Arctic Paper Grycksbo AB
Environmental Report 2025

EMAS 2025

ARCTIC PAPER

Environmental Report 2025

Table of Contents

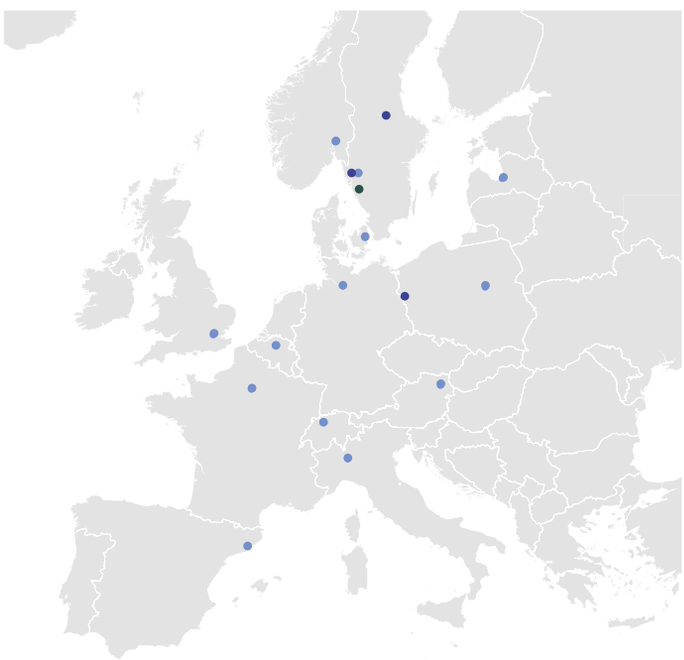
Arctic Paper Grycksbo

Paper has been produced in Grycksbo for 280 years. On April 23, 1740, Johan Munktell received royal permission to establish a paper mill. Operations began the following year with half a dozen handmade paper craftsmen. Approximately 100 years after the founding, in 1836, the first paper machine was installed in Grycksbo.

Today, Arctic Paper Grycksbo is one of Europe's leading manufacturer of matt coated graphic paper. We apply a sustainability perspective in all aspects of our operations – from the selection of renewable raw materials and environmentally sustainable production processes to responsible energy use and logistics systems.

Arctic Paper Grycksbo has been registered under the EU EMAS Regulation since 1997. The registration covers the company's operations in Grycksbo.

Arctic Paper | Europe



Säljkontor Pappersbruk Huvudkontor

Arctic Paper S.A.

Arctic Paper S.A. is one of the leading manufacturers of highquality graphic fine paper in Europe. The company produces coated and uncoated woodfree paper for quality-conscious customers such as printers, book publishers, newspaper publishers, advertising agencies, paper distributors and packaging companies.

The product portfolio includes well-known brands such as Amber, Arctic, G and Munken.

The company has three paper mills:
- Arctic Paper Munkedals, Sweden
- Arctic Paper Grycksbo, Sweden
- Arctic Paper Kostrzyn, Poland

The production capacity of the three mills is approximately 630,000 tonnes of paper per year. The majority is sold through the company's 14 own sales offices in Europe.

Arctic Paper S.A. has been listed on the Warsaw Stock Exchange since October 2009 and on NASDAQ in Stockholm since December 2012.

Preface

At Arctic Paper Grycksbo, we see sustainability as a natural part of our business and our future. Our operations are built on a long industrial tradition, but it is our ability to evolve and continuously improve that determines our long-term competitiveness and our contribution to a sustainable society.

During 2025, we continued to develop our operations with a focus on resource efficiency, stable production, and reduced environmental impact. Despite challenges related to varying production levels, we maintained strong environmental performance, with emissions to air and water remaining within established levels and fully aligned with applicable requirements.

Energy efficiency is one of our most important tools in the transition process. During the year, measures were implemented that resulted in significant energy savings, while our production is primarily based on renewable energy. This strengthens our position as a manufacturer with a very low climate impact from a European perspective.

We take responsibility for our entire value chain. By using certified fibre raw materials and working systematically to optimise the use of water, energy, and chemicals, we create production that is both efficient and sustainable. Our wastewater treatment facility ensures that our impact on the surrounding aquatic environment remains low and well controlled.

At the same time, we remain humble in recognising that our operations involve risks. The incidents that occurred during the year were managed according to our procedures and provide valuable knowledge for our continuous improvement efforts.

Looking ahead, we continue to see significant opportunities. Through investments, technological development, and the strong commitment of our employees, we are developing Arctic Paper Grycksbo towards even more resource-efficient and sustainable production. Our goal is clear – to continue delivering high-quality products with the lowest possible environmental impact, while remaining a long-term and responsible partner in our region.

I would like to extend my sincere thanks to our employees for their daily efforts, and to our customers, suppliers, and partners for your trust and commitment.

