelines and in any subsequent amendments to these, the focus of the board of directors is to provide for that the guidelines are clear and easily understandable, and that they contribute to the company's commercial strategy, long-term interests and financial viability. Furthermore, the company's arrangements in respect of salary and other remuneration shall be simple and contribute to aligning the interests of leading personnel and shareholders, with an absolute limit on performance-related remuneration. The guidelines are presented for approval by the general meeting if significant changes are made, and at least every fourth year. The current version of the guidelines was approved by annual general meeting in 2025 and are available on the company's website, [www.norskeskog.com/sustainability/governance/remuneration-of-leading-personnel](http://www.norskeskog.com/sustainability/governance/remuneration-of-leading-personnel).

The CEO's remuneration terms are reviewed and decided annually by the board of directors following preparatory discussions in the board of directors' remuneration committee. The remuneration consists of base salary, annual performance bonus, pension, and other benefits. The decision on the CEO's

remuneration takes into consideration the overall performance of the CEO and the company, and the market development for CEO remuneration in companies of similar complexity, size and industries. The remuneration of other leading personnel is determined by the CEO, and the performance related remuneration consist of the same elements as for the CEO.

Performance based elements are calculated on the basis of quantifiable objective targets as well as on quantifiable targets falling within areas over which the respective executives have a reasonable influence.

In addition, Norske Skog has established a long-term incentive programme based on synthetic stock options. The programme mirrors the financial outcome of an actual stock option with an initial "exercise price" (which corresponds to the price per share set at the time of award of the options) and a mechanic to fix a "fair market value" in the future when the options are exercised (3-5 years following award of the options). The long-term incentive programme is described in the guidelines for determining salary and other remuneration to leading personnel, which are available on the company's website, [www.norskeskog.com/sustainability/governance/remuneration-of-leading-personnel](http://www.norskeskog.com/sustainability/governance/remuneration-of-leading-personnel).

The board of directors shall for each financial year provide for the preparation of a report on salary and other remuneration to leading personnel in accordance with Section 6-16 b of the Public Limited Liability Companies Act and the Regulation on guidelines and reporting on remuneration for leading personnel. The report is subject to an advisory vote by the annual general meeting and is published on the company's website, [www.norskeskog.com](http://www.norskeskog.com), following the annual general meeting. In addition, information about remuneration of corporate management is available in the financial statements, in Note 10 Employee benefit expenses in the consolidated financial statements.

*Deviations from the Code: None.*

## 13. Information and communications

The company has established guidelines for its reporting of financial and other information based on openness and taking into account the requirement of equal treatment in the securities market. These guidelines are set out in the company's Communication Policy and the Investor Relations Policy. The company's Investor Relations Policy is based on Oslo Børs' rules, regulations and recommendations for listed companies, in particular the Oslo Børs Code of Practice for IR.

The company provides, timely and on a continuous basis, precise information about the company and its operations to its shareholders, the Oslo Børs and the securities market and the financial market in general. Such information is published through the Oslo Børs' information system and the company's website. Information is typically given in the form of annual reports, half-year reports, quarterly reports, press releases, stock exchange notices and through published investor presentations in accordance with what is deemed appropriate and required at any given time. Financial reporting follows International Financial Reporting Standards, and through open and proactive communication with investors and financial markets, including through regular presentations, Norske Skog ensures transparency and equality to facilitate our stakeholders' assessment of the company. The company furthermore regularly provides information on its long-term potential, including strategies, value drivers and risk factors. Information to Norske Skog's investors will also be published simultaneously through the Oslo Børs' information system and/or the company's website.

The company publishes an annual, electronic financial calendar with an overview of dates for important events, such as the annual general meeting, interim financial reports, public presentations, and payment of dividends, if applicable. The information is made available in English and Norwegian.

Unless there are applicable exemptions that is appropriate to utilise in the specific situation, Norske Skog promptly discloses all inside information (as defined in article 7 of the EU Market Abuse Regulation). In addition, Norske Skog provides information about certain events, e.g. by the board of directors and the general meeting concerning dividends, mergers/demergers or changes to the share capital, the issuing of subscription rights, convertible loans and all agreements of major importance that are entered into by Norske Skog and related parties.

Separate guidelines have been implemented regarding handling of inside information, and these follow from the instructions for handling of inside information and the instructions for primary insiders. The rules of procedure for the board of directors set out who in the board of directors that are entitled to publicly speak on behalf of the company, and the Communication Policy defines the responsibility of communications on behalf of the company in various matters.

*Deviations from the Code: None.*

## 14. Take-overs

The board of directors has established clear principles in the Corporate Governance Policy for how it will act in the event of a take-over bid, including that it will act in accordance with the Code and Norwegian law. The principles emphasise the importance of equal treatment of existing shareholders. They further warrant that the board of directors will ensure sufficient information in time and content for the shareholders to assess a possible bid, including

issuing a statement to the shareholders with the board of directors' assessment of such bid, together with a valuation prepared by an independent expert. A sale of a significant part of the company will require approval by the general meeting. The board of directors will not without decision by the general meeting attempt to hinder a take-over bid for the company.

*Deviations from the Code: None.*

## 15. Auditor

The auditor presents an annual audit plan, describing the auditor's understanding of the industry and significant risks, as well as the audit approach to be applied. The auditor participates in audit committee meetings when discussing the financial statements and other audit related matters. The auditor furthermore attends board meetings at which the annual financial statements are on the agenda and as otherwise requested. At such meetings, the auditor is requested to report on any material changes in the company's accounting principles and key aspects of the audit, comment on any material estimated accounting figures and report all material matters on which there has been disagreement between the auditor and the executive management of the company. The auditor annually confirms its independence in writing. During 2025 and 2026, the auditor has participated in all meetings of the audit committee. Furthermore, the auditor has met with the board of directors without the corporate management being present and reviewed the company's internal control procedures. The company has effective guidelines for the ability of the auditor to perform non-audit services for the company upon approval by the audit committee. The company informs the general meeting about the auditor's fees for audit and non-audit services.

The board of directors regularly assesses the quality and efficiency of the work of the auditor.

*Deviations from the Code: None.*

SKØYEN, 25 MARCH 2026

THE BOARD OF DIRECTORS OF NORSKE SKOG ASA

Arvid Grundekjøn  
Chair

Trude Ulven  
Board member

Terje Sagbakken  
Board member

Eva Karlson Berg  
Board member

Geir Drangslund  
CEO



# Consolidated financial statements

## Consolidated financial statements

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**CONSOLIDATED INCOME STATEMENT**

NOK MILLION	NOTE	2025	2024
Operating revenue	7	9 445	9 233
Other operating income	8	1 037	939
<b>Total operating income</b>		<b>10 482</b>	<b>10 173</b>
Distribution costs		-1 036	-1 005
Cost of materials	9	-6 232	-5 927
Employee benefit expenses	10	-1 619	-1 702
Other operating expenses	11	-827	-803
Restructuring expenses	28	-5	-16
Depreciation	17, 18	-557	-481
Impairments	18	0	-121
Derivatives and other fair value adjustments	12	356	-178
<b>Total operating expenses</b>		<b>-9 919</b>	<b>-10 232</b>
<b>Operating earnings</b>	<b>6</b>	<b>563</b>	<b>-60</b>
Share of profit in associated companies and joint ventures	13	0	-65
Financial income	14	47	84
Financial expense	14	-333	-351
Gains/(losses) on foreign currency	14	77	-175
<b>Profit/(loss) before income taxes</b>		<b>354</b>	<b>-566</b>
Income taxes	15	88	-94
<b>Profit/(loss) after taxes</b>		<b>442</b>	<b>-661</b>
<b>Profit/(loss) from discontinued operations</b>	<b>26</b>	<b>-37</b>	<b>-321</b>
<b>Profit/(loss) for the period</b>		<b>404</b>	<b>-982</b>
<b>Earnings per share from continuing operations (NOK)</b>			
Basic earnings per share	16	5.21	-7.79
Diluted earnings per share	16	5.21	-7.79
<b>Earnings per share (NOK)</b>			
Basic earnings per share	16	4.76	-11.57
Diluted earnings per share	16	4.76	-11.57

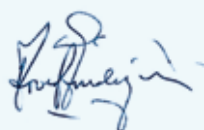
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

NOK MILLION	NOTE	2025	2024
<b>Profit/(loss) after taxes</b>		<b>442</b>	<b>-661</b>
<b>Profit/(loss) from discontinued operations</b>	<b>26</b>	<b>-37</b>	<b>-321</b>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Currency translation differences		12	203
Reclassified translation differences upon divestment of foreign operations		0	-7
<b>Total</b>		<b>12</b>	<b>197</b>
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Remeasurements of post employment benefit obligations		19	-14
Tax effect on remeasurements of post employment benefit obligations		-4	1
<b>Total</b>		<b>15</b>	<b>-13</b>
Other comprehensive income continuing operations		27	184
Other comprehensive income discontinued operations	26	4	21
<b>Total other comprehensive income</b>		<b>31</b>	<b>205</b>
<b>Total comprehensive income</b>		<b>435</b>	<b>-777</b>

**CONSOLIDATED BALANCE SHEET**

NOK MILLION	NOTE	31.12.2025	31.12.2024
<b>Assets</b>			
Deferred tax assets	15	134	111
Intangible assets	17	17	11
Property, plant and equipment	6, 18, 19	10 249	9 723
Investment in associated companies	13	14	15
Other non-current assets	23, 27	179	177
<b>Total non-current assets</b>		<b>10 594</b>	<b>10 037</b>
Inventories	6, 24	1 371	1 390
Trade and other receivables	6, 23	1 508	1 253
Other current assets	23	151	29
Cash and cash equivalents	5, 25	1 082	1 127
<b>Total current assets excluding assets classified as held for sale</b>		<b>4 113</b>	<b>3 800</b>
Assets held for sale	26	0	631
<b>Total current assets</b>		<b>4 113</b>	<b>4 430</b>
<b>Total assets</b>		<b>14 707</b>	<b>14 467</b>
<b>Equity and liabilities</b>			
Paid-in equity		8 860	8 860
Other equity		-3 042	-3 476
<b>Total equity</b>		<b>5 819</b>	<b>5 384</b>
Employee benefit obligations	27	259	296
Deferred tax liability	15	135	207
Interest-bearing non-current liabilities	29	4 403	4 475
Other non-current liabilities	28, 30	488	525
<b>Total non-current liabilities</b>		<b>5 285</b>	<b>5 503</b>
Trade and other payables	30	2 363	2 118
Tax payable	15	11	11
Interest-bearing current liabilities	29	974	771
Other current liabilities	28, 30	254	218
<b>Total current liabilities excluding assets classified as held for sale</b>		<b>3 603</b>	<b>3 118</b>
Liabilities relating to assets classified as held for sale	26	0	462
<b>Total current liabilities</b>		<b>3 603</b>	<b>3 580</b>
<b>Total liabilities</b>		<b>8 888</b>	<b>9 083</b>
<b>Total equity and liabilities</b>		<b>14 707</b>	<b>14 467</b>

SKØYEN, 25 MARCH 2026  
THE BOARD OF DIRECTORS OF NORSKE SKOG ASA



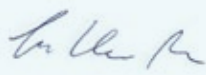
Arvid Grundekjøn  
Chair



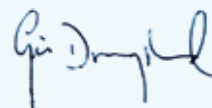
Trude Ulven  
Board member



Terje Sagbakken  
Board member



Eva Karlson Berg  
Board member



Geir Drangslund  
CEO

**CONSOLIDATED STATEMENT OF CASH FLOWS**

NOK MILLION	NOTE	2025	2024
Cash generated from operations	6	10 269	11 740
Cash used in operations		-9 803	-11 540
Cash flow from currency hedges and financial items		-41	-69
Interest payments received	14	40	83
Interest payments made	14	-229	-230
Taxes paid	15	-9	1
<b>Net cash flow from operating activities <sup>1)</sup></b>	<b>6</b>	<b>227</b>	<b>-15</b>
Purchases of property, plant and equipment and intangible assets	6, 17, 18	-982	-1 558
Sales of property, plant and equipment and intangible assets	18	11	3
Proceeds from property damage insurance	8	560	448
Sales of shares in companies and other financial instruments	25	83	-91
<b>Net cash flow from investing activities</b>		<b>-328</b>	<b>-1 198</b>
New loans raised	29	528	1 981
Repayments of loans	29	-501	-2 086
<b>Net cash flow from financing activities</b>		<b>27</b>	<b>-105</b>
Foreign currency effects on cash and cash equivalents		-21	32
<b>Total change in cash and cash equivalents</b>		<b>-95</b>	<b>-1 286</b>
<b>Cash and cash equivalents at start of period</b>		<b>1 177</b>	<b>2 463</b>
Cash and cash equivalents		1 082	1 127
Cash and cash equivalents included in assets held for sale	26	0	50
<b>Cash and cash equivalents at end of period</b>	<b>25</b>	<b>1 082</b>	<b>1 177</b>
<b><sup>1)</sup> Reconciliation of net cash flow from operating activities</b>			
Profit/(loss) before income taxes from continuing operations		354	-566
Profit/(loss) before income taxes from discontinued operations	26	-37	-321
Change in working capital		328	-37
Change in restructuring provisions	28	-3	-15
Depreciation and impairments	18	568	815
Derivatives and other fair value adjustments	12	-358	171
Gain and losses from divestment of business activities and property, plant and equipment		-2	43
Income from insurance compensation	8	-560	-448
Net financial items without cash effect		-16	307
Taxes paid	15	-9	1
Change in pension obligations and other employee benefits		-29	-35
Adjustment for other items		-9	70
<b>Net cash flow from operating activities</b>		<b>227</b>	<b>-15</b>

**CONSOLIDATED STATEMENT OF CHANGES IN GROUP EQUITY**

NOK MILLION	PAID-IN-EQUITY <sup>1)</sup>	OTHER PAID-IN EQUITY <sup>2)</sup>	TOTAL PAID-IN EQUITY	RETAINED EARNINGS	TOTAL EQUITY
<b>Equity 1 January 2024</b>	<b>6 611</b>	<b>2 249</b>	<b>8 860</b>	<b>-2 700</b>	<b>6 161</b>
Profit/(loss) after tax	0	0	0	-982	-982
Other comprehensive income	0	0	0	205	205
<b>Equity 31 December 2024</b>	<b>6 611</b>	<b>2 249</b>	<b>8 860</b>	<b>-3 476</b>	<b>5 384</b>
Profit/(loss) after tax	0	0	0	404	404
Other comprehensive income	0	0	0	31	31
<b>Equity 31 December 2025</b>	<b>6 611</b>	<b>2 249</b>	<b>8 860</b>	<b>-3 042</b>	<b>5 819</b>

1) Paid-in equity consists of share capital NOK 339 million (84 838 235 shares with a nominal value of NOK 4.00) and share premium of NOK 6 272 million.

2) Other paid-in equity arises from a de-recognition of debt in 2018.

# Notes to the consolidated financial statements

## 1. General information

Norske Skog ASA (“the company”) and its subsidiaries (“the group”) is a producer of packaging paper and publication paper across four mills in Europe. Packaging paper includes testliner and fluting and publication paper includes newsprint and magazine paper. The annual production capacity of packaging paper will be 0.8 million tonnes when fully ramped up during first half of 2027 and the annual publication paper production capacity is 1.2 million tonnes. Packaging paper and publication paper are sold through sales offices and agents.

The group had 1 652 employees (FTE) at 31 December 2025 and the parent company, Norske Skog ASA, is a public limited liability company incorporated in Norway and has its head office at Skøyen, and business address at Sjølyst plass 2, 0278 Oslo. The company is listed on Oslo Stock Exchange with the ticker NSKOG.

## 2. Basis of preparation

The consolidated financial statements comprise the financial statements of Norske Skog ASA and its subsidiaries. The consolidated financial statements are prepared in accordance with IFRS® Accounting Standards (IFRS Accounting Standards) as adopted by the European Union (EU) (IFRS). The consolidated financial statements are presented in English only. All amounts are presented in NOK million unless otherwise stated. There may be some small differences in the summation of columns and rows due to rounding. The corresponding amounts for prior year are in parenthesis. The consolidated financial statements were authorised for issue by the board of directors in Norske Skog ASA on 25 March 2026.

The consolidated financial statements have been prepared based on historical cost in all areas where there is no requirement to use fair value. The policies have been consistently applied to all periods presented, unless otherwise stated. They have been prepared under the assumption of going concern.

### PRESENTATION OF ACCOUNTING POLICIES

Accounting policies are presented as part of the note they are relevant for.

### DISCONTINUED OPERATIONS

During 2024, Norske Skog initiated a sales process for its remaining operations in Australasia. The transaction was completed in April 2025. Norske Skog Industries Australia Ltd with subsidiaries represented the segment publication paper Australasia. On 31 December 2024, publication paper Australasia was classified as a disposal group held for sale and as a discontinued operation. With publication paper Australasia being classified as discontinued operations, the segment is no longer presented in the segment note. See also Note 26 for further information.

### BASIS OF CONSOLIDATION

All subsidiaries, see Note 20, are wholly owned subsidiaries.

## FOREIGN CURRENCY TRANSLATION

### a) Functional and presentational currency

The financial statements of each of the group’s entities are prepared using the local currency of the economic location in which the entity operates (the “functional currency”). The consolidated financial statements are presented in NOK, which is both the functional and presentational currency of the parent company.

The table below shows the average monthly foreign exchange rates applied in the income statement and the closing exchange rates applied in the balance sheet for the most important currencies for the group.

	INCOME STATEMENT		BALANCE SHEET	
	2025	2024	31.12.2025	31.12.2024
EUR	11.72	11.62	11.84	11.80
GBP	13.68	13.74	13.57	14.22
USD	10.39	10.75	10.08	11.35

### b) Transactions and balances

Foreign currency transactions are translated into the entity’s functional currency using the exchange rate prevailing on the date of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the income statement.

Exchange differences arising from the settlement of trade receivables/ payables and unrealised gains/losses on the same positions are recognised in operating revenue/cost of materials respectively. Exchange differences arising from the settlement of other items are recognised within financial income/financial expenses.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within financial income/financial expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### c) Group companies

The results and financial position of all group entities which have a functional currency different from the presentational currency are translated into the presentational currency as follows:

- i. Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- ii. Income and expenses for each income statement are translated at average exchange rates on monthly basis,
- iii. All resulting exchange differences are booked to comprehensive income

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are booked as part of comprehensive income. When a foreign operation is derecognised, such exchange differences are booked out of comprehensive income and recognised in the income statement line other operating income.

**NEW AND AMENDED INTERPRETATION AND STANDARDS ADOPTED BY THE GROUP**

**a) New standards effective from 1 January 2025**

Changes in standards and interpretations during 2025 have not had any material impact on Norske Skog's financial reporting.

**b) New standards, interpretations and amendments not yet effective**

**IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements. The new standard will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. Norske Skog does not plan to adopt the amendments before the effective date.

The main purpose of IFRS 18 is to change the presentation to reduce diversity in reporting and improve consistency between entities, particularly regarding income statements. IFRS 18 does not change how items are recognised or measured.

The changes from IAS 1 to IFRS 18 can be summarised in three main sections:

- New categories and subtotals in the income statement
- Localisation and disaggregation of accounting information
- Requirements for disclosure of management-defined performance measures

The standard introduces new requirements for presentation of line items and subtotals in the income statement. It is structured into five defined categories: Operating (new), Investing (new), Financing (new), Income taxes, and Discontinued operations, and three mandatory subtotals: Operating profit (new), Profit before financing and income taxes (new), and Profit or loss.

Norske Skog is currently assessing the impact of IFRS 18, and the three new categories, and expects the majority of items to be included in the operating category.

Further, the standard enhances the guidance to whether information should be presented in the primary statements or in the notes.

In addition, IFRS 18 requires disclosures for management defined performance measures in a separate note, including reconciliation to the official IFRS figures. Norske Skog is considering whether the new requirements in IFRS 18 will lead to changes in Norske Skog's' current alternative performance measures (which to present, and how they will be defined).

The group does not expect the other issued, but not yet effective, standards or amendments to such standards, to have a material impact on the group's financial reporting.

**3. Important accounting estimates and assumptions**

The preparation of consolidated financial statements in conformity with IFRS requires the use of accounting estimates and assumptions for the future. It also requires management to exercise its judgment in the process of applying the group's accounting policies. Estimates and assumptions, which represent a significant risk of a material adjustment in the carrying amount of assets and liabilities during the coming financial year, are discussed below.

**a) Accounting treatment of physical energy contracts and other financial instruments**

Norske Skog's portfolio of energy contracts consists mainly of physical energy contracts of which some contain embedded derivatives. The fair value of embedded derivatives in physical contracts is influenced by price index fluctuations and fluctuations in foreign currency forward prices.

Norske Skog has energy contracts in Norway that do not fulfil the criteria for use of the "own use exemption". Therefore, the contracts in whole are treated as financial derivatives in the scope of IFRS 9 and measured at fair value through profit or loss. The fair value of the contracts will vary dependent on the market price for energy in Norway.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The group uses its judgment to select methods and make assumptions that are mainly based on market conditions existing at each balance sheet date. See Note 12 and Note 21 for further information.