Kent Blom
VD Arctic Paper Munkedals AB

Printed on Arctic Volume White 150 g/m²

Facts about Arctic Paper Grycksbo AB

Products	Wood-free coated fine paper under the brands G and Arctic Volume
Production Capacity	200,000 tonnes/year
Sales	Export 92%, Sweden 8%
Turnover	SEK 2.1 billion
Employees	330

Energy	
Steam boiler (biofuel)	49 MW
Steam boilers (electric)	20 + 17 MW
Back-pressure turbine	6.5 MW

Storage Capacity	7,000 tonnes

Paper Machines	**Width**	**Grammage**	**Speed**	**Capacity**
PM 9	252 cm	115–300 g/m^2	400 m/min	50,000 tonnes/year
PM10	386 cm	70–130 g/m^2	1,100 m/min	150,000 tonnes/year

Sheet Cutters	**Sheet Width**	**Sheet Length**	**Capacity**
SM 5–9	26–213 cm	42–205 cm	170,000 tonnes/year

Certificates

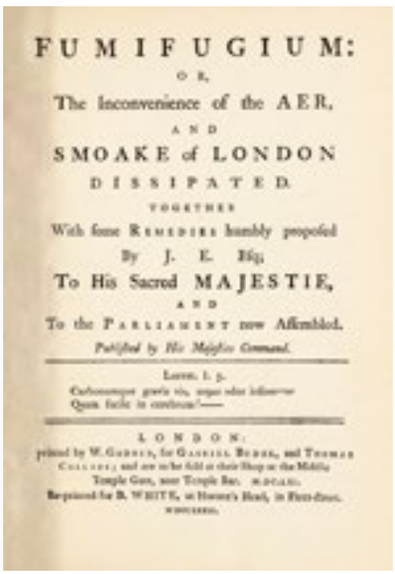
Quality management system ISO 9001:2015	SE007601
Environmental managemant system ISO 14001:2015	SE007601
Environmental managemant system EMAS 1221/2009	Nr. S-000061
Energy management system ISO 50001:2018	SE007600
FSC® Chain of Custody, DNV-COC-000002	License no. FSC-C007342
PEFC Chain of Custody, DNVSE-PEFC-COC-31-31	License no. PEFC/05-33-98
Cradle to Cradle Certified® Material Health at Silver level according to version 4.1	Cradle to Cradle Cert nr: 12197

Products	Arctic Paper Grycksbo produces coated fine paper under the brands G and Arctic Volume, designed for printed materials that demand high standards of image reproduction and readability. The main applications include direct mail, illustrated books, manuals, catalogues, maps, posters, and magazines.

Miljöledning

Awareness

In modern human history, the understanding of the interaction between the environment and human society was, early on, pushed to the margins. Natural resources were seen as infinite, and human impact was considered negligible. Environmental issues that were addressed were primarily limited to those that clearly and directly affected human health. Over time, methods for environmental assessments were developed, laying the foundation for more advanced environmental management. In Fumifugium, published in 1661, John Evelyn wrote "The Inconveniencie of the Aer and Smoak of London dissipated", which can be seen as a precursor to modern environmental investigation.



FUMIFUGIUM:
OR,
The Inconvenience of the AER,
AND
SMOAKE of LONDON
DISSIPATED.
TOGETHER
With some REMEDIES humbly proposed
By J. E. Esq;
To His Sacred MAJESTIE,
AND
To the PARLIAMENT now Assembled.
Published by His Majesties Command.

LONDON.

Consideration

Environmental management means systematically becoming aware of, and gradually reducing, one's negative impact on the environment. EMAS and ISO 14001 are the foundational standards that form the backbone of our environmental management systems. These standards not only ensure compliance with laws and regulations, but also promote continuous improvement through procedures, audits, objectives, and programs.

Arctic Paper – Committed to Reducing Environmental Impact

Today, the drivers for reducing environmental impact are many. Through long-standing commitment and well-established systems, Arctic Paper is a conscious and responsible group with a clear focus on reducing environmental impact, increasing efficiency, and maintaining an open dialogue.

Operational Policy

Arctic Paper Grycksbo's operational policy covers quality, environment, energy, occupational health and safety, and the traceability of fiber raw materials.

The policy is reviewed annually during the management review:

- We shall be a reliable company in every respect and always deliver the right quality in our products and services to both customers and employees. We shall meet the owners' profitability requirements to ensure our long-term survival.
- We shall work with continuous improvements in line with our established objectives. We are committed to complying with applicable laws and other requirements. Each employee holds personal responsibility in their work and should be continuously developed.
- We shall use raw materials efficiently and minimize our consumption of energy and water. Environmental considerations shall always be taken into account in procurement, energy use, and transport. When making changes to plant equipment, we shall strive for energy-efficient solutions. We shall actively work to prevent environmental pollution and maintain preparedness for potential environmental incidents. We shall report our environmental efforts transparently. We commit to fulfilling the requirements of our certified systems in environmental and energy management, EMAS registration, and chain-of-custody standards, including FSC and PEFC.
- Arctic Paper Grycksbo shall be a safe and attractive workplace with good opportunities for employee development. We shall systematically and purposefully promote health and safety both in our own workplace and throughout our operations. Arctic Paper Grycksbo shall also actively engage in our local region.

Kent Blom
VD, Arctic Paper Grycksbo

Printed on Arctic Volume White 150 g/m²

Paper Production

Pulp Reception

The mill purchases pulp in bale form from external suppliers in the EU and South America. The pulp bales are dissolved during stock preparation using internally treated process water and are then refined in mills to soften and swell the fibers. Refining is important for the strength properties of the paper. Various raw materials and additives – such as calcium carbonate, sizing agents, and starch – are added to the pulp. The pulp is then screened in several stages to remove any possible impurities.

Paper Machine

Headbox and Wire Section

The function of the headbox is to distribute the diluted stock over the whole width of the wire. Dewatering and forming of the web take place in the wire section.

Press Section

The web is dewatered still further in the press section. Here, the paper is given the right density and surface structure.

Drying Section

The paper is dried in the drying section with the help of steamheated cylinders.

Surface Sizing / Coating

After drying, the paper surface is coated on both sides through a coating process. This gives the paper a smooth, strong, and more print-friendly surface. After coating, the paper is dried using infrared dryers and additional steam-heated cylinders.

Machine Calendering and Tambour

The web passes through a calender, which gives it its final surface structure. The finished web is rolled onto a tambour and moved to the winding machine.

Winding Machine

In the winding machine, the large reel is divided into smaller reels in line with the customer's order.

Finishing

Paper Cutting Machines

The reels proceed for further conversion. In paper cutting machines, they are cut into sheets in varying formats as requested by the customer. Some of the sheets are packaged in an automatic bale packaging machine.

Pallet Pack

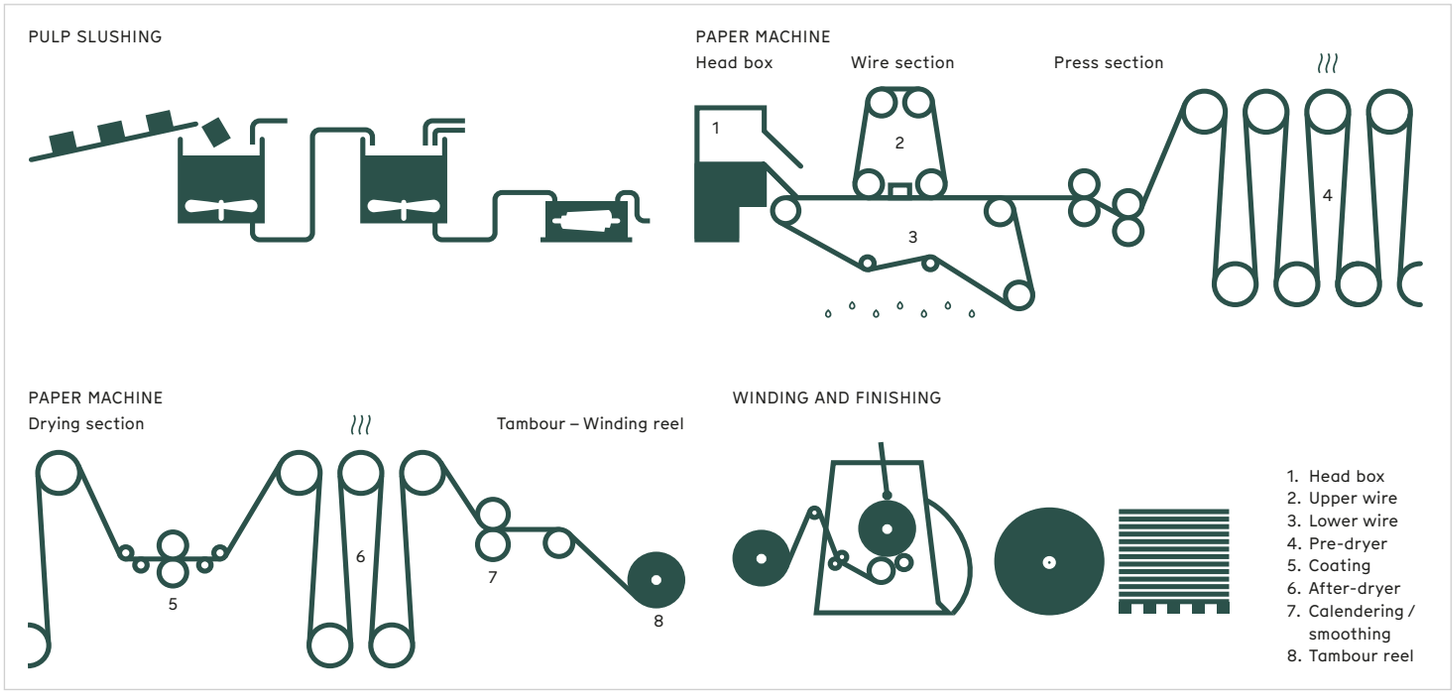
The pallets of sheets are covered with cardboard lids made from recycled paper and wrapped in shrink film.

Reel Pack

Reels to be delivered directly to the customer are provided with protective stretch film packaging.

Storage and Shipping

Wrapped pallets of sheets and reels are placed in the finished goods warehouse awaiting dispatch. Further transportation is carried out by road, rail, or ship, depending on the customer's geographical location.



Bioenergy

Arctic Paper Grycksbo's biofuel plant has been in operation since 2009 and supplies the mill's entire steam demand. In addition to the steam boiler itself, the facility includes flue gas cleaning filters and a turbine that generates renewable, self-produced electricity. The transition to biofuel has eliminated fossil carbon dioxide emissions, resulting in an annual reduction of approximately 75,000 tonnes of CO_2.

The switch to biofuel has also significantly reduced sulphur dioxide emissions and particulate emissions. Thanks to a flue gas filter, dust particles that would normally be released through the chimney are effectively captured.

The steam boiler is primarily fueled with pellets, the same type used for residential heating, though in much larger quantities to meet the mill's industrial steam requirements. In 2025, more than 27,500 tonnes of pellets were delivered by truck to Grycksbo. The pellets are emptied into large hoppers and stored in a silo. Before entering the boiler's burner, the pellets are ground into a fine powder using powerful mills.

The facility also has the capability to burn liquid biofuels.