**b) Recoverable amount of intangible assets and property, plant and equipment (PPE)**

The group performs impairment tests to assess whether there has been a decline in the value of intangible assets and PPE if there are impairment indicators present. These are written down to their recoverable amount when the recoverable amount is lower than the carrying value of the asset. The recoverable amount from assets or cash-generating units is determined by calculating the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. Calculation of value in use requires use of estimates. See Note 18 for further information. The group conducts annual reviews of the remaining economic life of PPE. An increase or decrease in the remaining economic life will have an impact on future depreciation, as well as affect the cash flow period for calculating value in use.

**4. Consideration of climate risk for the financial statements**

In preparing the financial statements, the board of directors have assessed and considered the impact of climate change, particularly in the context of the risks and opportunities identified in the Double Materiality Assessment in line with the new EUDR requirements. The time horizons applied for the overall assessment of risks and opportunities for the group is short term (< 1 year), medium term (1- 5 years) and long-term (> 5 years).

Norske Skog business units have during the last 50 years been seeking best environmental practice and have one of the lowest emission levels compared to industry averages.

The transformation to a larger, more diversified product portfolio with new products will reduce the dependency on publication paper and thus reduce the business and market risk. The current packaging production at Norske Skog Bruck and Norske Skog Golbey is based on renewable resources.

Production of publication and packaging paper is resource intensive and requires significant quantities of energy. The goal is to continue to reduce energy consumption in production, eliminate the use of fossil energy sources and to optimise the use of process chemicals and transport. Our operations are impacted by unstable energy markets and increasing carbon prices. Norske Skog has included a reduction of greenhouse gas emissions from fossil energy sources as a key part of our business strategy.

We have identified the following climate-related risks as the most significant:

- **Regulatory:** Norske Skog is subject to several regulatory requirements relating to energy and emissions including the EU Emissions Trading Scheme (ETS), which include both CO2 compensation schemes, and CO2 allowances. Due to the financial impact any changes in such regulations may have on our business we monitor associated risks closely.
- **Physical:** The availability of sustainable and affordable biomass to produce publication paper in Norway and Austria may be affected by longer-term shifts in climate patterns in the future. Some of our mills are in areas where drought/access to water and/or flooding might become a risk in the future with a changing climate.
- **Market:** Shifting consumer preferences and trends may impact demand for Norske Skog products made from biomass. This can impact market development for publication paper, recycled containerboard, and related capacity adjustments in the industry.
- **Reputational:** Compliance with environmental regulations and standards is crucial for avoiding fines, legal fees, and reputational damage. Norske Skog's ability to manage regulatory risks may affect its financial stability and long-term viability.

The financial statements may be impacted by climate related risk in the future but are not considered to be key areas of judgement or sources of estimation uncertainty in the current financial year. The effects may be related to:

- CO2 compensation and CO2 allowances may be cut back and increase our cost of production. This may affect the value of our main assets in Europe if the increase in cost cannot be recovered in the prices of our products. Implementation of the EU Carbon Border Adjustment Mechanism (CBAM) coming into effect may, if effective, increase the probability of recovery of any increased cost of carbon emissions.
- Impairment of our property, plant and equipment due to a change in the profitability from cost increases for carbon emissions and price of energy or due to shortened useful life due to physical risks that reduce the appetite for reinvestment, thereby reducing the time horizon for certain plants. See also Note 9 and 18.

Whilst there is currently no short-term impact expected from changes in climate, the board of directors are aware of the risk changes in climate could pose to the operations and the judgement and estimates made in preparation of the financial statements.

## 5. Financial risk

### FINANCIAL RISK MANAGEMENT

The main risk exposures for the group are linked to uncertainty to price and volume developments for publication and packaging paper and the costs of key input factors such as energy and fibre. Weaker demand than expected for the group's products can affect profitability and associated cash flows in a negative way. The group operates in a multicurrency environment, where the main currencies of importance for the business are EUR, GBP and USD. Currency movements between these currencies, as well as against NOK, may influence demand as well as product prices and costs of key input factors. Liquidity is ensured by maintaining sufficient cash balances and credit lines linked to trade receivables facilities. Norske Skog continuously assess the most competitive funding sources for the group.

Uncertainty about future changes in the broader economic climate development and more adverse developments than expected may influence all of the above and future results. The factors are an inherent uncertainty when the board makes its assessments.

The group has one cash pool which is legally placed in Norske Skog ASA.

### FINANCIAL RISK FACTORS

The group is exposed to various financial risk factors through the group's operating activities, including market risk (interest rate risk, currency risk and commodity risk), liquidity risk and credit risk. The group seeks to minimise losses and volatility on the group's earnings caused by adverse market movements. Moreover, the group monitors and manages financial risk based on internal policies and standards set forth by corporate management and approved by the board of directors. These written policies provide principles for the overall risk management as well as standards for managing currency risk, interest rate risk, credit risk, liquidity risk and the use of financial derivatives and non-derivative financial instruments.

### MARKET RISK

#### a) Interest rate risk

Interest rate risk is related to the financial risk related to changes in market interest rates. Interest rate risk management is carried out to secure the lowest possible interest rate payments over time within acceptable risk limits. This includes having a portfolio of loans in the group with both floating interest and fixed interest rates. The group may also use derivatives to manage the interest rate risk in the group.

INTEREST-BEARING ASSETS AND LIABILITIES	31.12.2025			31.12.2024		
	FLOATING	FIXED	TOTAL	FLOATING	FIXED	TOTAL
Interest-bearing liabilities	4 724	653	5 377	4 521	725	5 246
Interest-bearing assets	-1 082	0	-1 082	-1 127	0	-1 127
<b>Net exposure</b>	<b>3 642</b>	<b>653</b>	<b>4 295</b>	<b>3 394</b>	<b>725</b>	<b>4 119</b>

All amounts presented in the table are notional amounts. Total interest-bearing liabilities will therefore differ from booked amounts due to bond discounts/premiums. Floating rate exposure is calculated without accounting for potential future refinancing.

#### Interest rate sensitivity analysis

In accordance with IFRS 7 Financial instruments - disclosures, an interest rate sensitivity analysis is presented showing the effects of changes in market interest rates on interest costs and interest income, as well as equity where applicable. The analysis is based on the following assumptions:

- Floating rate debt is exposed to changes in market interest rates, i.e. the interest costs or interest income associated with such instruments will fluctuate based on changes in market rates. The impact of changes is presented in the sensitivity analysis. The analysis assumes that all other factors are kept constant.
- Changes in market rates on fixed rate debt will only affect the income statement if they are measured at fair value. Thus, fixed rate instruments recognised at amortised cost will not represent an interest rate risk as defined by IFRS 7. Such instruments will therefore not have any impact on the sensitivity analysis.
- Results are presented net of tax, using the Norwegian statutory tax rate of 22%.
- The interest rate sensitivity analysis is based on a parallel shift in the yield curve for each relevant currency to which Norske Skog is exposed.

INTEREST RATE	PROFIT/(LOSS) AFTER TAX	
	2025	2024
50 basis point downward parallel shift in the yield curve	17	16
50 basis point upward parallel shift in the yield curve	-17	-16

With a 50-basis point upward change in interest rate the annual interest payments will increase with NOK 17 million (NOK 16 million). The upward change will have a positive change in the value of derivatives carried at fair value through profit or loss with NOK 7 million (NOK 9 million).

## b) Currency risk

### Transaction risk - economic hedge

The group has revenues and expenses in various currencies. The major currencies are NOK, EUR, GBP and USD. Transaction risk arises because the group has a different currency split on income and expenses. In 2025 Norske Skog has hedged some of its cash flows in foreign currencies. The result of the hedging is included in gains/(losses) on foreign currency in the income statement. The cash flow hedges resulted in a realised gain of NOK 24 million in 2025 (NOK -3 million). At year end 2025 Norske Skog had hedging contracts of NOK 0 (NOK -65 million).

### Translation risk - net investment hedge

The group does not have any net investment hedges.

### Foreign exchange - sensitivity analysis on financial instruments

The following foreign exchange sensitivity analysis calculates the sensitivity of derivatives and non-derivative financial instruments on net profit and equity, based on a defined appreciation/depreciation of NOK against relevant currencies, keeping all other variables constant. The analysis is based on several assumptions, including:

- Norske Skog as a group comprises entities with different functional currencies. Derivative and non-derivative financial instruments of a monetary nature, denominated in currencies different from the functional currency of the entity, create foreign exchange rate exposure on the consolidated income statement.
- Financial instruments denominated in the functional currency of the entity have no currency risk and will therefore not be applicable to this analysis. Furthermore, the foreign currency exposure of translating financial accounts of subsidiaries into the group's presentational currency is not part of this analysis.
- Sensitivity on commodity contracts and embedded derivatives is presented separately under "commodity risk".
- Other currency derivatives that are recognised at fair value through profit and loss will affect the income statement.
- Other non-derivative financial instruments accounted for in the analysis comprise cash and cash equivalents, trade receivables, trade payables and borrowings denominated in currencies different from the functional currency of the entity.
- Correlation effects between currencies are not taken into account. Figures are presented net of tax.

## NOK GAIN/(LOSS) FROM 10% APPRECIATION ON FOREIGN CURRENCY EXCHANGE RATES

CURRENCIES AGAINST TO WHICH THE GROUP HAS SIGNIFICANT EXPOSURE	31.12.2025 31.12.2024	
	EUR	19
GBP	4	-70
USD	13	-31
Other	-5	4
<b>Total</b>	<b>31</b>	<b>-85</b>

The effect of the sensitivity analysis on the income statement is mainly caused by foreign exchange forward contract in GBP, USD and EUR for which there is no hedge accounting.

## c) Commodity risk

A part of the commodity demand is secured through long-term contracts limiting the exposure to changes in commodity prices. Some of the group purchases contracts are defined as financial instruments, or contain embedded derivatives, which fall within the scope of IFRS 9. These financial instruments and embedded derivatives are measured in the balance sheet at fair value with value changes recognised through profit or loss. The embedded derivatives can be in physical commodity contracts and may comprise a wide variety of derivative characteristics.

Changes in fair value of commodity contracts reflect unrealised gains or losses and are calculated as the difference between market price and contract price, discounted to present value. Some commodity contracts are bilateral contracts or embedded derivatives in bilateral contracts, for which there exists no active market. Therefore, valuation techniques are used with as much use as possible of available market information. Techniques that reflect how the market could be expected to price instruments are used in non-observable markets. The fair value of embedded derivatives in physical contracts depends on currency fluctuations.

### Sensitivity analysis for commodity contracts

When calculating fair value of future and forward contracts, cash flows are assumed to occur in the middle of the period. Currency effects arise when contract values nominated in foreign currencies are translated into the reporting currency.

COMMODITY CONTRACTS WITHIN THE SCOPE OF IFRS 9		FAIR VALUE 31.12.2025	NET PROFIT AFTER TAX - INCREASE	NET PROFIT AFTER TAX - DECREASE
Energy price	change 10%	137	55	-55
Currency	change 10%	137	-3	3
Price index	change 2.5%	137	0	0

### Sensitivity analysis for embedded derivatives

Embedded derivatives can be features in physical commodity contracts. The most common embedded derivatives are currency.

EMBEDDED DERIVATIVES		FAIR VALUE 31.12.2025	NET PROFIT AFTER TAX - INCREASE	NET PROFIT AFTER TAX - DECREASE
Currency	change 10%	-94	-104	104

## LIQUIDITY RISK

The group is exposed to liquidity risk in a scenario when the group's cash flow from operating activities is not sufficient to cover payments of financial liabilities. To effectively mitigate liquidity risk, Norske Skog's liquidity risk management strategy focuses on maintaining sufficient cash, as well as securing available financing through committed credit facilities. Managing liquidity risk is centralised on a group level.

To uncover future liquidity risk, the group forecasts both short- and long-term cash flows. Cash flow forecasts include cash flows from operations, investments, financing activities and financial instruments. The group had cash and cash equivalents of NOK 1 082 million on 31 December 2025 (NOK 1 127 million). Restricted bank deposits amounted to NOK 231 million on 31 December 2025 (NOK 255 million).

Scheduled repayments in Note 29 shows contractual maturities of non-derivative financial liabilities. All amounts disclosed in the table are undiscounted cash flows. Furthermore, amounts denominated in foreign currency are translated to NOK using closing rates on 31 December 2025. These amounts consist of trade payables and interest payments. Variable rate interest cash flows are calculated using the forward yield curve. Projected interest payments are based on the maturity schedule on 31 December 2025 without accounting for forecasted refinancing and/or other changes in the liability portfolio. All other cash flows are based on the group's positions held on 31 December 2025.

### SCHEDULED REPAYMENTS OF FINANCIAL DEBT AND INTEREST AT 31.12.2025

	INTEREST	OTHER LOANS	BONDS	TOTAL
Not later than one year	292	942	0	1 234
Later than one year and not later than five years	568	2 513	1 400	4 481
Later than five years	18	396	0	415
<b>Total</b>	<b>878</b>	<b>3 851</b>	<b>1 400</b>	<b>6 129</b>
Trade payables				1 527

### SCHEDULED REPAYMENTS OF FINANCIAL DEBT AND INTEREST AT 31.12.2024

	INTEREST	OTHER LOANS	BONDS	TOTAL
Not later than one year	322	749	0	1 071
Later than one year and not later than five years	810	2 501	1 400	4 711
Later than five years	29	529	0	558
<b>Total</b>	<b>1 161</b>	<b>3 779</b>	<b>1 400</b>	<b>6 340</b>
Trade payables				1 282

## CREDIT RISK

The group makes a credit evaluation of all financial trading counterparties. Based on the evaluation, a limit on credit exposure is established for each counterparty. These limits are monitored continuously in relation to unrealised profit on financial instruments and placements. The maximum credit risk arising from financial instruments is represented by the carrying amount of financial assets in the balance sheet.

The group procedures for credit management of trade receivables, and the authority to approve credit lines to customers of the business units, are regulated by a policy drafted and maintained by a centralised credit management function at the head office. The operational responsibility to act within the guidelines as set out by this policy lies with each business unit.

## 6. Reporting segments

### SEGMENT REPORTING

The activities in the group are separated into three reporting segments which is in line with how the group is managed internally. Norske Skog's chief operating decision maker is corporate management, who distribute resources and assess performance of the group's operating segments. Norske Skog has an integrated strategy to maximise profits for each segment. The optimisation is carried out through co-ordinated sales and operational planning within each segment.

### Accounting policies applied in the segment reporting

Recognition, measurement and classification are applied consistently in external and internal reporting.

### Performance measurement

The group assesses the performance of the reporting segments based on a measure of EBITDA. These items exclude the effects of expenditure not deemed to be part of the regular operating activities of the segment, such as restructuring expenses, impairments, changes in fair value of certain energy contracts, embedded derivatives in energy contracts. See alternative performance measures (APM) for further information related to performance measurement other than financial measure defined or specific in the IFRS Accounting standards.

### Intercompany transactions

The revenue reported per reporting segment includes both sales to external parties and sales to other segments. Intra-segment sales are eliminated in the consolidated financial statements. All sales transactions between reporting segments are carried out at arm's length prices as if sold or transferred to independent third parties.

### REPORTABLE SEGMENTS

Norske Skog group is a producer of publication paper and packaging paper. Publication paper includes newsprint and magazine paper. Newsprint encompasses standard newsprint and other paper qualities used in newspapers, inserts, catalogues, etc. These paper qualities, measured in grammes per square meter, will normally be in the range 40-52 g/m<sup>2</sup>. Magazine paper encompasses the paper qualities super calendared (SC) and lightweight coated (LWC). These paper qualities are used in magazines, periodicals, catalogues and brochures. From 2023 Norske Skog group is also a producer of recycled containerboard, mainly the grades testliner 3 and fluting. Testliner 3 and fluting are used by corrugators as outer and inner layers of packaging material and will normally be in the range of 90-170 g/m<sup>2</sup> for testliner 3 and 70-170 g/m<sup>2</sup> for fluting.

### Publication paper

Publication paper encompasses production and sale of newsprint and magazine paper. The publication paper machines and the regional sales organisations are included in the reporting segment.

### Packaging paper

Packaging paper was established as a new reporting segment in 2023. The segment encompasses production and sale of recycled containerboard. Norske Skog Bruck PM3 was included in the segment from 2023. Norske Skog Golbey PM1 is included in the packaging paper segment from 2025 and started production and deliveries in the second quarter.

**Other activities**

Activities in the group that do not fall into the reporting segments publication paper or packaging paper are presented under other activities. This includes corporate functions and sourcing solutions. Norske Skog Recycling GmbH, that was previously included in sourcing solutions, is from the fourth quarter of 2025 merged with Norske Skog Bruck GmbH and included in the packaging paper segment.

**REVENUES AND EXPENSES NOT ALLOCATED TO OPERATING SEGMENTS**

Norske Skog manages non-current debt, taxes and cash positions on a group basis. Consequently, financial items and tax expenses are presented only for the group.

**OPERATING REVENUE AND EXPENSES PER OPERATING SEGMENT**

2025	PUBLICATION PAPER	PACKAGING PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	8 056	1 036	827	-474	9 445
Other operating income	826	206	4	0	1 037
<b>Total operating income</b>	<b>8 882</b>	<b>1 243</b>	<b>832</b>	<b>-474</b>	<b>10 482</b>
Distribution costs	-886	-150	0	0	-1 036
Cost of materials	-5 016	-888	-705	377	-6 232
Employee benefit expenses	-1 232	-312	-75	0	-1 619
Other operating expenses	-640	-201	-82	97	-827
<b>EBITDA</b>	<b>1 107</b>	<b>-308</b>	<b>-31</b>	<b>0</b>	<b>769</b>
Restructuring expenses	-5	0	0	0	-5
Depreciation	-331	-217	-9	0	-557
Derivatives and other fair value adjustments	357	0	-1	0	356
<b>Operating earnings</b>	<b>1 129</b>	<b>-525</b>	<b>-41</b>	<b>0</b>	<b>563</b>
Share of operating revenue from external parties (%)	100	100	47		100
2024	PUBLICATION PAPER	PACKAGING PAPER	OTHER ACTIVITIES	ELIMINATIONS	NORSKE SKOG GROUP
Operating revenue	8 359	721	802	-649	9 233
Other operating income	807	130	4	-2	939
<b>Total operating income</b>	<b>9 166</b>	<b>851</b>	<b>806</b>	<b>-651</b>	<b>10 173</b>
Distribution costs	-904	-101	0	0	-1 005
Cost of materials	-5 274	-527	-671	544	-5 927
Employee benefit expenses	-1 446	-156	-101	2	-1 702
Other operating expenses	-773	-61	-73	104	-803
<b>EBITDA</b>	<b>769</b>	<b>6</b>	<b>-39</b>	<b>0</b>	<b>736</b>
Restructuring expenses	-12	0	-4	0	-16
Depreciation	-354	-118	-8	0	-481
Impairments	-121	0	0	0	-121
Derivatives and other fair value adjustments	-170	0	-8	0	-178
<b>Operating earnings</b>	<b>112</b>	<b>-113</b>	<b>-59</b>	<b>0</b>	<b>-60</b>
Share of operating revenue from external parties (%)	100	100	26	0	100

**PROPERTY, PLANT AND EQUIPMENT PER GEOGRAPHICAL REGION**

The table below shows property, plant and equipment allocated to Norske Skog's country of domicile and other regions in which the group holds assets. The allocation is based on the location of the production facilities.

	31.12.2025	31.12.2024
Norway	1 154	1 184
Rest of Europe	9 095	8 539
<b>Total</b>	<b>10 249</b>	<b>9 723</b>

**CASH GENERATED FROM OPERATIONS**

	2025	2024
Publication paper	8 299	8 847
Packaging paper	1 132	846
Other activities	822	775
Discontinued operations	490	1 922
Eliminations	-474	-651
<b>Total</b>	<b>10 269</b>	<b>11 740</b>

**NET CASH FLOW FROM OPERATING ACTIVITIES**

	2025	2024
Publication paper	836	228
Packaging paper	-395	75
Other activities	16	-76
Discontinued operations	8	-28
<b>Total cash flow allocated to segments</b>	<b>466</b>	<b>200</b>
Net financial items	-230	-216
Taxes paid	-9	1
<b>Net cash flow from operating activities</b>	<b>227</b>	<b>-15</b>

**PURCHASES OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

	2025	2024
Publication paper	197	430
Packaging paper	764	1 082
Other activities	12	13
Discontinued operation	9	33
<b>Total</b>	<b>982</b>	<b>1 558</b>

**INVENTORIES**

Inventories include raw materials, work in progress, finished goods and other production materials.

	31.12.2025	31.12.2024
Publication paper	1 289	1 301
Packaging paper	80	70
Other activities	2	20
<b>Total</b>	<b>1 371</b>	<b>1 390</b>

**TRADE RECEIVABLES**

	31.12.2025	31.12.2024
Publication paper	317	402
Packaging paper	83	9
Other activities	81	63
Eliminations	0	0
<b>Total</b>	<b>482</b>	<b>474</b>
Provision for bad debt	-54	-52

## 7. Revenue

**Accounting policies**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the group expects to be entitled in exchange for those goods or services.

The timing of revenue recognition is based on the delivery terms for the different markets and customers, and where revenue is recognised at a point in time. It is important to make sure that all performance obligations are fulfilled, and the customer can benefit on its own. If the customer cannot obtain control of the good or service, the revenue will not be recognised.

Revenue in the group companies consist almost exclusively of sale of goods. Contracts with customers are recognised upon satisfaction of a performance obligation by transferring the promised goods to a customer and measured at point in time for the sale of products to the customer. Sales of publication papers, packaging paper and other products are non-interest-bearing receivables, generally on terms of 20-60 days.

Norske Skog's terms of delivery are based on Incoterms 2020, which are the official rules for the interpretation of trade terms issued by the International Chamber of Commerce. The timing of revenue recognition is largely dependent on these delivery terms: The sale of publication paper and packaging paper in Norske Skog is mainly based on delivery terms C and D, with 7% (8%) and 85% (83%) respectively.

C-terms, where the group arranges and pays for the external transport of the goods, but the group no longer bears any responsibility for the goods once they have been handed over to the transporter in accordance with the terms of the contract. The point of sale is when the goods are handed over to the transporter contracted by the seller.

D-terms, where the group delivers the goods to the purchaser at the agreed destination, usually at the purchaser's premises. The point of sale is when the goods are delivered to the purchaser. If the customer is invoiced before delivery of the goods purchased, revenue is only recognised if the customer has taken over a significant part of the gain and loss potential relating to the goods.

**MAJOR CUSTOMERS**

No customer represents 10% or more of the operating revenue.

Norske Skog had a total sales volume of newsprint and magazine paper of 1 092 000 tonnes in 2025 (1 115 000), of which sales to the group's largest customer constituted approximately 69 000 (58 000) tonnes. Total sales volume in 2025 of newsprint and magazine paper to the five largest customers amounted to approximately 206 000 (207 000) tonnes.

Total sales volume of recycled containerboard was 247 000 tonnes in 2025 (162 000). Total sales volume in 2025 of recycled containerboard to the five largest customers amounted to 62 000 tonnes (59 000).

#### OPERATING REVENUE PER GEOGRAPHICAL MARKET

The allocation of operating revenue by market is based on customer location.

	2025	2024
Norway	320	440
Rest of Europe	8 551	8 209
North America	206	217
Asia	273	306
Africa	82	61
South America	6	0
Central America	7	0
<b>Total</b>	<b>9 445</b>	<b>9 233</b>

## 8. Other operating income

#### Accounting policies

##### Government grants

Government grants are recognised as income or as a cost reduction, dependent on the basis for which the government grant has been awarded. Recognition will be on a systematic basis over the period they have been granted for, or on a systematic basis to the costs that they are intended to compensate for.

Government grants in the form of compensation for losses which have already been incurred, or in the form of direct financial support, which is not directly related to future costs, are recognised as income in the same period as they are awarded.

Government grants related to assets are presented in the balance sheet as deferred income or as a reduction of the cost price of the assets the grant relates to. The grant is then recognised in the income statement either through future periodic income recognition or as a future reduction in the depreciation charge.

##### CO2 allowances

The EU Emissions Trading System (EU ETS) was established in 2005 and is a cap-and-trade mechanism that limits greenhouse gas emissions from key sectors by setting a cap on total emissions and allowing companies to buy, sell, or trade emission allowances. The pulp and paper industry is classified as being at risk of carbon leakage, meaning it faces significant carbon costs and international competition that could incentivise relocation to countries with less stringent climate policies. To address this risk, operators in the pulp and paper industry are allocated free CO2 allowances based on a carbon intensity benchmark per tonne paper produced.

Free allowances are used to offset emission liabilities and are accounted for at nil value upon allocation. Entities with a surplus of allowances – meaning their verified emissions are lower than their allocated free quotas – can sell the excess allowances on the carbon market. The expected revenue from these sales is accrued monthly as a function of the paper production. At the end of each month, the value of these allowances is measured at prevailing market prices, ensuring financial statements reflect current carbon market conditions.

If an entity is in a net deficit of allowances, a provision for the required additional allowances is recorded monthly at market value to reflect the cost of compliance. Consumption of CO2 allowances is included in cost of materials (see Note 9).

Norske Skog received 328 000 CO2 allowances in 2025 (274 000) and sold approximately 409 000 (451 000). Sold CO2 quotas include also CO2 quotas from prior year in addition to quotas purchased during the year. EU ETS system currently covers the period 2021 to 2025. Norske Skog has received written notice from the Norwegian Environment Agency stating that the Norwegian mills Norske Skog Saugbrugs and Norske Skog Skogn will not be included in the EU ETS system from 2026 to 2030. Norske Skog has appealed the decision of the Norwegian Environment Agency to the Ministry of Climate and Environment. The company has not received a final decision from the Ministry of Climate and Environment.

#### CO2 compensation

CO2 compensation is an arrangement provided to industries at risk of carbon leakage that face higher electricity costs due to the EU carbon pricing mechanism. Since power producers pass on the cost of EU ETS allowances to electricity prices, energy-intensive industries receive compensation to prevent relocation of production to countries with weaker climate policies. This is included as reduction in energy cost and described in Note 9.

#### OTHER OPERATING INCOME

	2025	2024
Public subsidies and grants	16	9
Gate fee	144	125
Gain on sales of non-current assets	5	3
Gain from sale of CO2 allowances	167	222
Insurance settlement	560	458
Other	145	123
<b>Total</b>	<b>1 037</b>	<b>939</b>

Public subsidies and grants in 2025 relate mainly to conversion projects in Norske Skog Bruck and Norske Skog Golbey.

Other for 2025 and 2024 consist mainly of income from sale of steam, sludge, electricity grid support and real estate rental.

#### Insurance settlement

On 27 April 2023 Norske Skog Saugbrugs was impacted by a rockslide that destroyed parts of the building and damaged machinery and equipment related to PM6. The damage to the building and infrastructure were extensive and PM6 has been stopped from the time of the impact.

Norske Skog Saugbrugs is covered for both property damage and business interruption as part of its group insurance programme.

Work has been carried out to secure the site from further rockslide and reinstate the building. The costs to secure rock formations and property damage to building structures and cost of reinstatement of these was covered by Norske Skog Saugbrugs and fully reimbursed by the insurers.

On 31 January 2025 Norske Skog Saugbrugs and its insurance company agreed on a final settlement of all remaining insurance claims related to the rockslide at the Saugbrugs site. Following the settlement, an aggregate amount of NOK 560 million has been recognised in other operating income in 2025 (NOK 448 million).

All of the NOK 560 million recognised in 2025 was related to property damage (NOK 448 million).

NOK 0 million is expensed in other operating expenses (NOK 2 million).

In 2024 an additional NOK 10 million was recognised as part of an insurance settlement for property damage in 2022 in Norske Skog Golbey.

## 9. Cost of materials

### Accounting policies

Cost of material are accounted for as they are consumed as part of the production of products. Change in inventory reflects the cost of goods sold in the period.

### CO2 compensation

CO2 compensation is an arrangement provided to industries at risk of carbon leakage that face higher electricity costs due to the EU carbon pricing mechanism. Since power producers pass on the cost of EU ETS allowances to electricity prices, energy-intensive industries receive compensation to prevent relocation of production to countries with weaker climate policies. CO2 compensation covers a defined period but may be changed at the discretion of the government as any compensation is decided on country level. Norske Skog receives recurring CO2 compensation in Norway and France. The compensation is dependent on energy consumption and average CO2 market price in the previous year. As the production and earned CO2 compensation is quite stable throughout the year, this is accrued for monthly in the year before it is received. CO2 compensation is recognised as a reduction of energy cost as the element of energy cost it compensates is consumed and incurred.

In 2024 the Norwegian government entered into an agreement with unions and trade organisations regarding a new framework for the Norwegian CO2 compensation. The amended regulation applies for the period 2024 to 2030. The agreement includes removing the price floor that previously existed in addition to implementing at funding cap of NOK 7 billion and a requirement that the companies eligible to the compensation spend 40 percent of the compensation on climate- and energy initiatives. Norske Skog's CO2 compensation is dependent on the production for all the companies eligible to CO2 compensation. The group recognises estimated entitled CO2 compensation as earned based on the approved regulation and expected compensation level in relation to energy consumption. Application and payment of compensation is to be done the first few months in the year following the year of consumption of electricity.

CO2 compensation of NOK 620 million (NOK 478 million) is recorded as a reduction in energy costs on the cost of materials line, as the grant is primarily intended to compensate for high energy costs. The total compensation received, and to be received, under the scheme until 2030 is conditional upon at least 40% of the compensation being used on climate efficiency measures. The company has submitted and received approval for an action plan, and expects to comply with the conditions for retaining the compensation based on commenced and planned energy efficiency projects. Hence, recognition of the compensation is not deferred.

### CO2 allowances

Allocation of free CO2 quotas are based on the annual production. The free quotas are used to settle liabilities arising from emission. If an entity is net deficit of allowances (emissions exceed CO2 allowances received) provision for quotas that need to be purchased is done monthly as the production the quotas is a function of is quite stable. Each month this is measured at market value. Consumption of CO2 allowances is included in energy within cost of materials. See Note 8 for further information.

### COST OF MATERIALS

	2025	2024
Fiber	3 327	3 023
Chemicals and additives	968	917
Energy	1 302	1 489
Other production material	658	585
Change in inventory	-23	-86
<b>Total</b>	<b>6 232</b>	<b>5 927</b>

## 10. Employee benefit expenses

### Accounting policies

#### Bonus arrangements

The group accrues for bonus arrangements when there exists a contractual obligation, or past practice has created a constructive obligation.

#### Share-based remuneration

Norske Skog has a long-term incentive programme which falls within the scope of IFRS 2 Share-based payments. The long-term incentive programme is a cash-settled share-based programme in which the entity acquires services by incurring a liability to transfer cash to the employee for those services for amounts that are based on the price of the shares in the company. The ultimate cost of a cash-settled share-based transaction is the actual cash paid to the counterparty, which will be the fair value at settlement date.

The periodic determination of this liability is at each reporting date between grant and settlement the fair value of the award. The fair value of the award is determined in accordance with the specific requirements in IFRS 2. During the vesting period, the liability recognised at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period. All changes in the liability are recognised in profit or loss. The fair value of the liability is determined by applying an option pricing model, considering the terms and conditions on which the cash-settled transaction was granted, and the extent to which the employees have rendered services to date.

EMPLOYEE BENEFIT EXPENSES	NOTE	2025	2024
Salaries including holiday pay		1 212	1 282
Social security contributions		327	332
Pension and other long term employee benefits	27	52	63
Other employee benefit expenses		28	25
<b>Total</b>		<b>1 619</b>	<b>1 702</b>

NUMBER OF EMPLOYEES (FTE)	2025	2024
Europe	1 632	1 748
- Corporate functions	20	23
<b>Total</b>	<b>1 652</b>	<b>1 771</b>

### REMUNERATION FOR MEMBERS OF CORPORATE MANAGEMENT

Pursuant to 6-16 (b) in the Public Limited Liability Companies Act, and associated regulations, Norske Skog publishes a separate management remuneration report disclosing detailed information on remuneration to corporate management and directors of the board. The remuneration report will be published immediately after the annual general meeting on 16 April 2026 and will include detailed information on management remuneration complementing the numbers presented below.

In accordance with the code of conduct for corporate governance recommended by the Oslo Stock Exchange, salary, benefits in kind and bonus for members of corporate management are specified below. In relation to the long-term incentive programme for corporate management NOK -1 million was expensed in 2025 (NOK -4 million) and on 31 December 2025 the corresponding liability was NOK 0.5 million (NOK 1.4 million). The long-term incentive programme is described in the guidelines for determining salary and other remuneration to leading personnel, which are available on the company's website, [www.norskeskog.com](http://www.norskeskog.com).



2025 (in NOK 1 000)		Fixed		Variable		CONTRIBUTION TO PENSION SCHEMES	TOTAL REMUNERATION	RELATIVE PROPORTION FIXED/VARIABLE
CORPORATE MANAGEMENT MEMBER	ANNUAL BASE SALARY	SALARY EARNED <sup>1)</sup>	BENEFITS IN KIND ETC. <sup>2)</sup>	STI earned <sup>3)</sup>	LTI EARNED <sup>4)</sup>			
<b>Geir Drangslund,</b> CEO	5 464	5 459	212	500	-1	1 075	<b>7 245</b>	92% / 8%
<b>Tord Steinset Torvund,</b> CFO	2 197	2 198	175	250	-373	289	<b>2 539</b>	100% / N/A
<b>Robert A. Wood,</b> SVP Commercial	2 548	2 569	23	250	-97	142	<b>2 888</b>	94% / 6%
<b>Einar Blaauw,</b> SVP General Counsel	2 554	2 555	197	250	-77	466	<b>3 391</b>	94% / 6%
<b>Even Lund,</b> SVP Corporate Finance	2 197	2 198	155	250	-373	287	<b>2 517</b>	100% / N/A

2024 (in NOK 1 000)		Fixed		Variable		CONTRIBUTION TO PENSION SCHEMES	TOTAL REMUNERATION	RELATIVE PROPORTION FIXED/VARIABLE
CORPORATE MANAGEMENT MEMBER	ANNUAL BASE SALARY	SALARY EARNED <sup>1)</sup>	BENEFITS IN KIND ETC. <sup>2)</sup>	STI earned <sup>3)</sup>	LTI EARNED <sup>4)</sup>			
Geir Drangslund, CEO	5 234	5 074	191	-	206	888	<b>6 359</b>	96% / 4%
Tord Steinset Torvund, CFO since 1 March	2 104	1 710	137	-	-1 194	224	<b>876</b>	100% / N/A
Robert A. Wood, <sup>5)</sup> SVP Commercial	2 440	2 495	31	-	-424	184	<b>2 285</b>	100% / N/A
Einar Blaauw, SVP General Counsel in CM since 1 January	2 445	2 421	179	-	-337	440	<b>2 704</b>	100% / N/A
Even Lund, VP Corporate Finance in CM since 1 January	1 894	1 875	144	-	-1 194	225	<b>1 050</b>	100% / N/A
Rune Sollie, CFO until 1 March	2 325	1 331	85	-	-605	159	<b>970</b>	100% / N/A
Amund Saxrud, COO until 20 March	2 325	2 957	143	-	-605	345	<b>2 840</b>	100% / N/A

1) Salary earned includes fixed salary and accrued holiday pay

2) Benefits in kind includes car allowance, insurance, free telephone etc.

3) Based on performance in the financial year

4) Illustrates the expensed change in accrual of the corresponding liability and is not directly linked to actual payments. For 2025 and 2024 LTI has been negative for most of the corporate management members

5) Robert A. Wood was employed by Norske Skog ASA from 1 April 2024. Prior to this he was employed by Norske Skog UK Ltd. He has during his employment in Norske Skog UK Ltd. worked fully for Norske Skog ASA as SVP Commercial. Salary in GBP is translated to NOK at the average exchange rate for the relevant period the salary was paid in GBP

## 11. Other operating expenses

	NOTE	2025	2024
Maintenance materials and services	8	448	429
Marketing expenses		20	21
Variable lease, short term and low value lease expenses	19	27	21
Administration, insurance, travel expenses etc.		105	105
Losses from divestments of property, plant and equipment		3	0
Other expenses		223	227
<b>Total</b>		<b>827</b>	<b>803</b>
<b>Specification of losses on trade receivable included in other expenses</b>			
Receivables written off during the period		-3	2
Change in provision for bad debt		2	0
<b>Total</b>		<b>-2</b>	<b>2</b>

### AUDITORS' FEE INCLUDED IN OTHER OPERATING EXPENSES

(in NOK 1 000, excluding VAT)	PARENT COMPANY		SUBSIDIARIES		TOTAL
	GROUP AUDITORS	GROUP AUDITORS	OTHER AUDITORS		
Audit fee	2 328	3 766	373		6 467
Audit-related assistance <sup>1)</sup>	3 062	20	0		3 081
Tax assistance	0	0	0		0
Other fees	0	86	0		86
<b>Total</b>	<b>5 390</b>	<b>3 872</b>	<b>373</b>		<b>9 634</b>

<sup>1)</sup> Audit-related assistance includes services which only auditors can provide, such as the review of interim financial statements, agreed upon control procedures etc.

## 12. Derivatives and other fair value adjustment

### Accounting policies

The group has derivatives in the form of currency forward contracts, used to hedge currency risk, embedded derivatives related to currency in certain energy contracts that are separated from its host contract and certain energy contracts that are accounted for at fair value.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of any of these derivative instruments are recognised in the income statement. The group has selected to not designate any financial instruments for hedge accounting.

The fair value of currency forward contracts is based on mark-to-market reports (level 2) which are considered to be an approximation of fair value. For the embedded derivatives and contracts valued at fair value there is no active market, and the group applies valuation techniques to establish the fair value (level 3). These may include the use of recent arm's length transactions, reference to other instruments which are substantially the same, and discounted cash flow analyses defined to reflect the issuer's specific circumstances. Fair value includes the impact of credit risk and the adjustment for credit risk is dependent on whether the derivative is in the money (asset) or out of the money (liability). Credit value adjustment is applied to assets positions based on credit risk associated with the counterparty. Debit value adjustment is applied to liability positions, based on the group's own credit risk.

	2025	2024
Changes in value – commodity contracts <sup>1)</sup>	326	-124
Changes in value – embedded derivatives	32	-47
Realised gains/(losses) on contracts	-2	-7
<b>Total</b>	<b>356</b>	<b>-178</b>

<sup>1)</sup> Long-term financial contracts and commodity contracts that do not meet the requirement in IFRS 9 related to own use are measured at fair value.

Norske Skog's portfolio of commodity contracts consists mainly of physical energy contracts. The fair value of commodity contracts is especially sensitive to future changes in energy prices. A sensitivity analysis of the impact on profit after tax of fluctuations in energy prices, currency and price indices is given in Note 5. The valuation techniques used are described in Note 21.

The gain in the fair value of commodity contracts in 2025 is mainly a reversal of the negative fair value of the 2025 contracts volume. The loss in fair value of commodity contracts in 2024 is mainly due to the forecasted forward energy prices in Norway decreasing in 2024. Contracts measured at fair value expire in 2026.

The gain in embedded derivatives in 2025 was mainly due to forward prices of euro depreciating against NOK during 2025, whereas during 2024 the forward price appreciated.

Realised gain/(losses) on contracts consist of realised losses on financial hedging of excess energy during 2025 and 2024.

### 13. Associated companies and joint ventures

#### Accounting policies

Associates are all entities over which the group exercises significant influence but not control, generally accompanying a shareholding of 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

Net profit from associated companies is included in 2025 with NOK 0 million (NOK -65 million).

The carrying value of associated companies and joint ventures is NOK 14 million on 31 December 2025 (NOK 15 million).

#### Circa Group AS

Norske Skog holds a 26% share of Circa Group AS that has been suspended from trading on Euronext Growth following its filed petition for bankruptcy on 7 October 2024. Norske Skog impaired the shares in 2024 to reflect the market value of nil. Total loss in 2024 amounted to NOK 65 million.

### 14. Financial items

#### Accounting policies

Interest income and expenses are recognised in the income statement as they are accrued, based on the effective interest method. This is the interest rate that gives a net present value of the cash flows from the loan that is equal to carrying value.

#### Currency contracts

Forward currency contracts are recognised in the balance sheet and measured at fair value at each balance sheet date with the resulting gain or loss recognised in gain/(losses) on foreign currency.

FINANCIAL ITEMS	2025	2024
<b>Financial income</b>		
Interest income	47	84
<b>Total</b>	<b>47</b>	<b>84</b>
<b>Financial expenses</b>		
Interest expense	-249	-212
Other financial expenses	-85	-139
<b>Total</b>	<b>-333</b>	<b>-351</b>
<b>Gains/(losses) on foreign currency</b>	<b>77</b>	<b>-175</b>
<b>Financial items</b>	<b>-209</b>	<b>-441</b>

Other financial expenses mainly consist of commitments fee and other financing expenses. See Note 29. In 2024 other financial expenses include NOK 43 million in transaction cost regarding refinancing of the 150 million senior secured bond.

### 15. Income tax

#### Accounting policies

The group's income tax expense includes current tax based on taxable profit for each jurisdiction. This is adjusted by;

- changes in deferred tax assets and liabilities attributable to temporary differences arising between the carrying amount of assets and liabilities in the consolidated financial statements and their tax bases and;
- changes to unused tax losses that are expected to be utilised.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Deferred tax assets are offset against deferred tax liabilities only when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority and there is a legally enforceable right to set off current tax assets against current deferred tax liabilities.

The tax charge is calculated based on the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company's subsidiaries and associates operate and generate taxable income. The groups operations are located in countries with ordinary tax regimes and there are no special tax arrangements requiring special consideration or complexity.

#### Pillar Two

The Pillar Two model rules (Global Anti-Base Erosion rules) ("the rules") introduces a global minimum corporate tax of 15%. The rules will be applicable in all jurisdictions of operations. The rules will partially come into effect from 2024, with the first filing in 2026.

For the financial year beginning 1 January 2024 Norske Skog is subject to the rules in the jurisdictions where Norske Skog's has operations. The group has assessed the potential impact on income taxes of rules in relation to "top up tax".

The assessment is based on tax reporting and country-by-country reporting to local tax authorities and the financial statement of the entities applied to the rules. The assessment has concluded that the effective tax rate of the entities is above the threshold of 15% or within safe harbour rules. No Pillar Two income taxes have been expensed in 2024 or 2025.

Under IFRS there is a temporary exception to the requirements of IAS 12. Norske Skog has applied this exemption to not recognise or disclose information about deferred tax asset and liabilities related to Base Erosion and Profit Shifting (BEPS) Pillar Two rules.