Reningsanläggning

In the mill's process wastewater, there are dissolved substances that consume oxygen. These substances deplete the natural oxygen present in lakes and watercourses, and oxygen deficiency can result in poor living conditions for fish and aquatic plants.

Incoming wastewater from production is first treated through chemical precipitation in a pre-flotation stage. The water then proceeds to a biological treatment stage, where a large number of bacteria and a smaller number of protozoa feed on bacteria and organic particles. Fungi, appearing as filaments, are also present in the biological treatment.

The organisms in the biological treatment stage feed on and break down the organic substances continuously entering the facility through the incoming process wastewater.

Thanks to this biological treatment, dissolved pollutants are converted by microorganisms into solid matter, which can be more easily removed. This treatment mirrors the natural oxygen-consuming decomposition that would otherwise occur in Lake Grycken, downstream from the mill. In essence, the natural process is relocated within the facility, where it can occur under controlled conditions in terms of temperature, oxygen levels, and nutrients (nitrogen/phosphorus). All of this contributes to a significantly improved purification result.

After the biological treatment, the water undergoes final chemical precipitation in a post-flotation stage, before the purified water is discharged via Gryckån stream into Lake Grycken.

Printed on Arctic Volume White 150 g/m²

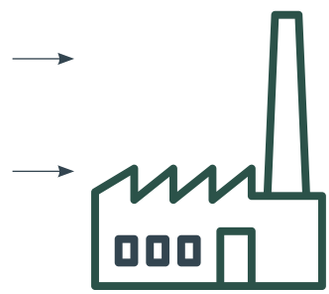
Environmental Data and Regulations

Below are the raw materials, chemicals, and energy required to produce one tonne of paper in 2025. The corresponding values for 2024 are shown in parentheses. Additionally, emissions to air and water, as well as the amounts of waste generated by the operation, are reported.

At the bottom, we present our compliance with the conditions established by regulatory authorities. Applicable environmental requirements are outlined in this year's environmental report to the authorities and can be requested from the EMAS environmental contact person (see page 18). For comments on major changes, please refer to pages 12–15.

Raw materials			
Fiber raw material	533	(523)	kg
Pigments	389	(388)	kg
Process chemicals	47	(45)	kg

Energy			
Pellets	800	(455)	kWh
Tall oil	18	(5)	kWh
Fuel oil	0	(0)	kWh
El. – purchased process electricity	659	(616)	kWh
El. – purchased for steam production	323	(585)	kWh
El. – from own turbine	8	(8)	kWh
Total energy used	1808	(1670)	kWh



Waste

Emissons to air			
Nitrogeneoxide (NO_X)	0,122	(0,062)	kg
Carbondioxide (CO_2)	0,007	(0,035)	kg

Discharges to water				BAT*
AOX	1,49	(1,50)	g	
SS	0,076	(0,067)	kg	0,02-0,35
TOC	0,124	(0,126)	kg	0,038-0,0375
BOD_7	0,058	(0,076)	kg	
Nitrogen (N)	0,047	(0,047)	kg	0,01-0,1
Phosporus (P)	0,0005	(0,0006)	kg	0,003-0,012
Process water discharged to Gryckån stream	9,0	(8,6)	m^3	3,5-20 m^3

Operational waste			
Land recycling	0,69	(0)	kg
Land recycling	40,03	(32,68)	kg
Energy recovery	1,98	(1,05)	kg
Landfilling	0	(0,01)	kg

Hazardous waste			
Material recycling	0,12	(0,08)	kg
Energy recovery	0,02	(0,01)	kg
Landfilling	0	(0)	kg

Compliance with permit conditions	**Result 2025**	**Max permit**	
Production (level net)	163 678	310 000	tonnes/year
Discharges to water			
Suspended solids	34	100	kg/day
TOC	56	125	kg/day
BOD_7	26	60	kg/day
Total Nitrogene (N)	21	40	kg/day
Total Phosphorus (P)	0,2	0,5	kg/day
Discharges to air			
NO_x	41	75	mg/MJ of input energy (guideline value)
Dust	0,6	30	mg/Nm^3 dry gas at 6% O_2
Other conditions			
Noise (nighttime)	45	45	dB(A) (guideline value)

* BAT – Best Available Techniques (BAT) for non-integrated paper production according to EU Directive 2014/687.

Biodiversity

The biodiversity we see on Earth today is the result of 4 billion years of evolution. Some species have disappeared, while others have emerged – all have changed over time. This applies to both plants and animals.

It is the responsibility of every organization to safeguard biodiversity and minimize any potential impact their operations may cause. In our case, this is done in several ways – primarily by complying with the conditions set by regulatory authorities, but also through voluntary participation in environmental management systems and certifications. The company's operations in Grycksbo cover an area of 427,040 m².

Ongoing employee training and awareness in environmental matters is also an important signal within the organization. Since 2013, a web-based environmental and energy training program has been in place and is regularly updated.

One way we contribute to biodiversity is by using only pulp made from wood sourced from certified forestry. All our pulp suppliers are certified under FSC® and/or PEFC. In 2024, 100% of Grycksbo's pulp purchases consisted of certified pulp. This ensures that the raw material comes from responsible sources and does not contain fiber from:

- Illegally harvested wood
- Wood harvested in violation of traditional and human rights
- Wood from areas where high conservation values are threatened
- Wood from forests being converted to plantations or non-forest use
- Wood from forests with genetically modified tree species

Sustainable Responsibility

The demands on society – including companies and organizations – to make sustainability an integrated part of their operations are constantly increasing. Sustainability work should permeate all areas of the business and also be incorporated into strategic development.