TAX EXPENSE	2025	2024
Current tax expense	-11	-4
Change in deferred tax	98	-91
<b>Total</b>	<b>88</b>	<b>-94</b>

RECONCILIATION OF THE GROUP TAX EXPENSE	2025	2024
Profit/(loss) before income taxes	354	-566
Computed tax at nominal tax group rate of 22%	-78	125
Differences due to different tax rates	13	3
Non taxable income/non deductible expenses	-12	-3
Adjustment previous years	7	0
Other items	-1	-8
Change in deferred tax asset not recognised	157	-211
Total tax (expense)/income	88	-94
<b>Effective tax rate</b>	<b>-25%</b>	<b>-17%</b>

CURRENT TAX LIABILITY	31.12.2025	31.12.2024
Norway	0	0
Rest of Europe	-11	-11
<b>Total</b>	<b>-11</b>	<b>-11</b>

DEFERRED TAX - MOVEMENTS	2025	2024
<b>Net deferred tax asset/(liability) 1 January</b>	<b>-96</b>	<b>4</b>
Change in deferred tax in the income statement	98	-91
Tax on other comprehensive income	-4	1
Currency translation differences	0	-10
<b>Net deferred tax asset/(liability) 31 December</b>	<b>-1</b>	<b>-96</b>

DEFERRED TAX ASSET AND DEFERRED TAX LIABILITY	31.12.2025	31.12.2024
Norway	134	111
Rest of Europe	0	0
<b>Deferred tax assets</b>	<b>134</b>	<b>111</b>
Norway	-44	0
Rest of Europe	-91	-207
<b>Deferred tax liability</b>	<b>-135</b>	<b>-207</b>
<b>Net deferred tax assets/(liability)</b>	<b>-1</b>	<b>-96</b>

DEFERRED TAX DETAILS	31.12.2025	31.12.2024
Fixed assets	-124	-74
Pension and other employee obligations	7	10
Other non-current items	54	39
Currency translation differences and financial instruments	-12	67
Current items	-4	-15
Financial instruments	1	16
Interest carry forward (Interest limitation rules)	74	70
Tax losses to carry forward	472	415
Tax losses and other deferred tax assets not recognised	-471	-629
Tax credits	1	5
<b>Net deferred tax assets/(liability)</b>	<b>-1</b>	<b>-96</b>



Photo: Carsten Dybevig

**LOSSES TO CARRY FORWARD AND TEMPORARY DIFFERENCES 31.12.2025 BY REGION**

	NORWAY	REST OF EUROPE	TOTAL
Tax losses to carry forward	460	1 571	2 031
Temporary differences	1 057	-391	666
Tax losses and temporary differences not recognised	-908	-1 180	-2 088
<b>Total tax losses and tax credits to carry forward (recognised)</b>	<b>609</b>	<b>0</b>	<b>609</b>
<b>Deferred tax asset</b>	<b>134</b>	<b>0</b>	<b>134</b>
<b>Tax rate</b>	<b>22%</b>	<b>23-32%</b>	

**LOSSES TO CARRY FORWARD AND TEMPORARY DIFFERENCES 31.12.2024 BY REGION**

	NORWAY	REST OF EUROPE	TOTAL
Tax losses to carry forward	869	967	1 836
Temporary differences	1 492	-10	1 483
Tax losses and temporary differences not recognised	-1 855	-957	-2 812
<b>Total tax losses and tax credits to carry forward (recognised)</b>	<b>505</b>	<b>0</b>	<b>505</b>
<b>Deferred tax asset</b>	<b>111</b>	<b>0</b>	<b>111</b>
<b>Tax rate</b>	<b>22%</b>	<b>23-32%</b>	

Norske Skog has not recognised any deferred tax asset arising from the tax losses carried forward.

**16. Earnings and dividend per share**

	NOTE	2025	2024
Profit/(loss) from continuing operations		442	-661
Profit/(loss) from discontinued operations	26	-37	-321
Profit/(loss) attributable to owners of the parent		404	-982
Weighted average number of shares in million		84.8	84.8
<b>Basic earnings per share (NOK)</b>			
From continuing operations		5.21	-7.79
From discontinued operations	26	-0.44	-3.78
Total basic earnings per share		4.76	-11.57
<b>Diluted earnings/(loss) per share (NOK)</b>			
From continuing operations		5.21	-7.79
From discontinued operations	26	-0.44	-3.78
Total diluted earnings per share		4.76	-11.57

The board of directors has decided not to propose the general meeting any dividend for the financial year 2025. No dividend was paid in 2025 for the financial year 2024.

## 17. Intangible assets

### Accounting policies

#### Patents and licenses

Patents and licenses have a finite useful life and are recognised at historical cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of patents and licences over their estimated useful lives.

#### Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire the specific software and bring it into use and amortised over their estimated useful lives. Computer software development costs

recognised as assets are amortised over their estimated useful lives. Costs associated with maintaining computer software are recognised as an expense as they are incurred.

#### Impairment

Norske Skog has no cash generating units (CGUs) with allocated goodwill or assets with indefinite useful life that need to be tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

INTANGIBLE ASSETS	OTHER INTANGIBLE ASSETS	LICENCES AND PATENTS	TOTAL
<b>Acquisition cost 1 January 2024</b>	<b>54</b>	<b>97</b>	<b>151</b>
Additions	1	2	3
Reclassified to assets held for sale	-53	0	-53
Reclassified from plant under construction	0	2	2
Currency translation differences	1	3	4
<b>Acquisition cost 31 December 2024</b>	<b>4</b>	<b>104</b>	<b>107</b>
<b>Accumulated depreciation and impairments 1 January 2024</b>	<b>50</b>	<b>89</b>	<b>139</b>
Depreciation	1	4	5
Reclassified to assets held for sale	-52	0	-52
Currency translation difference	1	3	4
<b>Accumulated depreciation and impairments 31 December 2024</b>	<b>0</b>	<b>96</b>	<b>97</b>
<b>Carrying value 31 December 2024</b>	<b>3</b>	<b>8</b>	<b>11</b>
<b>Acquisition cost 1 January 2025</b>	<b>4</b>	<b>104</b>	<b>107</b>
Additions	0	12	12
Currency translation differences	-1	1	0
<b>Acquisition cost 31 December 2025</b>	<b>3</b>	<b>117</b>	<b>120</b>
<b>Accumulated depreciation and impairments 1 January 2025</b>	<b>0</b>	<b>96</b>	<b>97</b>
Depreciation	0	6	6
<b>Accumulated depreciation and impairments 31 December 2025</b>	<b>0</b>	<b>103</b>	<b>103</b>
<b>Carrying value 31 December 2025</b>	<b>3</b>	<b>14</b>	<b>17</b>

Other intangible assets, and licences and patents are depreciated over a period from three to five years.

## 18. Property, plant and equipment

### Accounting policies

Property, plant and equipment (PPE) is presented at historical cost less subsequent depreciation, write downs and impairments. Historical cost includes expenditure directly attributable to the acquisition of the items. The residual value of production equipment is defined as the realisable value after deduction of the estimated cost of dismantling and removal of the asset. If the estimated cost exceeds the estimated value, the net liability is added to the cost of the related asset, and a provision is recognised as a liability in the balance sheet.

Borrowing costs, which are directly related to qualifying assets, are recognised as part of the acquisition cost for the qualifying asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives. Land is not depreciated.

The residual value and useful life of property, plant and equipment are reviewed and adjusted if required.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and is included in the income statement line other operating income/other operating expenses.

### Impairment

Review of impairment indicators are performed regularly, and if impairment indicators are identified an impairment test of property, plant and equipment is performed. Indicators of impairment will typically be changes in market conditions and changes in the competitive situation. For the purpose of assessing impairment, assets are grouped at the lowest level for which cash flows are separately identifiable cash generating units (CGU).

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

There is judgement required to determine CGU for impairment testing. For property, plant and equipment the CGU can be a single machine or a combination of machines on the facts and circumstances.

At the end of 2025 the market balance for publication paper were slightly better compared to the last two years as a result of capacity closures across all grades. However, there is still overcapacity in the publication paper markets resulting from the structural demand decline. The containerboard market is also experiencing some overcapacity as new entrants is expected to outpace the growth in demand the coming years.

### Assumptions applied when calculating the recoverable amount

Intangible non-current assets and property, plant and equipment (PPE) are written down to their recoverable amount when this is lower than the carrying value of the asset. The recoverable amount of an asset or CGU is the higher of its fair value less costs to sell and its value in use. Value in use is the present

value of future cash flows expected to arise from an asset or cash-generating unit. Norske Skog applies the value in use approach when calculating recoverable amount for its CGUs. Norske Skog has identified the following CGUs: Skogn newsprint (Norske Skog Skogn), Golbey newsprint (Norske Skog Golbey PM2), Saugbrugs super calendared (Norske Skog Saugbrugs), Bruck lightweight coated (Norske Skog Bruck PM4), Bruck containerboard (Norske Skog Bruck PM3) and Golbey containerboard (Norske Skog Golbey PM1). These represent the six cash generating units that the group is focusing on in its follow-up operationally and commercially as communication with customers, suppliers, employees.

The production machines have a long technical life, while useful lives are linked to industry cost curves and the size of the market. The estimated remaining useful life of the individual paper machines forms the basis for determining the length of the cash flow period used in the value in use calculation. Estimated useful life for the individual publication paper machines in the group varies from 1 to 8 years for publication paper machines and 27 to 30 years for packaging paper machines. Sales volumes are reduced in accordance with the estimated end of useful lives of the different paper machines in the group. Norske Skog models the cash flows throughout the useful life of the paper machines. The timing of capacity closures is based on an assessment of the position on Fastmarkets RISI cost curve and market demand projections for the produced grade. Fastmarkets RISI is the leading global source for forest products information and data ([www.fastmarkets.com](http://www.fastmarkets.com)).

Nominal cash flow is estimated in the functional currency in which it will be generated. The value is calculated by discounting based on a required rate of return on capital that is relevant for the cash-generating unit. The required rate of return, or weighted average cost of capital (WACC), is based on the interest rate on ten-year government bonds in the currency of the cash flow estimate, an industry debt yield premium, industry beta and an equity risk premium. A country-specific risk premium relevant to the cash-generating unit is also included in the required rate of return on capital.

The key drivers of profitability in publication paper and packaging paper and thus asset values for the group are product prices relative to production costs i.e. EBITDA margin. EBITDA levels represents the operating profit (loss) before depreciation and amortisation. The starting point for any impairment test is the financial budget for 2026 approved by the board of directors. The key assumptions used in reaching the forecast figures are sales prices, volumes and operating costs. Contracted prices/costs are reflected when applicable in the budget.

There are no observable market prices for the group's products, but there are external sources such as Fastmarkets RISI and PPPC for which estimate prices for publication paper and packaging paper, and these are used as a reference. For operating cost related to raw materials and energy contract prices are used when they cover longer periods, or a best estimate of cost based on historical experience and any expected changes. Operating costs are based on budgeted levels and adjusted for any approved efficiency initiatives.

The calculation of value in use takes into consideration any future changes in both the CO2 quotas and the income from CO2 compensation going forward in line with the relevant regulatory framework. Other than that no climate legislation has currently been approved that impacts the group. There are however expectations that new climate related legislation will be passed in the future that may increase costs or reduce income and thereby impacting on profitability as costs are not able to be passed on to customer or fully or partially compensated by incentive schemes.

**Expected useful life**

In connection with the year-end closing process for 2025, Norske Skog performed a review of the expected remaining useful lives of property, plant and equipment. The useful life of most of the machines were consistent with last year assumptions.

**Sensitivity to estimates of recoverable amount**

The key uncertainty in the cash flows and profitability relates to future market prices for Norske Skog's products and input factors in the production and prices and cost relative to each other. The estimation of recoverable amount is based on assumptions regarding the future development of several factors. These include price development for finished goods, sales volumes, currency rates and interest rates. In relation to the assumptions made in a calculation of the present value of future cash flows, recoverable amount is most sensitive to changes in prices of finished goods, but also sales volumes and the discount rate used but to a lesser extent.

**Property, plant and equipment allocated to cash-generating units**

The table below shows machinery and equipment, and land and buildings allocated to Norske Skog's cash-generating units as of 31 December 2025.

	MACHINERY AND EQUIPMENT	LAND AND BUILDINGS
Skogn newsprint	164	210
Golbey newsprint	773	188
Saugbrugs super calendared	302	329
Bruck lightweight coated	85	62
Bruck containerboard	1 840	572
Golbey containerboard	4 837	538
<b>Carrying value 31 December 2025</b>	<b>8 001</b>	<b>1 898</b>

**Impairment test**

Norske Skog has identified impairment indicators related to the containerboard and super calendared cash generating units. The impairment test found a value in use higher than the book value of the relevant CGU's and thus no impairment charge was recognised.

PROPERTY, PLANT AND EQUIPMENT	BIOLOGICAL ASSETS	MACHINERY AND EQUIPMENT	LAND AND BUILDINGS	FIXTURES AND FITTINGS	PLANT UNDER CONSTRUCTION	RIGHT-OF-USE ASSETS	TOTAL
<b>Acquisition cost 1 January 2024</b>	<b>2</b>	<b>25 831</b>	<b>7 040</b>	<b>568</b>	<b>4 085</b>	<b>230</b>	<b>37 755</b>
Additions	0	39	106	0	1 436	107	1 688
Disposals	0	-2	0	0	0	-94	-96
Reclassified to assets held for sale	-2	-4 802	-538	-21	-42	-63	-5 467
Reclassified from plant under construction	0	303	149	3	-456	0	-2
Currency translation differences	0	639	185	23	187	8	1 042
<b>Acquisition cost 31 December 2024</b>	<b>0</b>	<b>22 008</b>	<b>6 942</b>	<b>574</b>	<b>5 210</b>	<b>188</b>	<b>34 921</b>
<b>Accumulated depreciation and impairments 1 January 2024</b>	<b>0</b>	<b>22 510</b>	<b>5 936</b>	<b>521</b>	<b>75</b>	<b>146</b>	<b>29 188</b>
Depreciation	0	361	92	14	0	45	513
Impairment	2	205	28	0	37	25	297
Disposals	0	0	0	0	0	-92	-92
Reclassified to assets held for sale	-2	-4 772	-514	-21	-37	-30	-5 376
Currency translation difference	0	500	141	21	0	6	668
<b>Accumulated depreciation and impairments 31 December 2024</b>	<b>0</b>	<b>18 805</b>	<b>5 683</b>	<b>536</b>	<b>75</b>	<b>100</b>	<b>25 198</b>
<b>Carrying value 31 December 2024</b>	<b>0</b>	<b>3 203</b>	<b>1 259</b>	<b>38</b>	<b>5 135</b>	<b>88</b>	<b>9 723</b>
<b>Acquisition cost 1 January 2025</b>	<b>0</b>	<b>22 008</b>	<b>6 942</b>	<b>574</b>	<b>5 210</b>	<b>188</b>	<b>34 921</b>
Additions	0	20	2	2	926	83	1 033
Disposals	0	-3	-7	0	0	-21	-30
Reclassified to assets held for sale	0	0	0	0	0	0	0
Reclassified from plant under construction	0	5 200	737	9	-5 946	0	0
Currency translation differences	0	51	15	2	27	-1	94
<b>Acquisition cost 31 December 2025</b>	<b>0</b>	<b>27 276</b>	<b>7 689</b>	<b>587</b>	<b>217</b>	<b>249</b>	<b>36 018</b>
<b>Accumulated depreciation and impairments 1 January 2025</b>	<b>0</b>	<b>18 805</b>	<b>5 683</b>	<b>536</b>	<b>75</b>	<b>100</b>	<b>25 198</b>
Depreciation	0	414	95	12	0	30	551
Impairment	0	30	0	0	-30	0	0
Disposals	0	-2	-5	0	0	-21	-28
Reclassified to assets held for sale	0	0	0	0	0	0	0
Currency translation difference	0	28	18	3	0	-1	47
<b>Accumulated depreciation and impairments 31 December 2025</b>	<b>0</b>	<b>19 274</b>	<b>5 791</b>	<b>550</b>	<b>45</b>	<b>108</b>	<b>25 768</b>
<b>Carrying value 31 December 2025</b>	<b>0</b>	<b>8 001</b>	<b>1 898</b>	<b>36</b>	<b>172</b>	<b>141</b>	<b>10 249</b>

SPECIFICATION OF DEPRECIATION AND IMPAIRMENTS	NOTE	2025	2024
Property, plant and equipment		551	513
Intangible assets		6	5
Depreciation from discontinued operations	26	0	-37
<b>Depreciation from continuing operation</b>		<b>557</b>	<b>481</b>
Property, plant and equipment		0	297
Impairments from discontinued operations	26	0	-176
<b>Impairments from continuing operation</b>		<b>0</b>	<b>121</b>

Machinery and equipment are depreciated over a period from five to 30 years. Land and buildings comprise mainly mills, machinery and office premises. Buildings and other property are depreciated over a period from ten to 40 years. Fixtures and fittings are depreciated over a period from three to ten years. Land and plant under construction are not depreciated.

Right-of-use assets is further described in Note 19.

The difference between total additions in the table above and purchases of property, plant, equipment and intangible assets in the consolidated statement of cash flows is due to leases, capitalised borrowing costs and accruals for

payments. Norske Skog has capitalised borrowing costs of NOK 74 million in 2025 (NOK 105 million).

Disposals in 2025 and 2024 were primarily related to scrapping of fully depreciated assets that no longer have any technical values.

At year end 2025 the group has contractual commitments for acquisition of property, plant and equipment of NOK 230 million (NOK 530 million) that relate to future periods. In 2025 total payments related to acquisition of property, plant and equipment to committed amount was NOK 530 million.

## 19. Leases

### Accounting policies

Norske Skog recognises a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term ("right-of-use asset"). Exceptions for short term leases and low value leases have been adapted by the group. At initial recognition the lease assets is measured at an

amount equal to the lease liability. Norske Skog separately recognises the interest expense on the lease liability and the depreciation expense on the leased assets.

The group's leased assets are categorised and presented in the table below:

LEASES	MACHINERY AND EQUIPMENT	LAND AND BUILDINGS	FIXTURES AND FITTINGS	TOTAL
<b>Carrying value 1 January 2024</b>	<b>43</b>	<b>34</b>	<b>6</b>	<b>84</b>
Additions	101	6	0	107
Disposals	-2	0	0	-2
Reclassified to assets held for sale	-32	0	0	-33
Depreciations	-34	-10	-1	-45
Impairments	-25	0	0	-25
Currency translation differences	1	0	0	2
<b>Carrying value 31 December 2024</b>	<b>52</b>	<b>30</b>	<b>5</b>	<b>88</b>
Additions	49	34	1	83
Depreciations	-16	-12	-1	-30
<b>Carrying value 31 December 2025</b>	<b>85</b>	<b>52</b>	<b>4</b>	<b>141</b>

LEASE PAYMENTS MATURITY ANALYSIS	NOTE	31.12.2025	31.12.2024
Not later than one year		38	28
Later than one year and not later than five years		86	55
Later than five years		39	22
<b>Total</b>		<b>163</b>	<b>105</b>
Future finance charges		17	13
<b>Present value of liabilities</b>	<b>29</b>	<b>146</b>	<b>92</b>

Interest expense on lease liabilities amounts to NOK 6 million in 2025 (NOK 6 million).

CASH PAYMENT MADE FROM LEASES	2025	2024
Principal payments on recognised lease liabilities	30	32
Interest payments on recognised lease liabilities	6	6
Payments on leases expensed in the period	27	21
Principal, interest and leases expense payments from discontinued operations	4	18
<b>Total</b>	<b>67</b>	<b>76</b>

The group has decided not to recognise a lease liability for short term leases or for leases of low value assets. Payments made under such leases are

included in operating expenses. Certain variable lease payments are not permitted to be recognised as leases liabilities and are expensed as incurred.

VARIABLE LEASE, SHORT TERM AND LOW VALUE LEASE EXPENSES	NOTE	2025	2024
Expense relating to variable lease payments not included in the measurement of lease liabilities		8	5
Short term leases exemption		1	1
Low-value leases exemption		18	14
<b>Total</b>	<b>11</b>	<b>27</b>	<b>21</b>

## 20. Shares

### SHARES IN SUBSIDIARIES OWNED BY

THE PARENT COMPANY	CONSOLIDATED COMPANIES	CURRENCY	SHARE CAPITAL (IN 1 000)	OWNERSHIP%
Norske Skog Bruck GmbH, Bruck, Austria		EUR	67 000	100%
Norske Skog Golbey SAS, Golbey, France		EUR	62 365	100%
	GV Bois SAS, Golbey, France	EUR	100	90%
	Green Valley Energy SASU, France	EUR	2 301	64%
Norske Skog Skogn AS, Levanger, Norway		NOK	115 230	100%
	Norske Skog Skogn Eiendom AS, Levanger, Norway	NOK	100	100%
Norske Skog Saugbrugs AS, Halden, Norway		NOK	115 230	100%
	Saugbrugs Bioenergi AS, Halden, Norway	NOK	3 000	100%
Nornews AS, Oslo, Norway		NOK	300	100%
	Norske Skog Deutschland GmbH, Augsburg, Germany	EUR	520	100%
	Norske Skog France SARL, Paris, France	EUR	135	100%
	Norske Skog (Österreich) GmbH, Graz, Austria	EUR	35	100%
	Norske Skog (UK) Ltd., London, United Kingdom	GBP	100	100%
Cebina AS, Oslo, Norway		NOK	30	100%
Cebico AS, Oslo, Norway		NOK	30	100%

SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES	CURRENCY	SHARE CAPITAL (in 1 000)	OWNERSHIP%	CARRYING VALUE (NOK)
<b>Owned by consolidated companies</b>				
Porsnes Utvikling AS, Halden, Norway	NOK	300	50%	7
Green Valley Energie, France	EUR	300	10%	4
NorFibre Logistics SAS, France	EUR	500	20%	1
SEM, France	EUR	879	10%	1
Other				1
<b>Total shares in associated companies and joint ventures</b>				<b>14</b>

OTHER SHARES	NOTE	CURRENCY	SHARE CAPITAL (in 1 000)	OWNERSHIP%	CARRYING VALUE (NOK)
<b>Owned by the parent company</b>					
Ocean GeoLoop AS, Skogn, Norway		NOK	527	2%	2
3K6 Skoginvest AS, Trondheim, Norway		NOK	165	2%	2
<b>Owned by consolidated companies</b>					
Exeltium SAS, Paris, France		EUR	12 358	5%	99
Other					1
<b>Total other shares</b>	<b>23</b>				<b>104</b>

## 21. Derivatives

### Fair value of derivatives

Norske Skog's portfolio of commodity contracts consists mainly of physical energy contracts. The commodity contracts and embedded derivatives classified as financial instruments within the scope of IFRS 9 contracts are related to energy contracts in Norway. Fair value of commodity contracts is sensitive to estimates of future energy prices. For further details about gains and losses relating to level 3 instruments see Note 12.

The fair value of derivatives that are not traded in an active market (over-the-counter derivatives) is determined using various valuation techniques. Interest rate swaps, cross-currency swaps, forward rate agreements and foreign currency forward contracts are all valued by estimating the present value of future cash flows. Quoted cash and swap rates are used as input for calculating zero coupon curves used for discounting.

The fair value of commodity contracts recognised in the balance sheet is calculated by using quotes from actively traded markets when available. Otherwise, price forecasts from acknowledged external sources are used.

Commodity contracts that fail to meet the own use exemption criteria in IFRS 9 are recognised in the balance sheet and valued on the same principle as financial contracts. Some of these are long-term energy contracts. In calculating the fair value of embedded derivatives, valuation techniques are used in the absence of observable market inputs.

The table below classifies financial instruments within the scope of IFRS 9 measured in the balance sheet at fair value, by valuation method. The different valuation methods are described as levels and are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability are not based on observable market data (i.e. unobservable inputs).

31.12.2025	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>Financial assets at fair value through profit or loss</b>				
Trading derivatives	0	0	0	0
Derivatives used for hedging	0	0	0	0
Commodity contracts and embedded derivatives	0	0	144	144
<b>Total</b>	<b>0</b>	<b>0</b>	<b>144</b>	<b>144</b>

<b>Financial liabilities at fair value through profit or loss</b>				
Trading derivatives	0	0	0	0
Derivatives used for hedging	0	-7	0	-7
Commodity contracts and embedded derivatives	0	0	-101	-101
<b>Total</b>	<b>0</b>	<b>-7</b>	<b>-101</b>	<b>-108</b>

31.12.2024	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>Financial assets at fair value through profit or loss</b>				
Trading derivatives	0	0	0	0
Derivatives used for hedging	0	1	0	1
Commodity contracts and embedded derivatives	0	0	9	9
<b>Total</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>10</b>

<b>Financial liabilities at fair value through profit or loss</b>				
Trading derivatives	0	-1	0	-1
Derivatives used for hedging	0	-71	0	-71
Commodity contracts and embedded derivatives	0	0	-324	-324
<b>Total</b>	<b>0</b>	<b>-72</b>	<b>-324</b>	<b>-396</b>

The following table shows the changes in level 3 instruments.

2025	ASSETS	LIABILITIES
<b>Balance 1 January</b>	<b>9</b>	<b>-324</b>
Gain and losses recognised in profit or loss	135	222
<b>Balance 31 December</b>	<b>144</b>	<b>-101</b>

The following table is presented in accordance with IFRS 13.94, showing the fair value of all commodity contracts in level 3 within the scope of IFRS 9 given a change in assumptions to a reasonably possible alternative.

FAIR VALUE OF DERIVATIVES IN LEVEL 3 GIVEN A REASONABLY POSSIBLE ALTERNATIVE		31.12.2025	31.12.2024
<b>Assets</b>			
Commodity contracts	Energy price -20%	38	0
Embedded derivatives	NOK appreciation 5%	0	0
<b>Total</b>		<b>38</b>	<b>0</b>
<b>Liabilities</b>			
Commodity contracts	Energy price -20%	-42	-482
Embedded derivatives	NOK appreciation 5%	-27	-57
<b>Total</b>		<b>-70</b>	<b>-539</b>

## 22. Financial instruments

### Accounting policies

The group classifies its financial assets or liabilities in the following two categories: at fair value through profit or loss and at amortised cost. This classification depends on the purpose for which the financial asset or liability was acquired. Management determines the classification of its financial asset or liability at initial recognition and re-evaluates this designation at every reporting date.

#### a) Fair value through profit or loss

This category has two sub-categories: held for trading, and those designated at fair value through profit or loss at inception. A financial asset or liability is classified in this category if it was acquired principally for the purpose of short-term sale or if so designated by management. Derivatives are also categorised as held for trading unless designated as hedges. Assets or liabilities in this category are classified as current assets if they either are held for trading or are expected to be realised within 12 months of the balance sheet date.

Non-financial commodity contracts where the relevant commodity is readily convertible to cash, and where the contracts are not for own use, fall within the scope of IFRS 9 and such contracts are treated as derivatives. Embedded derivatives are separated from the host contract and accounted for as a derivative if the economic characteristics are not closely related to the economic characteristics and risk of the host contract. See Note 5 and 21 for more information. Commodity contracts within the scope of IFRS 9 are classified as current assets unless they are expected to be realised more than 12 months after the balance sheet date. In that case, they are classified as non-current assets.

#### b) Amortised cost

Amortised cost includes cash, loans, and receivables, and are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Items classified as amortised cost are current items maturing less than 12 months after the balance sheet date and are presented as Trade and other receivables or Cash and cash equivalents in the balance sheet. Items maturing later than 12 months after the balance sheet date are presented within other non-current assets.

### CATEGORIES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

31.12.2025	NOTE	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTISED COST	TOTAL FINANCIAL ASSETS	NON-FINANCIAL ASSETS	TOTAL
Other non-current assets	23	104	67	<b>171</b>	8	179
Trade and other receivables	23	0	875	<b>875</b>	633	1 508
Cash and cash equivalents	25	0	1 082	<b>1 082</b>	0	1 082
Other current assets	23	144	0	<b>144</b>	7	151

31.12.2025	NOTE	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTISED COST	TOTAL FINANCIAL LIABILITIES	NON-FINANCIAL LIABILITIES	TOTAL
Interest-bearing non-current liabilities	29	0	4 403	<b>4 403</b>	0	4 403
Interest-bearing current liabilities	29	0	974	<b>974</b>	0	974
Other non-current liabilities	30	79	0	<b>79</b>	409	488
Trade and other payables	30	0	2 151	<b>2 151</b>	213	2 363
Other current liabilities	30	46	0	<b>46</b>	208	254

31.12.2024	NOTE	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTISED COST	TOTAL FINANCIAL ASSETS	NON-FINANCIAL ASSETS	TOTAL
Other non-current assets	23	106	61	<b>167</b>	10	177
Trade and other receivables	23	0	718	<b>718</b>	535	1 253
Cash and cash equivalents	25	0	1 127	<b>1 127</b>	0	1 127
Other current assets	23	10	0	<b>10</b>	19	29

31.12.2024	NOTE	FAIR VALUE THROUGH PROFIT OR LOSS	AMORTISED COST	TOTAL FINANCIAL LIABILITIES	NON-FINANCIAL LIABILITIES	TOTAL
Interest-bearing non-current liabilities	29	0	4 475	<b>4 475</b>	0	4 475
Interest-bearing current liabilities	29	0	771	<b>771</b>	0	771
Other non-current liabilities	30	204	0	<b>204</b>	321	525
Trade and other payables	30	0	1 889	<b>1 889</b>	229	2 118
Other current liabilities	30	196	0	<b>196</b>	22	218

The group does not have any financial assets at fair value through other comprehensive income.

**FAIR VALUE MEASUREMENT HIERARCHY FOR FINANCIAL ASSETS AND LIABILITIES**

The table below classifies financial assets and liabilities by valuation method. The different valuation methods are described as levels and are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability are not based on observable market data (i.e. unobservable inputs).

31.12.2025	CARRYING AMOUNT	FAIR VALUE	LEVEL 1	LEVEL 2	LEVEL 3
Derivatives	0	0	0	0	0
Commodity contracts	0	0	0	0	0
Miscellaneous other non-current assets	171	171	0	0	171
<b>Other non-current assets</b>	<b>171</b>	<b>171</b>	<b>0</b>	<b>0</b>	<b>171</b>
Trade receivables	428	428	0	0	428
VAT receivables	88	88	0	0	88
Other receivables	358	358	0	0	358
<b>Trade and other receivables</b>	<b>875</b>	<b>875</b>	<b>0</b>	<b>0</b>	<b>875</b>
Derivatives	0	0	0	0	0
Commodity contracts	144	144	0	0	144
Current investments	0	0	0	0	0
<b>Other current assets</b>	<b>144</b>	<b>144</b>	<b>0</b>	<b>0</b>	<b>144</b>
<b>Cash and cash equivalents</b>	<b>1 082</b>	<b>1 082</b>	<b>0</b>	<b>101</b>	<b>981</b>
Interest-bearing non-current liabilities	4 403	4 337	0	1 316	3 021
Interest-bearing current liabilities	974	974	0	0	974
<b>Total interest-bearing liabilities</b>	<b>5 377</b>	<b>5 310</b>	<b>0</b>	<b>1 316</b>	<b>3 994</b>
Derivatives	79	79	0	0	79
Commodity contracts	0	0	0	0	0
<b>Other non-current liabilities</b>	<b>79</b>	<b>79</b>	<b>0</b>	<b>0</b>	<b>79</b>
Trade payables	1 527	1 527	0	0	1 527
Other payables	624	624	0	0	624
<b>Trade and other payables</b>	<b>2 151</b>	<b>2 151</b>	<b>0</b>	<b>0</b>	<b>2 151</b>
Derivatives	21	21	0	7	15
Commodity contracts	7	7	0	0	7
Financial current liabilities	17	17	0	0	17
<b>Other current liabilities</b>	<b>46</b>	<b>46</b>	<b>0</b>	<b>7</b>	<b>39</b>

31.12.2024	CARRYING AMOUNT	FAIR VALUE	LEVEL 1	LEVEL 2	LEVEL 3
Derivatives	0	0	0	0	0
Commodity contracts	0	0	0	0	0
Miscellaneous other non-current assets	167	167	0	0	167
<b>Other non-current assets</b>	<b>167</b>	<b>167</b>	<b>0</b>	<b>0</b>	<b>167</b>
Trade receivable	420	420	0	0	420
VAT receivables	126	126	0	0	126
Other receivables	172	172	0	0	172
<b>Trade and other receivables</b>	<b>718</b>	<b>718</b>	<b>0</b>	<b>0</b>	<b>718</b>
Derivatives	1	1	0	0	1
Commodity contracts	9	9	0	1	8
Current investments	0	0	0	0	0
<b>Other current assets</b>	<b>10</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>9</b>
<b>Cash and cash equivalents</b>	<b>1 127</b>	<b>1 127</b>	<b>0</b>	<b>404</b>	<b>723</b>
Interest-bearing non-current liabilities	4 475	4 457	0	1 365	3 092
Interest-bearing current liabilities	771	771	0	0	771
<b>Total interest-bearing liabilities</b>	<b>5 246</b>	<b>5 229</b>	<b>0</b>	<b>1 365</b>	<b>3 864</b>
Derivatives	111	111	0	0	111
Commodity contracts	93	93	0	0	93
<b>Other non-current liabilities</b>	<b>204</b>	<b>204</b>	<b>0</b>	<b>0</b>	<b>204</b>
Trade payables	1 282	1 282	0	0	1 282
Other payables	607	607	0	0	607
<b>Trade and other payables</b>	<b>1 889</b>	<b>1 889</b>	<b>0</b>	<b>0</b>	<b>1 889</b>
Derivatives	87	87	0	0	87
Commodity contracts	105	105	0	72	33
Financial current liabilities	4	4	0	0	4
<b>Other current liabilities</b>	<b>196</b>	<b>196</b>	<b>0</b>	<b>72</b>	<b>123</b>

The fair value of bonds (interest-bearing non-current liabilities) (Level 2) is assessed by using price indications from banks at the reporting date. There is some uncertainty associated with the calculated fair value of Level 3 interest-bearing liabilities. The fair value of other interest-bearing liabilities (Level 3) is based on amortised cost.

The fair values of cash and cash equivalents, trade receivables and other receivables, other assets, trade payables and other payables and other current liabilities remain largely consistent with the book value due to the short maturities of such positions. The fair value of derivatives and commodity contracts is described in Note 12.

## 23. Receivables and other non-current assets

### Accounting policies

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are held to due date except for those that are covered by the factoring agreements outlined below. Trade receivables are recognised at invoiced amount, less provision for bad debt. The impairment model for financial assets under IFRS

9 require recognition of uncertain receivables allowances based on expected credit losses. The group has an expected credit loss model for trade receivables, whereby expected credit losses are recognised based on ageing categories of trade receivables that includes all receivables.

NOTE 31.12.2025 31.12.2024

**Trade and other receivables**

Trade receivables	482	474
Provision for bad debt	-54	-52
VAT receivables	88	126
Prepaid expenses	68	64
Other receivables	924	641
<b>Total</b>	<b>1 508</b>	<b>1 253</b>

**Other current assets**

Derivatives	0	1
Commodity contracts	144	9
Other current assets	7	19
<b>Total</b>	<b>151</b>	<b>29</b>

**Other non-current assets**

Long-term shareholdings	20	104	106
Pension plan assets	27	8	10
Other non-current receivables	67	61	
<b>Total</b>	<b>179</b>	<b>177</b>	

Norske Skog Bruck, Norske Skog Golbey, Norske Skog Skogn and Norske Skog Saugbrugs have factoring facility agreements where the future cash flow on certain trade receivables is sold. The facility has a limit of EUR 25 million for Norske Skog Bruck, a limit of EUR 40 million for Norske Skog Golbey and a combined limit of NOK 400 million for Norske Skog Skogn and Norske Skog Saugbrugs. There are no financial covenants in these factoring facility agreements. Trade receivables that have been sold are deducted from trade receivables in the balance sheet. The utilisation at 31 December 2025 was NOK 660 million (NOK 668 million).

At 31 December 2025 advances received from contracts with customers amounted to NOK 0 million and other revenue accruals for invoice not sent amounted to NOK 0 million (NOK 0 million and NOK 0 million). In addition, received advances from customers not invoiced NOK 0 million at 31 December 2025 (NOK 0 million).

The credit risk on trade and other receivables is continuously monitored, independent of due date. The group's sales are mainly to large customers with a historically low degree of default. Collateral as security is not normally requested. Further information regarding the group's credit policy for sales is provided in Note 5.

**AGEING OF THE GROUP'S CURRENT RECEIVABLES** 31.12.2025 31.12.2024

Not due	1 412	1 094
0 to 3 months	101	166
3 to 6 months	0	3
Over 6 months	49	44
<b>Total</b> <sup>1)</sup>	<b>1 562</b>	<b>1 305</b>

1) Does not include provision for bad debt.

The maximum credit risk exposure at the year-end is the fair value of each class of receivable mentioned above.

## 24. Inventories

**Accounting policies**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using weighted average cost. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Other production materials include packaging materials, machine clothing, maintenance materials, operating materials and certain spare parts. Spare parts held as inventory are spare parts which do not meet the criteria for being classified as property, plant and equipment.

31.12.2025 31.12.2024

Raw material	190	278
Work in progress	13	8
Other production materials	614	577
Finished goods	554	527
<b>Total</b>	<b>1 371</b>	<b>1 390</b>

## 25. Cash and cash equivalents

**Accounting policies**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less.

31.12.2025 31.12.2024

Bank and other deposits	750	469
Restricted cash	231	255
Money market fund	101	404
<b>Total</b>	<b>1 082</b>	<b>1 127</b>

Cash and cash equivalents attributable to discontinued operations	26	0	50
<b>Total</b>	<b>1 082</b>	<b>1 177</b>	

**SALES OF SHARES IN SUBSIDIARIES**

2025 2024

Proceeds from sale of shares in subsidiaries	167	0
Disposal of subsidiary, net of cash disposed	-84	-91
<b>Net proceeds from sale of shares in subsidiaries</b>	<b>83</b>	<b>-91</b>

## 26. Discontinued operations

### Accounting policies

The group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss.

The group includes proceeds from disposal in cash flows from discontinued operations.

Additional disclosures are provided below. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

In December 2024 a concrete sales process was initiated for the sale of Norske Skog Industries Australia Ltd with subsidiaries. The plan to sell was approved by the board on 20 December 2024. On 7 February 2025 an agreement to sell Norske Skog Industries Australia Ltd with subsidiaries was signed and the entities were sold with effect from 1 April 2025.

The business of Norske Skog Industries Australia Ltd with subsidiaries, which represented the segment publication paper Australasia, were consequently classified as a disposal group held for sale and as a discontinued operation in the 2024 financial statements.

The financial performance and cash flow information presented below are for the period ended 1 April 2025 and the year ended 31 December 2024.

DISCONTINUED INCOME STATEMENT	NOTE	2025	2024
Operating revenue		442	1 855
Other operating income		1	9
<b>Total operating income</b>		<b>444</b>	<b>1 865</b>
Distribution costs		-62	-247
Cost of materials		-265	-1 176
Employee benefit expenses		-86	-326
Other operating expenses		-52	-196
Restructuring expenses		0	-11
Depreciation	18	0	-37
Impairments	18	-11	-176
<b>Total operating expenses</b>		<b>-476</b>	<b>-2 169</b>
<b>Operating earnings</b>		<b>-32</b>	<b>-305</b>
Financial income		0	5
Financial expense		-5	-19
Gains/(losses) on foreign currency		-1	-2
<b>Profit/(loss) before income taxes</b>		<b>-37</b>	<b>-321</b>
Income taxes		0	0
<b>Profit/(loss) from discontinued operations</b>		<b>-37</b>	<b>-321</b>

DISCONTINUED COMPREHENSIVE INCOME	2025	2024
<b>Profit/(loss) from discontinued operations</b>	<b>-37</b>	<b>-321</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Currency translation differences	4	28
Reclassified translation differences upon divestment of foreign operations	0	-7
Tax expense on translation differences	0	0
<b>Total</b>	<b>4</b>	<b>21</b>
Other comprehensive income discontinued operations	4	21
<b>Total comprehensive income discontinued operations</b>	<b>-34</b>	<b>-300</b>
<b>Earnings per share from discontinued operations (NOK)</b>		
Basic earnings per share	-0.44	-3.78
Diluted earnings per share	-0.44	-3.78

The carrying amounts of assets and liabilities as at the date of sale 1 April 2025 were:

DISCONTINUED BALANCE SHEET AT THE DATE OF SALE	01.04.2025
<b>Assets</b>	
Intangible assets	1
Property, plant and equipment	81
Inventories	246
Trade and other receivables	185
Other current assets	1
Cash and cash equivalents	84
<b>Assets held for sale</b>	<b>598</b>
<b>Liabilities</b>	
Employee benefit obligations	2
Interest-bearing non-current liabilities	41
Other non-current liabilities	96
Trade and other payables	253
Interest-bearing current liabilities	11
Other current liabilities	26
<b>Liabilities relating to assets classified as held for sale</b>	<b>428</b>
<b>Net assets held for sale</b>	<b>169</b>

DETAILS OF THE SALE OF NORSKE SKOG INDUSTRIES AUSTRALIA LTD WITH SUBSIDIARIES	2025
Consideration	169
Carrying amount of net assets sold	169
<b>Gain/loss on sale before incometax</b>	<b>0</b>

The transaction does not trigger any income tax for the group.