Arctic Paper Grycksbo is certified according to ISO standards for quality, environment, and energy. All of these standards are important tools in supporting this effort.

Arctic Paper Grycksbo is also a member of the Dalälven Water Conservation Association (DVVF), a collaboration of stakeholders with ties to the Dalälven River. The members include companies, municipalities, and organizations. The purpose of the association is to monitor environmental trends in selected lakes and watercourses and to assess the significance of individual pollution sources. The association maintains a website: www.dalalvensvvf.se

Through our sustainability perspective, Arctic Paper Grycksbo has achieved strong results in several areas. Energy use in production (biofuels, self-produced green electricity, and purchased fossil-free electricity mix) has virtually eliminated emissions of fossil CO_2 and SO_2. Calculations show that CO_2 emissions related to purchased electricity are as low as 0.001 g per tonne of paper produced.
Water emissions are also at a very favorable level when compared to EU industry standards.

Printed on Arctic Volume White 150 g/m²

Significant Environmental Aspects

In the company's environmental aspect register, all areas of the operation and their potential environmental impacts are described. The register is updated annually and serves as the basis for identifying the company's significant environmental impacts.

The evaluation model used in this process is part of the company's environmental management system and is available upon request from the Head of Quality, Environment, and Development: Björn Legnerfält, bjorn.legnerfalt@arcticpaper.com

Environmental Aspects That Cause or May Cause Significant Environmental Impact	Activities to Reduce the Risk of Significant Environmental Impact
Continuous impact	
Discharges to water	
Emissions of oxygen-consuming substances (BOD7), suspended solids (SS) that may cause sedimentation, as well as phosphorus and nitrogen, which contribute to eutrophication.	Biological treatment together with flotation systems is used to minimize emissions. An internal environmental target has been established with the aim of reducing emissions.
Energy consumption	
Energy consumption results in an indirect environmental impact depending on the origin of the energy.	The energy management system in accordance with ISO 50001 ensures continuous efforts to reduce energy consumption.
Transport	
Transport activities generate noise, air emissions, and consumption of fossil fuels.	The Group's transport operations are coordinated by Arctic Paper Logistics. The majority of deliveries from Grycksbo to Finnish customers are made directly from Grycksbo, as well as part of the products supplied to Swedish and Norwegian customers. Other paper products are transported by truck from Grycksbo to Gothenburg for onward distribution to customers.
Risks in the Event of an Incident	
Chemicals	
The following chemicals have in common that, in the event of an incident, they may impair the functioning of the wastewater treatment process. Biocide – added to prevent bacterial growth in the process Latex – a binding agent used in the coating mixture Dispersing agent – added to pigments and coating mixtures to facilitate mixing	Procedures and instructions are in place to minimize the risk of incidents and the consequences of any potential leakage.
Oil from Lubrication and Hydraulic Systems	
In the event of an incident, oil may be carried with the cooling water directly into the Gryckån stream. Oil may also enter the sludge separated in the wastewater treatment process or be discharged with treated water into the Gryckån stream.	Procedures for preventive maintenance are in place to reduce the risk of breakdowns and operational disturbances. Oil levels are monitored, and losses are tracked for the mill's various hydraulic systems. An oil containment boom is installed in the Grycksboån stream downstream of the mill to capture oil in the event of a spill.
Pumping Station Before Treatment	
In the event of an incident, such as a power outage or abnormally high flows to the wastewater treatment plant, untreated process wastewater may overflow into the Gryckån stream, resulting in increased emissions of oxygen-consuming and suspended substances.	Backup power supply systems are installed to handle temporary disturbances in the power grid. Procedures are in place for scheduled maintenance shutdowns and holiday periods in order to manage planned production stoppages.
Other Sources of Environmental Impact	
Pulp Production	
The pulp is purchased from external suppliers and its production causes emissions to air and water, as well as noise.	Only pulp suppliers that are FSC- and PEFC-certified and approved by the Nordic Ecolabel (Swan) are used.

Significant Environmental Aspects

In the environmental aspect register for Arctic Paper Grycksbo, two aspects have been identified that are not included among the core indicators presented on pages 12–15. These aspects are outlined below (transport and oil losses).

Transport to Arctic Paper Grycksbo

Pulp is sourced from manufacturers in Europe and South America. Transport is carried out by truck and ship. Process chemicals, pigments, and fuels are transported mainly from Europe and South America, also by truck and, in some cases, by ship. Packaging materials are delivered by truck from suppliers in Sweden and Denmark.

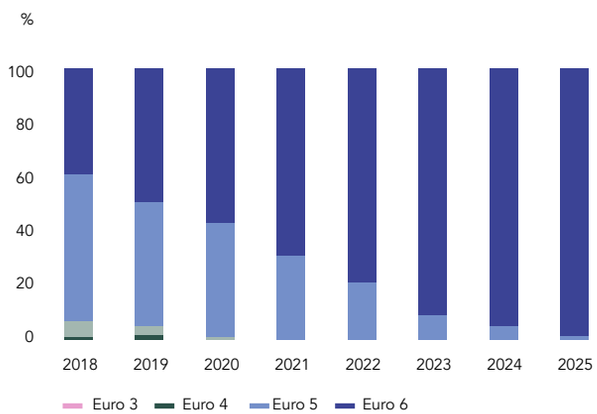
All raw materials – including process chemicals, pigments, and fuels – are procured on a "delivered Grycksbo" (DAP) basis, meaning that the supplier is responsible for the transport to Arctic Paper Grycksbo's site. In 2021, a project was initiated to collect data on emissions from inbound transport. The results have been used to set targets in this area.