The major classes of assets and liabilities of publication paper Australasia classified as held for sale on 31 December are as follows:

DISCONTINUED BALANCE SHEET	NOTE	31.12.2025	31.12.2024
<b>Assets</b>			
Intangible assets	18	0	1
Property, plant and equipment	18	0	91
Inventories		0	242
Trade and other receivables		0	245
Other current assets		0	1
Cash and cash equivalents	25	0	50
<b>Assets held for sale</b>		<b>0</b>	<b>631</b>
<b>Liabilities</b>			
Employee benefit obligations		0	3
Interest-bearing non-current liabilities		0	46
Other non-current liabilities		0	101
Trade and other payables		0	267
Interest-bearing current liabilities		0	12
Other current liabilities		0	33
<b>Liabilities directly associated with assets held for sale</b>		<b>0</b>	<b>462</b>

The net cash flow incurred by publication paper Australasia is as follows:

DISCONTINUED STATEMENT OF CASH FLOW	2025	2024
Cash generated from operations	490	1 922
Cash used in operations	-482	-1 950
Interest payments received	0	5
Interest payments made	-4	-14
<b>Net cash flow from operating activities <sup>1)</sup></b>	<b>5</b>	<b>-36</b>
Purchases of property, plant and equipment and intangible assets	-9	-33
Sales of property, plant and equipment and intangible assets	0	0
Sales of shares in companies and other financial instruments	-84	-91
<b>Net cash flow from investing activities</b>	<b>-94</b>	<b>-124</b>
Repayments of loans	-3	-29
Change in cashpool payable	47	30
<b>Net cash flow from financing activities</b>	<b>44</b>	<b>1</b>
Foreign currency effects on cash and cash equivalents	-5	-1
<b>Total change in cash and cash equivalents</b>	<b>-50</b>	<b>-160</b>
<b>Cash and cash equivalents at start of period</b>	<b>50</b>	<b>210</b>
<b>Cash and cash equivalents at end of period</b>	<b>0</b>	<b>50</b>
<b><sup>1)</sup> Reconciliation of net cash flow from operating activities</b>		
Profit/(loss) before income taxes from discontinued operations	-37	-321
Change in working capital	29	28
Depreciation and impairments	11	213
Gain and losses from divestment of business activities and property, plant and equipment	0	46
Net financial items without cash effect	2	7
Adjustment for other items	0	-9
<b>Net cash flow from operating activities</b>	<b>5</b>	<b>-36</b>

## 27. Pension and other employee obligations

### Accounting policies

#### Pension obligations

Group companies operate various pension schemes. These are generally funded through payments to insurance companies, as determined by actuarial calculations. The group has both defined benefit and defined contribution plans.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the income statement. The interest component of the cost is included in financial expenses.

The supplementary collective pension scheme for salaries exceeding 12G is classified as a defined benefit plan in which the obligation is recognised in the balance sheet and the corresponding cost recognised in the income statement in the period in which they accrue.

A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. These contributions are made to publicly- or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. These contributions are recognised as an employee benefit expense in the period the contribution is related to.

Multiemployer defined benefit plans where available information is insufficient to use defined benefit accounting are accounted for as if the plan were a defined contribution plan, with contributions recognised as employee benefit expenses in the period in which they accrue and no provision is made for the obligation.

#### Other employee obligations

The groups other employee benefits are future benefits that the employees have earned in return for their service in current and prior periods.

The leave obligations cover the groups liabilities for long service leave and annual leave which are classified as either other non-current liabilities or short-term liabilities. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the income statement in the period in which they arise.

EMPLOYEE BENEFIT OBLIGATIONS	2025	2024
Pension obligations	248	281
Other long-term employee benefit obligations	11	15
<b>Total employee benefit obligations</b>	<b>259</b>	<b>296</b>

#### A) PENSION OBLIGATIONS

Norske Skog has various pension schemes in accordance with local conditions and practices in the countries in which the group operates. A total of 1 625 active and former employees are covered by such schemes. Of these, 576 people are covered by defined benefit plans and 1 224 people by defined contribution plans.

#### DESCRIPTION OF THE DEFINED BENEFIT PLANS

The key terms in Norske Skog's major defined benefit plans are shown in the table below.

	BENEFIT IN% OF PENSIONABLE EARNINGS	YEARS OF SERVICE	PENSIONABLE AGE	EARLY RETIREMENT AGE	ACTIVE MEMBERS
Norske Skog ASA	65	30	70	62	0
Norske Skog Saugbrugs AS	65	30	70	62	0
Norske Skog Skogn AS	65	30	70	62	0
Norske Skog Golbey SAS	0	43	64	62	366

The defined benefit plan in Norske Skog Bruck GmbH and Norske Skog Deutschland GmbH is closed.

The defined benefit schemes in Norway cover people born before 1 January 1959 and who were employed before 1 January 2011 when the plan was closed. The defined benefit obligations in Norway only encompass active members since they leave the defined benefit scheme (having a paid-up policy) when they retire.

Plan assets of the pension schemes in Norske Skog ASA, Norske Skog Saugbrugs AS and Norske Skog Skogn AS are managed by a life insurance company and invested in accordance with the general guidelines governing investments by life insurance companies in Norway.

When evaluating plan assets, it is based on the assumptions as at 31 December. This estimated value is adjusted every year in accordance with the figures for the market value of the assets provided by the insurance company.

When measuring the incurred obligations, it is based on the assumptions as at 31 December. This estimated obligation is adjusted every year in accordance with the figures for incurred pension obligations provided by the actuary.

In addition to the benefit obligation funded through insurance plans, the group has unfunded benefit obligations. The unfunded obligations include estimated future obligations relating to the former Norwegian early retirement scheme and pensions for senior management and directors. Obligations relating to senior management pensions are partly funded through a supplementary retirement plan with a life insurance company.

In addition to defined benefit plans, there are also various defined contribution plans. Norwegian entities have a defined contribution scheme with a contribution of 5% for earnings up to 7.1 G and 17% between 7.1 and 12 G.

The group participates in a pension plan that gives the majority of its Norwegian employees a life-long supplement to the ordinary pension. The plan is a defined benefit pension plan, and the benefits are financed through a pooled arrangement by private sector employers (Avtalefestet pensjon, AFP). The premium is a percentage of the salary between 1G and 7.1G. The information required to calculate or measure the groups' share of the plan as a defined benefit plan is not available. The plan is therefore accounted for as a defined contribution plan. The employer contributions are included in Multiemployer plans.

#### ASSUMPTIONS MADE WHEN CALCULATING FUTURE BENEFIT OBLIGATIONS

	2025	2024
Discount rate	3.61%	3.07%
Expected return on plan assets	4.00%	3.03%
Salary adjustment	3.75%	3.25%
Inflation rate	3.20%	2.90%
Pension adjustment	2.41%	2.08%
The discount rate applied for the pension schemes in Norway for 2025 is based on the interest rate for covered bonds. Subsidiaries can deviate from these assumptions if local conditions require this. The discount rates applied	vary from 1.8% to 4.0% and pension adjustments vary from 2.0% to 2.7%. Norske Skog has used the mortality table K2013BE in Norway, Richttafel 2018G in Germany and AVO 2018-P in Austria.	

#### PENSION EXPENSE

	2025	2024
Pension expense, defined benefit plan	2	21
Pension expense, defined contribution plan	39	42
Pension expense, multiemployer plan	11	14
<b>Total pension expense</b>	<b>53</b>	<b>77</b>
<b>Net interest expense</b>	<b>11</b>	<b>10</b>

High expense for defined benefit pension in 2024 is due to corrections of prior periods.

Estimated payments to the group's defined benefit pension schemes in 2026 amounts to NOK 13 million (NOK 6 million).

#### PENSION PLANS IN THE BALANCE SHEET

##### SPESIFICATION OF PENSION PLANS IN THE BALANCE SHEET

	2025	2024
Pension assets in the balance sheet	8	10
Pension liabilities in the balance sheet	-248	-281
<b>Net pension obligations</b>	<b>-239</b>	<b>-272</b>
Net unfunded pension plans	-238	-275
Net partly or fully funded pension plans	7	9

Pension assets is included in line other non-current assets and pension liabilities is included in the line employee benefit obligations.

**UNFUNDED PENSION PLANS**
**CHANGES IN PENSION OBLIGATIONS FOR UNFUNDED PENSION PLANS, PROJECTED BENEFIT OBLIGATIONS INCLUDING NATIONAL INSURANCE CONTRIBUTIONS**

	2025	2024
<b>Balance 1 January</b>	<b>-275</b>	<b>-255</b>
Adjustment to opening balance (due to reclassification)	0	-3
Current year's service cost	0	-4
Current year's interest cost	-8	-10
Pensions benefits paid	29	24
Remeasurements (loss)/gain OCI	16	-14
Other changes	0	-1
Currency translation differences	0	-13
<b>Balance 31 December</b>	<b>-238</b>	<b>-275</b>

**PARTLY OR FULLY FUNDED PENSION PLANS**
**CHANGES IN PENSION OBLIGATIONS FOR PARTLY OR FULLY FUNDED PENSION PLANS, PROJECTED BENEFIT OBLIGATIONS INCLUDING NATIONAL INSURANCE CONTRIBUTIONS**

	2025	2024
<b>Balance 1 January</b>	<b>-105</b>	<b>-106</b>
Current year's service cost	0	-1
Current year's interest cost	-5	-4
Past service cost - curtailment/plan amendment	-1	0
Settlement and (loss)/gain on settlement	72	0
Pension benefits paid	6	5
Remeasurements (loss)/gain OCI	8	2
Other changes	0	-2
<b>Balance 31 December</b>	<b>-24</b>	<b>-105</b>

**CHANGES IN PLAN ASSETS FOR PARTLY OR FULLY FUNDED PENSION PLANS, PLAN ASSETS AT FAIR VALUE**

	2025	2024
<b>Balance 1 January</b>	<b>114</b>	<b>111</b>
Return on plan assets (interest income)	1	4
Settlement	-72	0
Employer contribution including payroll tax	2	4
Pension benefits paid	-5	-5
Remeasurements (loss)/gain OCI	-5	0
Other changes	-1	0
<b>Balance 31 December</b>	<b>32</b>	<b>114</b>

**Net assets/obligations (-) partly or fully funded pension plans**

<b>7</b>	<b>9</b>
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**SPECIFICATION OF REMEASUREMENT GAINS/LOSSES IN OTHER COMPREHENSIVE INCOME (OCI)**

	2025	2024
Actuarial loss/(gain) - change in discount rate	-4	0
Actuarial loss/(gain) - change in other financial assumptions	0	9
Actuarial loss/(gain) - experience obligation	-7	0
Actuarial loss/(gain) - experience assets	-8	4
Asset ceiling - asset adjustment	0	1
<b>Remeasurements loss/(gain) in OCI</b>	<b>-19</b>	<b>14</b>

INVESTMENT PROFILE FOR PENSION FUNDS	2025		2024	
	FUNDS	DISTRIBUTION	FUNDS	DISTRIBUTION
Shares	5	17%	16	14%
Bonds	20	63%	77	68%
Properties and real estate	5	14%	17	15%
Money market	1	2%	1	1%
Other	1	4%	3	3%
<b>Total</b>	<b>32</b>	<b>100%</b>	<b>114</b>	<b>100%</b>

### SENSITIVITY ANALYSIS

Norske Skog has performed sensitivity analyses of material group companies for the most important assumptions related to defined benefit schemes to predict how fluctuations will impact pension liabilities in the consolidated balance sheet. In relation to the assumptions made in the calculation of

pension obligations the amount is most sensitive to changes in discount rate and pension growth rate. The sensitivity of the pension obligation is shown in the table below:

SENSITIVITY	INCREASE	DECREASE
Discount rate - 0.5%	-1	1
Future pension - 0.5%	1	-1

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. No data is

available for decrease of future pension adjustment. The sensitivity analysis is based on actuarial calculations for the Norwegian schemes.

### OTHER EMPLOYEE OBLIGATIONS

OTHER EMPLOYEE BENEFIT EXPENSE	2025	2024
<b>Net expense/remeasurement</b>	<b>0</b>	<b>-14</b>
<b>Net interest expense</b>	<b>0</b>	<b>1</b>

CHANGES IN OTHER EMPLOYEE BENEFITS	2025	2024
<b>Balance 1 January</b>	<b>-15</b>	<b>-70</b>
Adjustments to opening balance due to reclassification	0	-2
Current year's service cost	0	-1
Current year's interest cost	0	-1
Remeasurements (loss)/gain	0	15
Payments made	4	4
Other changes	0	5
Discontinued operations	0	37
Currency translation differences	1	-2
<b>Balance 31 December</b>	<b>-11</b>	<b>-15</b>

OTHER EMPLOYEE BENEFITS IN THE BALANCE SHEET	2025	2024
Other non-current employee benefit obligations	11	15
<b>Total other employee benefits 31 December</b>	<b>11</b>	<b>15</b>

The obligation classified as current relates to employees that have completed the required period of service and the group does not have an unconditional right to defer settlement for these obligations. Based on previous experience, the group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The current part is included in the balance sheet line other current liabilities. The non-current employee benefit obligations is included in the balance sheet line employee benefit obligations.

## 28. Provisions

### Accounting policies

Provisions for environmental restoration, dismantling costs, restructuring activities and legal claims are recognised when the group has a present legal or constructive obligation as a result of past events, an outflow of resources is more likely than not to be required to settle the obligation and the amount can be reliably estimated.

Where a number of similar obligations exist, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations

as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are measured at the present value of the best estimate of the expenditure required to settle the present obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised within financial items.

	RESTRUCTURING PROVISION	ENVIRONMENTAL PROVISION
<b>Balance 1 January 2024</b>	<b>29</b>	<b>169</b>
Changes and new provisions	16	7
Utilised during the year	-23	0
Classified as liabilities relating to assets held for sale	-8	-143
Currency translation differences	-7	1
<b>Balance 31 December 2024</b>	<b>7</b>	<b>34</b>
Changes and new provisions	5	-1
Utilised during the year	-8	0
<b>Balance 31 December 2025</b>	<b>4</b>	<b>33</b>

### RESTRUCTURING PROVISION

Restructuring provision is included in the balance sheet line other current liabilities. This includes for example severance (redundancy) payments, early retirement or other arrangements for employees leaving the company, external costs to lawyers and legal advisors in relation to the restructuring process, lease termination costs and onerous contracts. The restructuring provision of NOK 4 million at 31 December 2025 includes various restructuring activities included provision for severance payments and other costs (Publication paper NOK 4 million (NOK 7 million)). The amount expensed in 2025 in relation to restructuring activities amounted to NOK 5 million (Corporate functions NOK 0 million (NOK 4 million), and publication paper NOK 5 (NOK 12 million)).

### ENVIRONMENTAL PROVISION

The group's provision for environmental obligations is presented in the balance sheet as other non-current liabilities. The provision is related to estimated future costs for cleaning up any environmental pollution caused by Norske Skog production units. The provision will mainly be realised in a future period upon a potential shut down of the production activities of any of the Norske Skog production units. Increased environmental requirements from local governments may also lead to realisation of this provision at an earlier point in time.

Provisions for future environmental obligations amounted to NOK 33 million at 31 December 2025 compared to NOK 34 million at 31 December 2024. Resources spent on environmental activities during 2025 was NOK 0 million (NOK 0 million).

The carrying value of the provision is the best estimate made by measuring the expected value of the specific obligations, discounted to present value

using a long-term risk-free interest rate when the time value of money is material. Changes in factors included in the expected value will impact the carrying value of the obligation. To illustrate the sensitivity, a reduction in the future discount rate by one percentage point would increase the provision by approximately NOK 1 million. Changes in accounting estimates not related to assets are classified as operating items in the income statement, and the periodic unwinding of the discount is recognised within the income statement line financial expenses.

### DISMANTLING PROVISION

Provisions related to future dismantling costs arising from a future closing down of production facilities amounted to NOK 0 million at 31 December 2025, compared to NOK 0 million at 31 December 2024.

The total amount is normally classified as non-current and will only be realised at the time of a future shut down of any of the Norske Skog production units. The provision is the net present value of the future estimated costs, calculated using a long-term risk-free interest rate. The periodic unwinding of the discount is recognised in the income statement line financial expenses. The opposite entry for dismantling provision and change in provision estimates is property, plant and equipment.

### CONTINGENT LIABILITIES

Norske Skog is an international company that, through its ongoing business operations, will be exposed to litigation and claims from public authorities and contracting parties as well as assessments from public authorities in each country it operates.

## 29. Interest-bearing liabilities

### Accounting policies

Borrowings are recognised initially at fair value, net of transaction costs incurred.

Borrowings are subsequently carried at amortised cost using the effective interest method.

INTEREST-BEARING DEBT	31.12.2025	31.12.2024
Bonds	1 400	1 400
Debt to financial institutions	3 851	3 752
Factoring facilities	0	27
<b>Total</b>	<b>5 251</b>	<b>5 179</b>

INTEREST-BEARING DEBT	CURRENCY AMOUNT 31.12.2025	NOK 31.12.2025	NOK 31.12.2024
EUR	245	2 897	3 214
<b>Total interest-bearing debt in foreign currencies</b>		<b>2 897</b>	<b>3 214</b>
NOK		2 354	1 964
<b>Total interest-bearing debt</b>		<b>5 251</b>	<b>5 179</b>

In July 2025, Norske Skog Skogn and Norske Skog Golbey received approval from lenders to revise the repayment schedules for the main financing facilities at the mills. Furthermore, Norske Skog Skogn extended the maturity of its NOK 500 million term loan with 12 months to September 2028.

In December 2025, Norske Skog Skogn issued a new term loan under its existing financing facility of NOK 400 million, increasing the total outstanding amount to NOK 900 million. On 31 December 2025, the new loan was fully drawn.

Norske Skog has entered into credit facility agreements in an aggregate amount of EUR 265 million to finance its investment to convert two paper machines into producing packaging paper. EUR 193 million relates to Norske Skog Golbey and EUR 72 million relates to Norske Skog Bruck. The borrowing entities are Norske Skog Golbey SAS and Norske Skog Bruck GmbH, and the facilities are fully guaranteed by Norske Skog ASA. The facilities have been drawn and repayment has commenced.

The incineration boiler is financed by a EUR 54 million credit facility. The facility is repaid in quarterly instalments up until the final maturity date in 2028. The borrower under the facility is Norske Skog Bruck GmbH and Norske Skog ASA has provided a guarantee of EUR 20 million. The facility has been drawn and repayment has commenced.

The financial covenants applicable to Norske Skog on a consolidated basis are (i) freely available and unrestricted cash and cash equivalents of minimum NOK 100 million, (ii) EBITDA to net interest costs of minimum 2.0:1, (iii) book equity to total assets of minimum 25%, and (iv) minimum last twelve months (LTM) EBITDA of NOK 400 million. In addition, there are various company specific financial covenants applicable to the subsidiaries acting as borrowers under the respective credit facilities.

The group does not expect to breach any financial covenants in the coming 12-month period.

The EBITDA used in the calculation of financial covenants may differ from the EBITDA shown in the financial reporting due to adjustment requirements in the facility agreements.

The remaining financing arrangements for the group includes leasing, factoring, and other credit facilities in the mill owning entities.

Norske Skog Skogn AS and Norske Skog Saugbrugs AS have pledged certain parts of its property and assets in favour of the combined NOK 900 million term loan agreements at Norske Skog Skogn AS. Saugbrugs Bioenergi AS, a wholly owned subsidiary of Norske Skog Saugbrugs AS, has pledged certain parts of its property and assets in favour of the lenders under a credit facility financing its biogas facility. Norske Skog Golbey SAS has pledged certain parts of its property and assets and Norske Skog ASA has pledged shares in Norske Skog Golbey SAS in favour of the lenders under the packaging conversion facilities. Norske Skog Bruck GmbH has pledged certain parts of its property and assets in favour of the lenders under the incineration boiler facility and the packaging conversion facilities.

Norske Skog issued a NOK 1 600 million senior unsecured bond in June 2024 to refinance its existing EUR 150 million senior secured bond. The bond matures in June 2029 and has an interest rate of NIBOR (zero floor) + 4.5% with quarterly interest payments. On 31 December 2025, Norske Skog had an issued and outstanding amount of NOK 1 400 million under the bond agreement.

The average interest rate on 31 December 2025 was 5.8% (6.2%).

**SCHEDULED REPAYMENTS OF THE GROUP'S FINANCIAL DEBT AND INTEREST AT 31.12.2025**

	INTEREST	OTHER LOANS <sup>1)</sup>	BONDS	TOTAL
2026	292	942	0	1 234
2027	242	713	0	954
2028	204	1 135	0	1 338
2029	97	334	1 400	1 832
2030	25	331	0	356
2031	13	308	0	321
2032	5	71	0	76
2033 ->	1	17	0	18
<b>Total</b>	<b>878</b>	<b>3 851</b>	<b>1 400</b>	<b>6 129</b>

**SCHEDULED REPAYMENTS OF THE GROUP'S FINANCIAL DEBT AND INTEREST AT 31.12.2024**

	INTEREST	OTHER LOANS <sup>1)</sup>	BONDS	TOTAL
2025	322	749	0	1 071
2026	279	616	0	895
2027	242	958	0	1 200
2028	189	638	0	827
2029	100	289	1 400	1 789
2030	22	282	0	304
2031	7	243	0	250
2032 ->	0	4	0	4
<b>Total</b>	<b>1 161</b>	<b>3 779</b>	<b>1 400</b>	<b>6 340</b>

<sup>1)</sup> Including full instalments for the EUR 54 million credit facility

The debt amounts set out above may differ from the carrying value in the balance sheet due to the amortised cost principle and exclusion of debt items related to leases. On 31 December 2025, the financial statements included amortised cost in an amount of NOK 20 million (NOK 24 million), and the amount of interest-bearing debt related to leases was NOK 146 million (NOK 92 million). See Note 19.

Trade payables amounted to NOK 1 527 million on 31 December 2025 (NOK 1 282 million).

Drawn amounts from factoring arrangements is classified as interest-bearing current liabilities. This amounts to NOK 0 million (NOK 27 million) in scheduled repayments in 2026. The financed amount represents a group of individual loans, which are settled individually at maturity of the trade receivable. New loans are initiated on a consecutive basis based on new trade receivable

included under the factoring agreement. The liability is in its nature current and Norske Skog does not have an unconditional right to defer settlement beyond twelve months. The liabilities are liabilities that are settled through its normal operating cycle. The corresponding trade receivable is derecognised when the customer pays it.

On 31 December 2025, Norske Skog ASA and its subsidiaries had issued bank guarantees on its behalf in an amount of NOK 82 million (NOK 282 million).

Norske Skog Skogn AS and Norske Skog Saugbrugs AS have pledged certain parts of its assets and machinery, in an amount of up to NOK 200 million, to its energy suppliers under long term energy supply agreements. The security has priority behind the NOK 500 million loan at Norske Skog Skogn AS.

INTEREST-BEARING NON-CURRENT LIABILITIES	NOTE	31.12.2025	31.12.2024
Bond (amortised cost)		1 380	1 376
Debt to financial institutions		2 908	3 029
Leasing obligations	19	115	70
<b>Total</b>	<b>22</b>	<b>4 403</b>	<b>4 475</b>

INTEREST-BEARING CURRENT LIABILITIES	NOTE	31.12.2025	31.12.2024
Debt to financial institutions and bond (amortised cost)		943	749
Leasing obligations related to right-of-use assets	19	31	22
<b>Total</b>	<b>22</b>	<b>974</b>	<b>771</b>

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES	2025	2024
<b>Balance 1 January</b>	<b>5 246</b>	<b>5 053</b>
New loans raised	528	1 981
Repayments	-501	-2 086
New leasing debt	83	107
Loss early repayment of bond and amortisation of transaction costs debt issuance	6	49
Liabilities relating to assets classified as held for sale	0	-58
Currency translation differences	15	199
<b>Balance 31 December</b>	<b>5 377</b>	<b>5 246</b>
Current	974	771
Non-current	4 403	4 475

### 30. Trade and other payables, other current and non-current liabilities

#### Accounting policies

Trade payables are obligations to pay for goods or services that have been

acquired in the ordinary course of business from suppliers. Trade payables are measured at invoice amount unless there is a significant financing component.

	2025	2024
<b>Trade and other payables</b>		
Trade Payables	1 527	1 282
Accrued labour cost and taxes	307	331
Accrued expenses	505	485
Other interest-free liabilities	24	20
<b>Total</b>	<b>2 363</b>	<b>2 118</b>
<b>Other current liabilities</b>		
Restructuring provision	4	7
Accrued financial expenses	17	4
Derivatives	21	87
Commodity contracts	7	105
Other current liabilities	191	15
<b>Total</b>	<b>254</b>	<b>218</b>
<b>Other non-current liabilities</b>		
Derivatives	79	111
Commodity contracts	0	93
Environmental provision	33	34
Deferred recognition of government grants	375	287
<b>Total</b>	<b>488</b>	<b>525</b>

### 31. Related parties

Investor AS and subsidiaries Drangslund Kapital AS and Byggma ASA are related parties to Norske Skog through the ownership in Norske Skog ASA and the CEO Geir Drangslund being the ultimate owner for these companies.

Balances and transactions between the group and subsidiaries listed in Note 20 have been eliminated on consolidation and are not disclosed in this note.

Remuneration for corporate management is presented in Note 10. Remuneration for leading personnel is presented in the remuneration report available at [www.norskeskog.com](http://www.norskeskog.com).

Any transactions with related parties are conducted on normal commercial terms. There have not been any transactions with related parties in 2025.

### 32. Events after the balance sheet date

There have been no events after the balance sheet date with significant impact on the financial statements for 2025.

On 27 February 2026, Norske Skog Saugbrugs AS entered into an agreement with Norsk Nukleær Dekommisjonering (NND), a Norwegian government agency, for the sale of certain properties at the Saugbrugs industrial site in Halden. The properties will be used by NND for the decommissioning of the Halden research reactor, with handover expected in the second half of 2028, during which period Saugbrugs will lease the properties and has certain related obligations. The transaction will be carried out as an asset sale, subject to customary conditions and public approval, and is expected to generate a total accounting gain of approximately NOK 700 million, with net cash proceeds of around NOK 720 million expected in the second quarter of 2026.



Photo: Carsten Dybevig



# Financial statements

## Norske Skog ASA

### Financial statements

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**INCOME STATEMENT**

NOK MILLION	NOTE	2025	2024
<b>Total operating income</b>	3	<b>92</b>	<b>90</b>
Employee benefit expenses	4	-50	-70
Other operating expenses		-73	-62
Restructuring expenses		0	-4
Depreciation	9	-8	-6
Derivatives and other fair value adjustment	5	-1	-8
<b>Total operating expenses</b>		<b>-133</b>	<b>-150</b>
<b>Operating earnings</b>		<b>-41</b>	<b>-60</b>
Share of profit in associated companies	6	0	-74
Financial income	7	307	1 003
Financial expense	7	-208	-982
Gains/(losses) on foreign currency	7	77	-174
<b>Profit/(loss) before tax</b>		<b>135</b>	<b>-287</b>
Income tax	8	2	-145
<b>Profit/(loss) after tax</b>		<b>137</b>	<b>-432</b>

**STATEMENT OF COMPREHENSIVE INCOME**

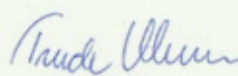
NOK MILLION	2025	2024
<b>Profit/(loss) after tax</b>	<b>137</b>	<b>-432</b>
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Remeasurements of post employment benefit obligations	0	0
Tax effect on remeasurements of post employment benefit obligations	0	0
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income</b>	<b>137</b>	<b>-432</b>

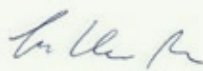

**BALANCE SHEET**

NOK MILLION	NOTE	2025	2024
Deferred tax assets	8	52	49
Intangible assets	9	13	5
Property, plant and equipment	9	22	15
Shares in subsidiaries	10	4 953	4 657
Other non-current assets		5	8
<b>Total non-current assets</b>		<b>5 044</b>	<b>4 734</b>
Trade and other receivables		31	78
Intercompany receivables	13	1 430	811
Other current assets		7	1
Cash and cash equivalents		864	812
<b>Total current assets</b>		<b>2 333</b>	<b>1 701</b>
<b>Total assets</b>		<b>7 377</b>	<b>6 435</b>
Paid-in-equity		4 001	4 001
Retained earnings and other reserves		198	61
<b>Total equity</b>	11	<b>4 199</b>	<b>4 062</b>
Employee benefit obligations	4	6	4
Interest-bearing non-current liabilities	12	1 393	1 381
<b>Total non-current liabilities</b>		<b>1 399</b>	<b>1 385</b>
Trade payables		7	4
Intercompany liabilities	13	1 752	896
Other current liabilities		19	88
<b>Total current liabilities</b>		<b>1 779</b>	<b>988</b>
<b>Total liabilities</b>		<b>3 178</b>	<b>2 373</b>
<b>Total equity and liabilities</b>		<b>7 377</b>	<b>6 435</b>

SKØYEN, 25 MARCH 2026

THE BOARD OF DIRECTORS OF NORSKE SKOG ASA


Arvid Grundekjøn  
Chair

Trude Ulven  
Board member

Terje Sagbakken  
Board member

Eva Karlson Berg  
Board member

Geir Drangslund  
CEO

## STATEMENT OF CASH FLOWS

NOK MILLION	NOTE	2025	2024
Cash generated from operations		138	81
Cash used in operations		-123	-181
Cash flow from currency hedges and financial items		22	-11
Interest payments received		82	128
Interest payments made		-166	-216
Tax paid	8	0	-1
<b>Net cash flow from operating activities</b>		<b>-46</b>	<b>-200</b>
Purchases equipment and intangible assets	9	-12	-10
Contributions of equity to subsidiary	10	-296	-118
Change in cash pool receivables		-655	-48
<b>Net cash flow from investing activities</b>		<b>-963</b>	<b>-175</b>
New loans raised		0	1 377
Repayments of loans		-3	-1 593
Change in cash pool payable		1 080	-264
<b>Net cash flow from financing activities</b>		<b>1 077</b>	<b>-481</b>
Foreign currency effects on cash and cash equivalents		-16	27
<b>Total change in cash and cash equivalents</b>		<b>52</b>	<b>-830</b>
Cash and cash equivalents 1 January		812	1 642
Cash and cash equivalents 31 December <sup>1)</sup>		864	812
<sup>1)</sup> Whereof restricted cash		153	147

## STATEMENT OF CHANGES IN EQUITY

NOK MILLION	NOTE	SHARE CAPITAL	SHARE PREMIUM	OTHER PAID-IN CAPITAL	RETAINED EARNINGS	TOTAL EQUITY
<b>Equity 1 January 2024</b>		<b>339</b>	<b>1 412</b>	<b>2 249</b>	<b>493</b>	<b>4 494</b>
Profit after tax		0	0	0	-432	-432
Other comprehensive income		0	0	0	0	0
<b>Equity 31 December 2024</b>		<b>339</b>	<b>1 412</b>	<b>2 249</b>	<b>61</b>	<b>4 062</b>
Profit after tax		0	0	0	137	137
Other comprehensive income		0	0	0	0	0
<b>Equity 31 December 2025</b>	11	<b>339</b>	<b>1 412</b>	<b>2 249</b>	<b>198</b>	<b>4 199</b>

# Notes to the financial statements

## 1. General information

All amounts are presented in NOK million unless otherwise stated. There may be some small differences in the summation of columns due to rounding.

The financial statements were authorised for issue by the board of directors on 25 March 2026.

## 2. Accounting policies

The financial statements for Norske Skog ASA have been prepared and presented in accordance with simplified IFRS pursuant to section 3-9 of the Norwegian Accounting Act.

## 3. Operating revenue by geographical market

### Accounting policies

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The company's operating revenue consists mainly of the sale of services to other entities in the group. Operating revenue arising from sales of internal services to other entities in the group amounted to NOK 89 million in 2025 (NOK 89 million).

OPERATING REVENUE BY GEOGRAPHICAL MARKET	2025	2024
Norway	37	37
Europe excluding Norway	51	45
Australasia	3	7
<b>Total</b>	<b>92</b>	<b>90</b>

## 4. Employee benefits and pensions

EMPLOYEE BENEFIT EXPENSES	2025	2024
Salaries including holiday pay	36	36
Social security contributions	6	10
Pension expenses	5	21
Other employee benefit expenses	3	3
<b>Total</b>	<b>50</b>	<b>70</b>

The company is required by law to have a pension scheme for all employees. The company's pension plan is compliant with the requirements in the Norwegian Act relating to mandatory occupational pension. See also Note 27 Pension and other employee obligations in the consolidated financial statements for further information.

High expense for defined benefit pension in 2024 is due to corrections of prior periods.

NUMBER OF EMPLOYEES	31.12.2025	31.12.2024
Employees	20	23

PENSION EXPENSES	2025	2024
Pension expenses, defined benefit plan	2	18
Pension expenses, defined contribution plan	2	2
Multiemployer plans	1	0
<b>Total pension expenses</b>	<b>5</b>	<b>21</b>

<b>Net interest expenses</b>	<b>0</b>	<b>0</b>
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PENSION ASSETS/LIABILITIES IN THE BALANCE SHEET	31.12.2025	31.12.2024
<b>Net pension assets/(liabilities) in the balance sheet</b>	<b>-6</b>	<b>-4</b>

PENSION OBLIGATION IN THE BALANCE SHEET	31.12.2025	31.12.2024
Projected benefit obligation	-1	-8
Plan assets at fair value	1	8
<b>Net pension obligations in the balance sheet</b>	<b>0</b>	<b>0</b>

SENSITIVITY ANALYSIS AT 31 DECEMBER 2025	Increase	Decrease
Discount rate -0.5%	0	0
Salary adjustment -0.5%	0	0

## 5. Derivatives and other fair value adjustment

### Accounting policies

Financial energy derivative contracts are accounted for at fair value using quoted prices. Realised gains/(losses) and value changes in contracts are presented in the income statement under derivatives and other fair value adjustment.

The energy trading is to financial hedge the groups energy costs.

The company had no such contracts at year end.

DERIVATIVES AND OTHER FAIR VALUE ADJUSTMENT	2025	2024
Change in value in financial energy contracts	1	-1
Realised gains/(losses) on energy contracts	-2	-7
<b>Total</b>	<b>-1</b>	<b>-8</b>

## 6. Associated companies

### Accounting policies

Investment in associated companies are accounted for in accordance with the equity method. The investment is initially recognised at cost, and the carrying value is increased or decreased to recognise the company's share of the profit or loss of the investee after the date of acquisition.

Norske Skog holds a 26% share of Circa Group AS that was suspended from trading on Euronext Growth following its filed petition for bankruptcy on 7 October 2024. An impairment was made to the shares in 2024 to reflect the market value of nil. Total loss in 2024 amounted to NOK 74 million.

## 7. Financial items

### Accounting policies

Dividend income is recognised when the right to receive payment is established, which is generally when the shareholders approve the dividend.

Interest income is recognised using the effective interest method.

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost, using the effective interest method.

FINANCIAL ITEMS	2025	2024
<b>Financial income</b>		
Dividends received	225	875
Interest income	32	73
Interest income from group companies	50	55
<b>Total</b>	<b>307</b>	<b>1 003</b>
<b>Financial expenses</b>		
Interest expense	-136	-139
Interest expense group companies	-37	-70
Other financial expenses	-27	-149
Impairment of investments in subsidiaries	-9	-624
<b>Total</b>	<b>-208</b>	<b>-982</b>
<b>Gains/(losses) on foreign currency</b>	<b>77</b>	<b>-174</b>
<b>Total financial items</b>	<b>176</b>	<b>-154</b>

In 2025 dividends NOK 225 million was received from Norske Skog Skogn AS. NOK 373 million and NOK 502 million was received in dividends for 2024 from Norske Skog Saugbrugs AS and Norske Skog Skogn AS, respectively.

Norske Skog Industries Australia Ltd. was divested 1 April 2025. The proceeds from the divestment were applied to repay outstanding balances. The transaction costs of NOK 9 million is reported as impairments in subsidiaries in 2025.

NOK 24 million of other financial expenses consists of provision for bad debt regarding the divested company Norske Skog Industries Australia Ltd. In 2024 other financial expenses includes provision for bad debt regarding the subsidiary Norske Skog Industries Australia Ltd. of NOK 86 million and cost regarding refinancing of the EUR 150 million senior bond of NOK 43 million.

## 8. Income taxes

### Accounting policies

Income taxes include current tax based on taxable profit and changes in deferred tax. Deferred tax is provided in full, using the liability method, on temporary differences arising between the carrying amount of assets and liabilities.

Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available to utilise it.

TAX EXPENSE	2025	2024
Current tax expense	0	-1
Change in deferred tax	2	-143
<b>Total</b>	<b>2</b>	<b>-145</b>

INCOME TAX RECONCILIATION	2025	2024
Profit/(loss) before income taxes	135	-287
Computed tax at nominal tax rate 22%	-30	63
Non taxable income/non deductible expenses	-19	-17
Dividend	-2	0
Impairment of investments in subsidiaries	0	-138
Other items	0	-16
Deferred tax assets not recognised	54	-35
Withholding tax	0	-1
<b>Total tax (expense)/income</b>	<b>2</b>	<b>-145</b>

TEMPORARY DIFFERENCES AND TAX LOSSES - DETAILS	31.12.2025	31.12.2024
Other non-current items	1	2
Pensions	6	4
Current items	-4	-4
Group contribution	231	225
Tax losses to carry forward	415	590
Tax losses and other deferred tax assets not recognised	-760	-1 003
Tax credits	6	24
Interest carry forward (Interest limitation rules)	334	315
Financial instruments	7	71
<b>Basis for deferred tax</b>	<b>236</b>	<b>225</b>

DEFERRED TAX	31.12.2025	31.12.2024
<b>Net deferred tax asset/(liability)</b>	<b>52</b>	<b>49</b>

The value of tax losses and other tax credits are partly written down, subsequently the tax losses are lower than total tax benefits not recognised.

## 9. Intangible assets and property, plant and equipment

### Accounting policies

Intangible assets and property, plant and equipment are shown at historical cost less subsequent depreciation and impairments. Historical cost includes expenditure directly attributable to the acquisition of the items.

The right to use an asset is recognised in the balance sheet during the lease term, together with the liability to make lease payments. At initial recognition the leased asset is measured at an amount equal to the lease liability.

INTANGIBLE ASSETS	LICENCES AND PATENTS
<b>Acquisition cost 1 January 2024</b>	<b>36</b>
Addition	2
<b>Acquisition cost 31 December 2024</b>	<b>38</b>
<b>Accumulated depreciation and impairments 1 January 2024</b>	<b>30</b>
Depreciation	3
<b>Accumulated depreciation and impairments 31 December 2024</b>	<b>33</b>
<b>Carrying value 31 December 2024</b>	<b>5</b>
<b>Acquisition cost 1 January 2025</b>	<b>38</b>
Addition	12
<b>Acquisition cost 31 December 2025</b>	<b>50</b>
<b>Accumulated depreciation and impairments 1 January 2025</b>	<b>33</b>
Depreciation	5
<b>Accumulated depreciation and impairments 31 December 2025</b>	<b>38</b>
<b>Carrying value 31 December 2025</b>	<b>13</b>

Licenses, patents and other intangible assets are depreciated on a straight-line basis over a period from three to five years.

Other intangible assets consist mainly of capitalised development costs relating to customising of software.

PROPERTY, PLANT AND EQUIPMENT	FIXTURES AND FITTINGS	PLANT UNDER CONSTRUCTION	RIGHT-OF-USE ASSETS	TOTAL
<b>Acquisition cost 1 January 2024</b>	<b>1</b>	<b>2</b>	<b>14</b>	<b>17</b>
Addition	0	7	6	14
Disposals	0	0	-14	-14
<b>Acquisition cost 31 December 2024</b>	<b>1</b>	<b>9</b>	<b>6</b>	<b>17</b>
<b>Accumulated depreciation and impairments 1 January 2024</b>	<b>1</b>	<b>0</b>	<b>12</b>	<b>14</b>
Depreciation	0	0	3	3
Disposals	0	0	-14	-14
<b>Accumulated depreciation and impairments 31 December 2024</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>
<b>Carrying value 31 December 2024</b>	<b>0</b>	<b>9</b>	<b>5</b>	<b>15</b>
<b>Acquisition cost 1 January 2025</b>	<b>1</b>	<b>9</b>	<b>6</b>	<b>17</b>
Addition	0	1	10	10
<b>Acquisition cost 31 December 2025</b>	<b>1</b>	<b>10</b>	<b>16</b>	<b>28</b>
<b>Accumulated depreciation and impairments 1 January 2025</b>	<b>1</b>	<b>0</b>	<b>1</b>	<b>3</b>
Depreciation	0	0	3	3
<b>Accumulated depreciation and impairments 31 December 2025</b>	<b>1</b>	<b>0</b>	<b>4</b>	<b>6</b>
<b>Carrying value 31 December 2025</b>	<b>0</b>	<b>10</b>	<b>12</b>	<b>22</b>

Fixtures and fittings and right of use assets are depreciated on a linear basis over a period from three to five years.

## 10. Shares in subsidiaries

### Accounting policies

Shares in subsidiaries are recognised at lower of cost and net-realizable value.

Investments in subsidiaries are tested for impairment in accordance with IAS 36 Impairment of assets. Shares are reviewed for impairment if changes in circumstances indicate that the carrying amount is higher than the fair value of the investment. Impairment loss is reversed if the impairment situation no

longer exists. For impairment testing purposes, investments in subsidiaries are grouped in the same manner as the cash-generating units for the group. The carrying amount of investments in subsidiaries within each cash-generating unit is measured against the recoverable amount of investments in subsidiaries within this cash-generating unit.

SHARE IN SUBSIDIARIES	CURRENCY	SHARE CAPITAL (IN 1 000)	OWNERSHIP%	CARRYING VALUE (IN NOK MILLION)
Norske Skog Bruck GmbH, Bruck, Austria	EUR	67 000	99.9%	1 058
Norske Skog Golbey SAS, Golbey, France	EUR	62 365	100.0%	1 953
Norske Skog Skogn AS, Levanger, Norway	NOK	115 230	100.0%	615
Norske Skog Saugbrugs AS, Halden, Norway	NOK	115 230	100.0%	1 301
Nornews AS, Oslo, Norway	NOK	300	100.0%	26
Cebina AS, Oslo, Norway	NOK	30	100.0%	0
Cebico AS, Oslo, Norway	NOK	30	100.0%	0
<b>Total</b>				<b>4 953</b>

The investment in subsidiaries have increased from NOK 4 657 million to NOK 4 953 million during 2025. The increase is due to new paid in capital of EUR 20 million in Norske Skog Golbey SAS and EUR 5 million in Norske Skog Bruck GmbH.

See Note 7. For further information with respect to impairment testing see Note 18 Property, plant and equipment in the consolidated financial statements.

## 11. Equity

### Accounting policies

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

The share capital of Norske Skog ASA on 31 December 2025 was NOK 339 million (NOK 339 million) and consisted of 84 838 235 shares each with a nominal value of NOK 4.00. All shares have been created under the Norwegian Public

Limited Companies Act and are validly issued and fully paid.

Byggma ASA/Drangslund Kapital AS/Investor AS is the largest shareholder with a combined ownership of 26.84% on 31 December 2025.