Transporter från Arctic Paper Grycksbo

Transport activities generate noise and involve the consumption of fossil fuels, which leads to air emissions. Depending on the final destination, different transport solutions are used for the company's products.

The majority of deliveries to Finnish customers are shipped directly from Grycksbo, as are some deliveries to Swedish and Norwegian customers. For other countries, rail and sea transport may be used to varying extents.

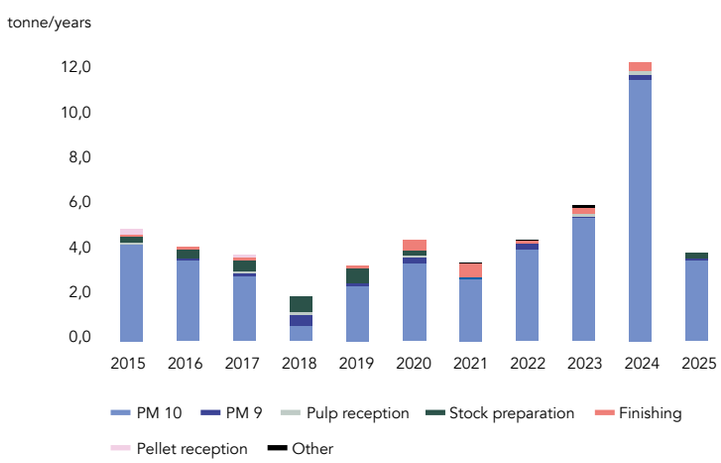
Road transport of paper products from Grycksbo is presented alongside, broken down by the Euro emission class of the vehicles used by the carriers. Rail and sea transport are included to varying degrees.



Losses of Lubrication and Hydraulic Oils

The lubrication and hydraulic systems used in the paper machines and other equipment have been identified as a potential source of unwanted emissions. Preventive maintenance and strong incident preparedness are the two primary measures taken to minimize these risks.

In 2024, several incidents occurred that led to an increase in oil leakage from paper machine 10.



Printed on Arctic Volume White 150 g/m²

Core Indicators

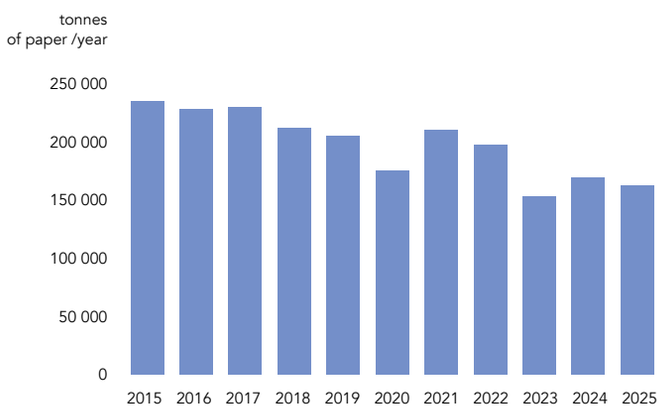
The following pages present core indicator results, with comments on significant deviations.

The core indicators for energy and emissions to water and air fall within the range of variations observed over the past ten years. However, due to lower production volumes and an increased number of market-related production stops, we see a rise in specific values for indicators such as water use, phosphorus, and nitrogen. At the same time, emissions of suspended solids have decreased, both in specific terms and in total annual volume. This improvement is seen as a result of the organization's enhanced ability in recent years to manage fluctuating wastewater flows to the treatment plant. Looking ahead, energy efficiency projects planned for 2025 are expected to ensure continued improvements in environmental performance, despite changes in production levels.

As for steam production for the process, a shift has been observed due to favorable electricity prices. This will be discussed further below.

Net Production

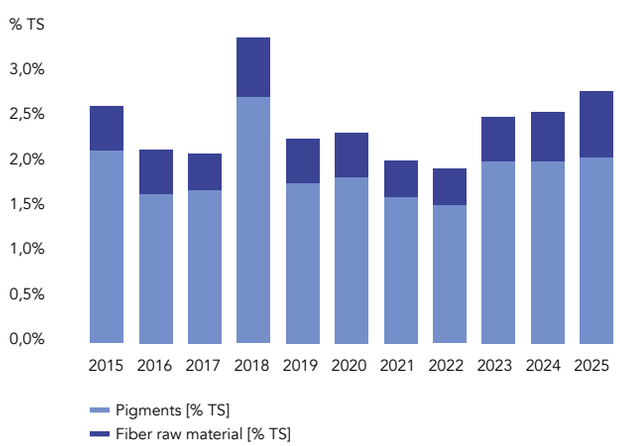
To describe the development of the company's environmental performance, the relationship to the net production of paper is an important aspect. The net production shown in the adjacent diagram serves as the basis for calculating the operation's efficiency in relation to the core indicators.



Material Efficiency

Material losses of fibres and fillers have been monitored during the period 2015–2025, based on the dry solids content of materials reaching the wastewater treatment plant. The trend shows relatively stable levels over time, with variations reflecting changes in operating conditions, process stability, and implemented measures. The indicator is primarily used for monitoring and improvement purposes rather than to demonstrate a linear reduction over time.

During 2018, increased material losses were recorded for both fibres and fillers, coinciding with periods of less stable operation. This confirms the indicator's ability to reflect the actual material efficiency of the process.

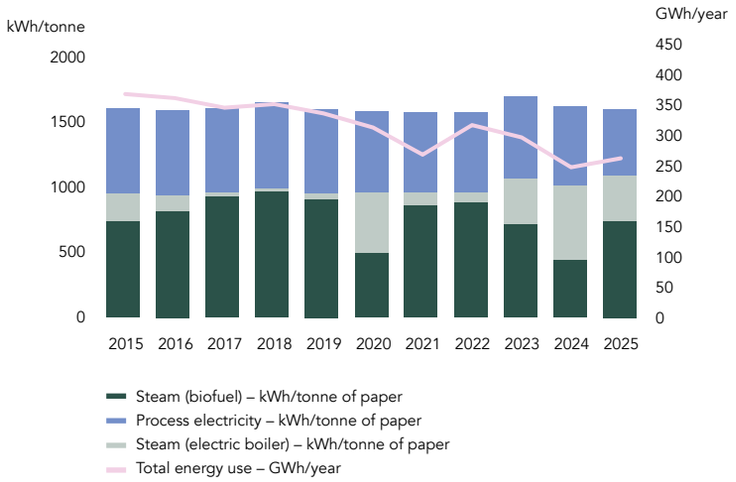


Core Indicators

Energy Efficiency

The most energy-intensive processes in paper production are steam generation for paper drying and in-house electricity production for powering the facility's motors, refiners, and pumps. The adjacent diagram shows the total energy use and the distribution between energy sources. For key figures on energy consumption, see page 7.

During the year, a smaller share of steam was produced using biofuel due to favorable electricity prices. As a result, the proportion of steam generated by electric boilers increased.

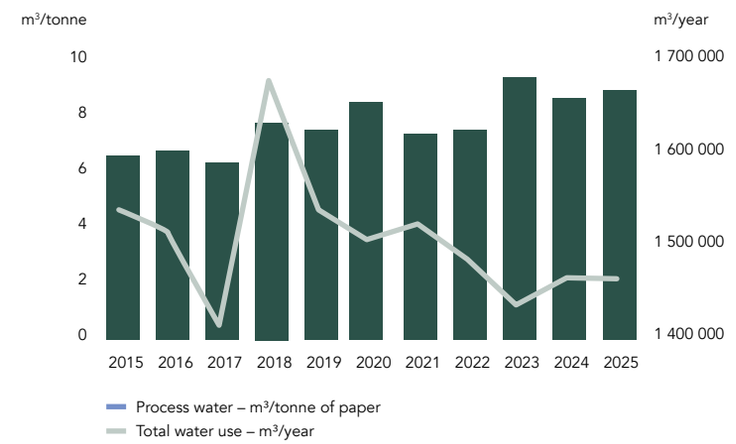


Water Use

In paper production, water is mainly used to dissolve pulp bales into a fibre stock and to distribute this stock to the paper machine headbox. In the paper machine, the stock is dewatered as the paper is formed. Most of the water is recirculated within the mill. Excess water is directed to the mill's treatment plant.

Water consumption is measured as the volume of water leaving the mill after passing through the treatment plant.

Comment: Specific water consumption, m³/tonne of paper, has increased over the past three years due to numerous market-related production stoppages, resulting in lower paper output.

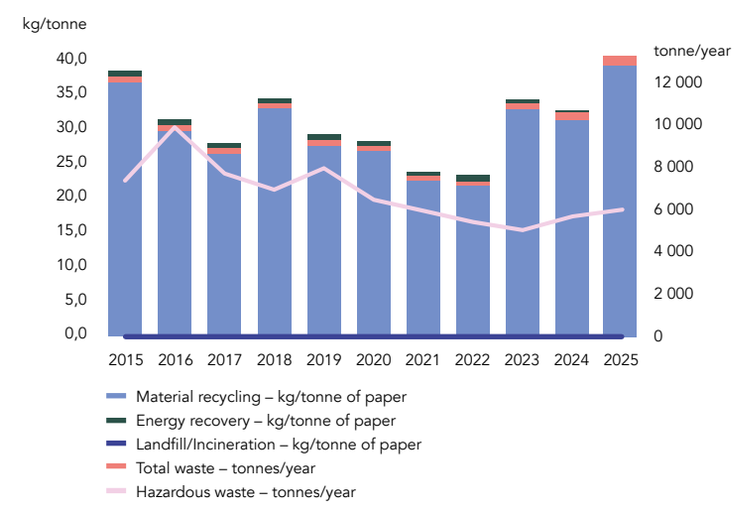


Waste

The diagram shows the company's waste volume in relation to production. The majority of the waste consists of sludge from the wastewater treatment process. It is used as cover material for landfills, a handling method approved by the County Administrative Board of Dalarna. Waste such as paper, cardboard, plastic, metal, etc. is managed by external contractors, who in turn sell it as raw material to other processes. Waste not suitable for recycling, such as combustible waste, is mainly used for energy recovery (district heating plants).

During the year, a project was initiated together with Falu Energi to recirculate nutrients from fly ash back to the forest. Fly ash, generated during combustion in the biomass boiler, had previously been sent to landfill.

For key figures related to waste, see page 7.