The 20 largest shareholders at 31 December 2025 are as follows:

20 LARGEST SHAREHOLDERS AT 31.12.2025	NUMBER OF SHARES	OWNERSHIP%
Byggma ASA	17 430 431	20.55
UBS Europe SE	8 922 000	10.52
Drangslund Kapital AS	5 316 148	6.27
Verdipapirfondet Fondsfians Norge	3 100 000	3.65
Intertrade Shipping AS	3 000 000	3.54
Voldstad Eiendom AS	2 707 476	3.19
The Bank Of New York Mellon SA/NV	1 755 157	2.07
State Street Bank And Trust Comp	1 459 613	1.72
Nordnet Bank AB	1 336 456	1.58
Goldman Sachs & Co. LLC	1 049 885	1.24
Inak 3 AS	700 000	0.83
Pershing Securities Limited	688 585	0.81
Beck Asset Management AS	650 000	0.77
J.P. Morgan SE	566 669	0.67
SES AS	500 000	0.59
Oaktiva AS	445 000	0.52
Bjø Holding AS	443 873	0.52
Gåsø Næringsutvikling AS	425 000	0.50
SB1 Markets AS	390 000	0.46
Arun Vohra	383 154	0.45
Other shareholders	33 568 788	39.57
<b>Total</b>	<b>84 838 235</b>	<b>100.00</b>

The shareholder list is extracted from VPS. Whilst every reasonable effort is made to verify all data VPS cannot guarantee the accuracy of the analysis.

SHARES OWNED BY MEMBERS OF THE BOARD OF DIRECTORS AT 31 DECEMBER 2025	NUMBER OF SHARES
Arvid Grundekjøn	101 617
Terje Sagbakken	15 900
Trude Ulven	0
Christoffer Bull	0
Eva Karlsson Berg	0

SHARES OWNED BY MEMBERS OF CORPORATE MANAGEMENT AT 31 DECEMBER 2025	NUMBER OF SHARES
Geir Drangslund <sup>1)</sup>	22 774 079
Tord Steinset Torvund	11 000
Robert Wood	5 263
Even Lund	25 000
Einar Blaauw	0

<sup>1)</sup> Geir Drangslund is the controlling shareholder of Investor AS. The company's largest shareholders, Byggma ASA and Drangslund Kapital AS are under common control of Investor AS and the three companies holds 22 774 079 shares combined. See also Note 31 Related parties in the consolidated financial statements.

## 12. Maturity of interest-bearing liabilities

MATURITY OF THE COMPANY'S DEBT AT 31.12.2025	INTEREST	BOND	TOTAL
2026	122	0	122
2027	122	0	122
2028	122	0	122
2029	61	1 400	1 461
<b>Total</b>	<b>426</b>	<b>1 400</b>	<b>1 826</b>

MATURITY OF THE COMPANY'S DEBT AT 31.12.2024	INTEREST	BOND	TOTAL
2025	130	0	130
2026	130	0	130
2027	130	0	130
2028	131	0	131
2029	65	1 400	1 465
<b>Total</b>	<b>587</b>	<b>1 400</b>	<b>1 987</b>

The table above shows contractual scheduled repayments.

During 2024 the EUR 150 million bond was refinanced with a NIBOR+450 bps NOK 1 600 million senior unsecured bond. On 31 December 2025 the outstanding amount under the NOK 1 600 million senior unsecured bond, was NOK 1 400 million.

For more information, see Note 29 Interest-bearing liabilities in the consolidated financial statements.

## 13. Intercompany receivables and liabilities

	31.12.2025	31.12.2024
<b>Current intercompany receivables</b>		
Nornews AS	1	2
Norske Skog Bruck GmbH	901	608
Norske Skog Golbey SAS	527	0
Saugbrugs Bioenergi AS	0	32
Norske Skog (Australasia) Pty Ltd	0	168
<b>Total</b>	<b>1 430</b>	<b>811</b>
<b>Current intercompany liabilities</b>		
GV Bois SAS	0	1
Norske Skog (Österreich) GmbH	26	23
Norske Skog (Schweiz) AG	0	1
Norske Skog Deutschland GmbH	78	71
Norske Skog France SARL	65	54
Norske Skog Golbey SAS	0	186
Norske Skog Saugbrugs AS	739	160
Norske Skog Skogn AS	794	371
Norske Skog (UK) Ltd.	32	30
Saugbrugs Bioenergi AS	19	0
<b>Total</b>	<b>1 752</b>	<b>896</b>

## 14. Guarantees

The company has issued bank guarantees in an amount of NOK 4 million at 31 December 2025 (NOK 4 million). In addition, the company has issued corporate guarantees with an outstanding amount of NOK 2 999 million at 31 December 2025 (NOK 3 129 million) on behalf of Norske Skog Saugbrugs AS, Saugbrugs Bioenergi AS, Norske Skog Skogn AS, Norske Skog Bruck GmbH and Norske Skog Golbey SAS.

## 15. Related parties

A description of transactions with related parties is given in Note 31 Related parties in the consolidated financial statements.

## 16. Events after the balance sheet date

There have been no events after the balance sheet date with significant impact on the financial statements for 2025.

See Note 32 Events after the balance sheet date in the consolidated financial statements for other post balance sheet events.

# Statement from the board of directors and the CEO

## IN COMPLIANCE WITH SECTION 5-5 IN THE SECURITIES TRADING ACT

We declare that to the best of our knowledge, the financial statements for the period 1 January to 31 December 2025 have been prepared in accordance with applicable accounting standards, and that the information in the financial statements give a true and fair view of the company's and the group's assets, liabilities, financial position and result as a whole.

We confirm that the board of directors' report provides a true and fair view of the development and performance of the business and the position of the

company and the group, as well as a description of the key risks and uncertainty factors which the company and the group is facing.

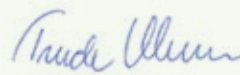
We further confirm that the board of directors' report has been prepared in accordance with and meet the requirements of the European sustainability reporting standards (ESRS), the Norwegian accounting act and article 8 of the taxonomy regulation.

SKØYEN, 25 MARCH 2026


THE BOARD OF DIRECTORS OF NORSKE SKOG ASA



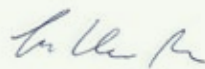
Arvid Grundekjøn  
Chair



Trude Ulven  
Board member



Terje Sagbakken  
Board member



Eva Karlson Berg  
Board member



Geir Drangslund  
CEO



To the General Meeting of Norske Skog ASA

## Independent Sustainability Auditor's Limited Assurance Report

### Limited Assurance Conclusion

We have conducted a limited assurance engagement on the consolidated sustainability statement of Norske Skog ASA (the «Company») included in Sustainability statement of the Board of Directors' report (the «Sustainability Statement»), as at 31 December 2025 and for the year then ended.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Statement is not prepared, in all material respects, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the Company to identify the information reported in the Sustainability Statement (the «Process») is in accordance with the description set out in section "4. Impacts, risks and opportunity management" within the General Disclosures chapter; and
- compliance of the disclosures in the subsection "EU taxonomy" in the Climate change section of the Sustainability Statement with Article 8 of EU Regulation 2020/852 (the «Taxonomy Regulation»).

### Basis for Conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information («ISAE 3000 (Revised)»), issued by the International Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the *Sustainability Auditor's Responsibilities* section of our report.

### Our Independence and Quality Management

We have complied with the independence and other ethical requirements as required by relevant laws and regulations in Norway and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The 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.

### Other Matter

The comparative information for 2023, included in the Sustainability Statement, was not subject to an assurance engagement. Our conclusion is not modified in respect of this matter.

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PwC Tax Services AS, Org.no.: 962 066 321 MVA, Autorisert regnskapsførerselskap, Medlem av Regnskap Norge

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### Responsibilities for the Sustainability Statement

The Board of Directors and the Managing Director (Management) are responsible for designing and implementing a process to identify the information reported in the Sustainability Statement in accordance with the ESRS and for disclosing this Process in section "4. Impacts, risks and opportunity management" within the General Disclosures chapter of the Sustainability Statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the Sustainability Statement, in accordance with the Norwegian Accounting Act section 2-3, including:

- compliance with the ESRS;
- preparing the disclosures in the subsection "EU taxonomy" in the Climate change section of the Sustainability Statement, in compliance with the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that Management determines is necessary to enable the preparation of the Sustainability Statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

### Inherent limitations in preparing the Sustainability Statement

In reporting forward-looking information in accordance with ESRS, Management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

### Sustainability Auditor's Responsibilities

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the Sustainability Statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the Sustainability Statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Sustainability Statement, in relation to the Process, include:

- Obtaining an understanding of the Process, but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS; and
- Designing and performing procedures to evaluate whether the Process is consistent with the Company's description of its Process set out in section "4. Impacts, risks and opportunity management" within the General Disclosures chapter.

Our other responsibilities in respect of the Sustainability Statement include:

- Identifying where material misstatements are likely to arise, whether due to fraud or error; and
- Designing and performing procedures responsive to where material misstatements are likely to arise in the Sustainability Statement. 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.

### Summary of the Work Performed

A limited assurance engagement involves performing procedures to obtain evidence about the Sustainability Statement. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise in the Sustainability Statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the Process, we:

- Obtained an understanding of the Process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the Company's internal documentation of its Process; and
- Evaluated whether the evidence obtained from our procedures with respect to the Process implemented by the Company was consistent with the description of the Process set out in section "4. Impacts, risks and opportunity management" within the General Disclosures chapter.

In conducting our limited assurance engagement, with respect to the Sustainability Statement, we:

- Obtained an understanding of the Group's reporting processes relevant to the preparation of its Sustainability Statement by:
  - Obtaining an understanding of the Group's control environment, processes, control activities and information system relevant to the preparation of the Sustainability Statement, but not for the purpose of providing a conclusion on the effectiveness of the Group's internal control; and
  - Obtaining an understanding of the Group's risk assessment process;
- Evaluated whether the information identified by the Process is included in the Sustainability Statement;
- Evaluated whether the structure and the presentation of the Sustainability Statement is in accordance with the ESRS;
- Performed inquiries of relevant personnel and analytical procedures on selected information in the Sustainability Statement;
- Performed substantive assurance procedures on selected information in the Sustainability Statement;
- Where applicable, compared disclosures in the Sustainability Statement with the corresponding disclosures in the financial statements and other sections of the Board of Directors' report;
- Evaluated the methods, assumptions and data for developing estimates and forward-looking information;
- Obtained an understanding of the Company's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Sustainability Statement;
- Evaluated whether information about the identified taxonomy-eligible and taxonomy-aligned economic activities is included in the Sustainability Statement; and
- Performed inquiries of relevant personnel and substantive procedures on selected taxonomy disclosures included in the Sustainability Statement.

Oslo, 25 March 2026

**PricewaterhouseCoopers AS**



Herman Skibrek  
State Authorised Public Accountant – Sustainability Auditor



To the General Meeting of Norske Skog ASA

## Independent Auditor's Report

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Norske Skog ASA, which comprise:

- the financial statements of the parent company Norske Skog ASA (the Company), which comprise the balance sheet as at 31 December 2025, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- the consolidated financial statements of Norske Skog ASA and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2025, the income statement, statement of comprehensive income, statement of changes in group equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion

- the financial statements comply with applicable statutory requirements,
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act, and
- the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Our opinion is consistent with our additional report to the Audit Committee.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) as applicable to audits of financial statements of public interest entities, and we have fulfilled our other 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 opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of Norske Skog ASA for 4 years from the election by the general meeting of the shareholders on 21 April 2022 for the accounting year 2022.

PricewaterhouseCoopers AS, org.no.: 987 009 713 MVA, Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap  
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 PwC Tax Services AS, Org.no.: 962 066 321 MVA, Autorisert regnskapsførerselskap, Medlem av Regnskap Norge

Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo, T: 02316 (+47 952 60 000) www.pwc.no

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The investments in the converted newsprint machine PM1 in Golbey were competed for containerboard production during the year. Consequently, *Decomposition and capitalisation of cost for new completed assets* was identified as new Key audit matter this year. Further, *Valuation of Commodity Contracts to Fair Value* has the same characteristics and risks this year as the previous year and was an area of focus also for the 2025 audit.

Key Audit Matters	How our audit addressed the Key Audit Matter
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### Valuation of Commodity Contracts to Fair Value

Being a paper producer with significant electricity consumption, the Group is exposed to uncertainty related to changes in electricity market prices. Thus, the price of electricity has a significant impact on the Group's results. The Group price-protects part of its future electric power consumption using physical energy commodity contracts. Policies are established to manage the risks arising from these contracts.

Commodity contracts classified as financial instruments within the scope of IFRS 9 – *Financial instruments*, are related to energy contracts in Norway. To calculate the fair value of the commodity contracts, management uses a complex model with several input factors. Fair value of commodity contracts recognised in the balance sheet is calculated by using quotes from actively traded markets when available. Otherwise, price forecasts from acknowledged external sources are used.

The fair value of commodity contracts is especially sensitive to future changes in energy prices.

Accounting for financial instruments used to hedge electricity expenses is a key matter in our audit due to the complexity of management's calculations, and the significant impact on the Group's results from changes in fair value.

Management explains the accounting of electricity contracts in notes 5, 12, 21, 22, 23 and 30 to the consolidated financial statements.

During our audit, we mapped and assessed the design of the Group's internal controls related to trading, monitoring, and accounting of electricity commodity contracts. We also assessed the Group's accounting principles for financial instruments against requirements in the IFRS Accounting Standards, particularly IFRS 9.

We interviewed management to understand how they calculated the fair value of the commodity contracts, including how judgment was applied. Further, we evaluated the appropriateness of management's model through comparison towards models generally used for valuation of commodity contracts and performed a technical recalculation of the valuation.

We tested the completeness, existence, and valuation of the commodity contracts by obtaining and understanding the underlying agreements. Further, we tested the accuracy of the input factors including future electricity prices, Electricity Price Area Differentials, discount rates, paper prices, pulpwood prices, and currency assumptions by comparing to forecasts from external sources such as Nasdaq, Reuters, Fastmarkets Risi, Nord Pool, Statistics Norway, and the International Monetary Fund.

We discussed and challenged management's assumptions and use of judgment by evaluating whether the assumptions were used neutrally and consistently in the valuation and in comparison to valuations performed in prior periods.

We also assessed and found that the information in the notes was sufficient and comprehensive.

### Decomposition and capitalisation of cost for new completed assets

The decomposition and capitalisation of costs related to new completed assets represent a key audit area due to the materiality and the level of management judgement involved under IFRS, particularly IAS 16 - *Property, Plant and Equipment*. According to IAS 16, costs that are directly attributable to bringing an asset to the location and condition necessary for it to be capable of operating as intended by management must be capitalised. Determining which costs meet this criterion requires careful assessment and management judgement.

The decomposition and capitalization capitalisation of costs requires the identification and separation of different cost components, such as acquisition costs, construction costs, borrowing costs (in accordance with IAS 23 - *Borrowing costs*), and subsequent expenditures. Management must then apply judgement in order to decide which costs qualify for capitalisation versus those that should be expensed immediately. Distinguishing between capitalisable expenditures and expenses - such as repairs or maintenance - is often complex, and misclassification may materially affect the carrying amount of assets and the related depreciation charge.

Management explains the accounting of property, plant and equipment in note 18 to the consolidated financial statements.

We assessed the design and operating effectiveness of internal controls over the capitalisation of asset costs and the recognition of assets. We evaluated management's methodology for identifying costs that meet the IAS 16 recognition criteria. We tested the existence and accuracy of capitalised amounts by examining supporting documentation such as invoices, payroll records for man-hours, and internally generated labour costs.

For internally incurred hours related to asset preparation and construction, we evaluated time recording systems and controls, tested the allocation of staff hours to asset projects, and assessed whether only labour directly attributable to bringing assets to their intended use was capitalised.

We tested a representative sample of capitalised external costs to assess their appropriateness for capitalisation and direct relation to asset construction or purchase. For material cost components, we assessed whether costs were appropriately decomposed and depreciation applied separately over the useful life of the assets.

Further, we tested the capitalisation of borrowing costs under IAS 23, including the calculation of the capitalisation of interest and the assessment of capitalisation periods.

Finally, we evaluated disclosures related to capitalised costs in the financial statements and found them to be adequate.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report and the other information accompanying the financial statements. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report nor the other information accompanying the financial statements.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report and the other information accompanying the financial statements. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the other information accompanying the financial statements and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report and the other information accompanying the financial statements otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report or the other information accompanying the financial statements. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Directors' report applies correspondingly to the statement on Corporate Governance.

Our opinion on whether the Board of Directors' report contains the information required by applicable statutory requirements, does not cover the Sustainability Statement, on which a separate assurance report is issued.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with simplified application of international accounting standards according to the Norwegian Accounting Act section 3-9, and for the preparation of the consolidated financial statements of the Group that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 these financial statements.

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 financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 internal control relevant to the 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 and the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a 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 financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the Company and the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

### Report on Compliance with Requirement on European Single Electronic Format (ESEF)

#### Opinion

As part of the audit of the financial statements of Norske Skog ASA, we have performed an assurance engagement to obtain reasonable assurance about whether the financial statements included in the annual report, with the file name `Norske_Skog_Annual_Report_2025_ESEF.zip`, have been prepared, in all material respects, in compliance with the requirements of the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) and regulation pursuant to Section 5-5 of the Norwegian Securities Trading Act, which includes requirements related to the preparation of the annual report in XHTML format, and iXBRL tagging of the consolidated financial statements.

In our opinion, the financial statements, included in the annual report, have been prepared, in all material respects, in compliance with the ESEF regulation.

#### Management's Responsibilities

Management is responsible for the preparation of the annual report in compliance with the ESEF regulation. This responsibility comprises an adequate process and such internal control as management determines is necessary.

#### Auditor's Responsibilities

For a description of the auditor's responsibilities when performing an assurance engagement of the ESEF reporting, see: <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 25 March 2026

**PricewaterhouseCoopers AS**



Herman Skibrek  
State Authorised Public Accountant

# Alternative performance measures

Alternative performance measures (APM) is defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specific in the applicable financial reporting framework (IFRS). The company uses EBITDA and EBITDA margin to measure operating performance on group level. It is the company's view that the APMs provides the investors relevant and specific operating figures that may enhance their understanding of the performance. EBITDA, EBITDA margin, variable costs, fixed costs, and net interest-bearing debt are defined by the company below.

**EBITDA:** Operating earnings for the period, before restructuring expenses, depreciation and amortisation and impairment charges, derivatives and other fair value adjustments, determined on an entity, combined or consolidated basis. EBITDA is used for providing consisting information of operating performance and cash generating which is relative to other companies and frequently used by other stakeholders.

NOK MILLION	2025	2024
Operating earnings	563	-60
Restructuring expenses	5	16
Depreciation	557	481
Impairments	0	121
Derivatives and other fair value adjustments	-356	178
<b>EBITDA</b>	<b>769</b>	<b>736</b>

**EBITDA margin:** EBITDA/total operating income. EBITDA margin assist in providing a more comprehensive analysis of operating performance relative to other companies.

NOK MILLION	2025	2024
EBITDA	769	736
Total operating income	10 482	10 173
<b>EBITDA margin</b>	<b>7.3%</b>	<b>7.2%</b>

**Variable costs:** Distribution costs + cost of materials.

NOK MILLION	2025	2024
Distribution costs	1 036	1 005
Cost of materials	6 232	5 927
<b>Variable costs</b>	<b>7 268</b>	<b>6 932</b>

**Fixed costs:** Employee benefit expenses + other operating expenses.

NOK MILLION	2025	2024
Employee benefit expenses	1 619	1 702
Other operating expenses	827	803
<b>Fixed costs</b>	<b>2 445</b>	<b>2 505</b>

**Net interest-bearing debt:**

Net interest-bearing debt consist of bond issued and other interest-bearing liabilities (current and non-current) reduced by cash and cash equivalent.

	2025	2024
Interest-bearing non-current liabilities	4 403	4 475
Interest-bearing current liabilities	974	771
Cash and cash equivalents	-1 082	-1 127
<b>Net interest-bearing debt</b>	<b>4 295</b>	<b>4 119</b>

**Capital expenditure (capex):** Purchases of property, plant and equipment and intangible assets.

**Maintenance capex:** Capex required to maintain the group's current business.

# I like to be with the people who actually do the job



Let's be honest: we all fight a quiet battle against the comfort zone – that irresistible pull toward our screens, where emails and chats replace real human connection. Stepping out without ready-made answers, armed only with questions, feels exposed and uncomfortable – like training in biting cold, wind, and rain.

Yet true culture is built on Gemba: right where work happens, in direct, unfiltered contact with your team. What fascinates me is how few admit that real culture begins within ourselves – born from this inner struggle.

This isn't about control or surface-level "how are you?" check-ins. There's a world of difference between asking questions to test what others

know and asking questions to deepen your own understanding. If you already know the answer, very little learning occurs.

Magic happens when you don't know, but still dare to ask. Questions that make people think, quietly sparking curiosity across the organisation. Gemba demands full presence – engaging deeper thinking, the conscious, analytical part of your mind.

No agendas. No pre-decided solutions. Just observation, genuine curiosity, and shared exploration. Meet your people with respect, listen to their stories, ask open questions, and challenge assumptions. This is where the magic unfolds: new ideas emerge, problems are solved, learning grows – and trust deepens.

Face-to-face interactions create bonds that emails can never replicate.

So why don't we do this more often? Because it is easier to cling to the familiar than to confront the unknown. Being vulnerable, uncomfortable, and silent while others speak? It doesn't feel good.

Yet this, I believe, is the essence of leadership. Words fade. Actions on Gemba create trust, growth, and permanent change.

**Geir Drangslund**  
CEO

Get out of your comfort zone!



AI generated picture

*\* Gemba is used in Lean philosophy to emphasise that one must go to where the work actually happens, observe reality, and understand problems where they arise, rather than managing solely from reports and meeting rooms.*





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