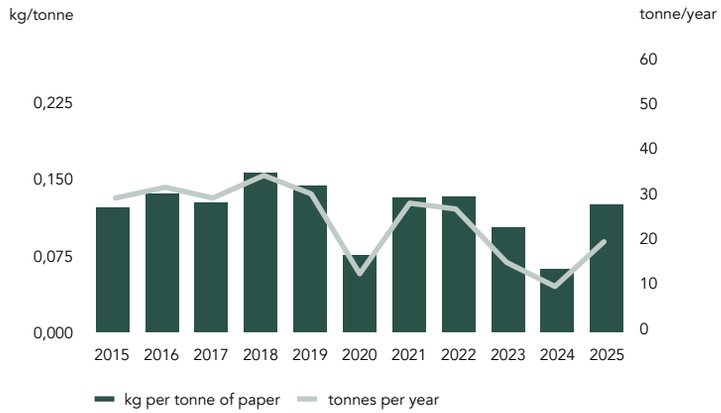
Printed on Arctic Volume White 150 g/m²

Core Indicators – Emissions to Air

Nitrogen Oxides (NOx)

During combustion, the nitrogen bound in the fuel reacts with oxygen in the air. NOx is a collective term for these nitrogen oxides, which may contribute to the acidification of soil and water.

Comment: The annual amount of nitrogen oxide emissions depends on the number of operating hours of the biomass boiler during the year. In 2025, electricity prices were higher than in 2024, resulting in less steam being produced by the electric boilers and more by the biomass boiler. Consequently, nitrogen oxide emissions increased.



Other Air Emissions

Arctic Paper Grycksbo's biofuel plant has been in operation since 2009 and supplies the mill's total steam demand. In addition to the steam boiler, the facility includes flue gas cleaning filters and a turbine for renewable, self-generated electricity.

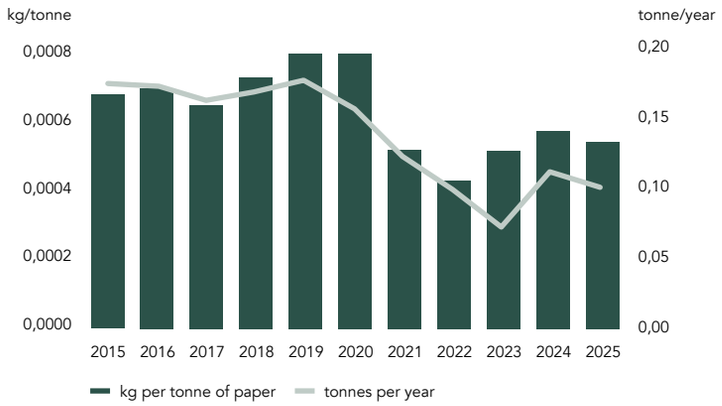
The use of 100% fossil-free energy in production – including biofuel, in-house green electricity, and purchased fossil-free electricity mix – has eliminated fossil carbon dioxide emissions.

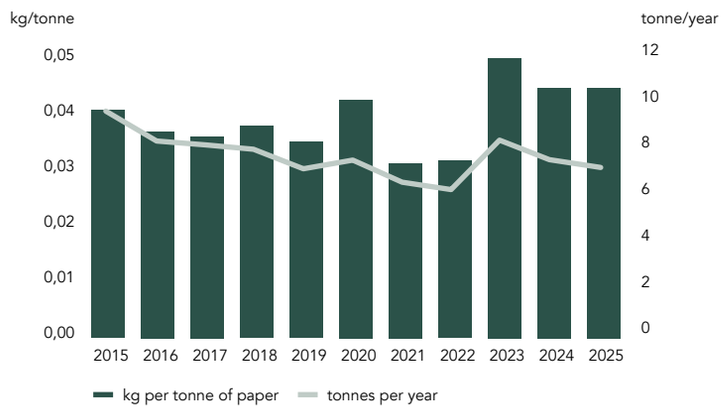
Core Indicators – Emissions to Water

Phosphorus (P) and Nitrogen (N)

High levels of phosphorus and nitrogen compounds, together with organic substances, can cause increased biological activity in water, which in turn may lead to overgrowth of watercourses. Phosphorus and nitrogen are present in our raw materials, including pulp, and enter our wastewater. These substances are also added through the nutrients required to achieve good treatment results in the biological wastewater treatment process, see also page 7.

Comment: The amounts of phosphorus and nitrogen vary from year to year. The 2025 results are within these normal variations and are not considered abnormal.

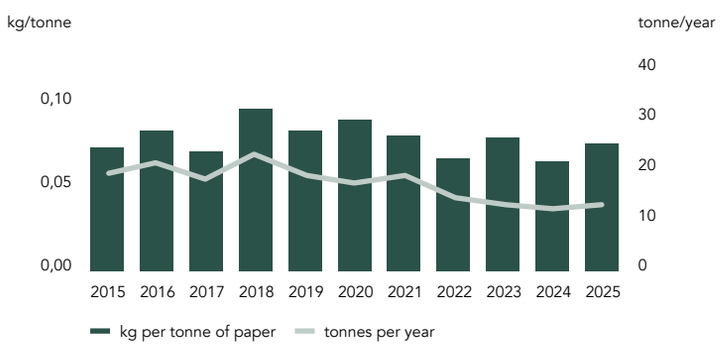




Suspended Solids

Fiber fragments and other solid particles in wastewater are referred to as suspended solids and contribute to oxygen consumption and sedimentation at the discharge point.

Comment: The amount of suspended solids varies from year to year. The 2025 result falls within these normal variations and is not considered abnormal.

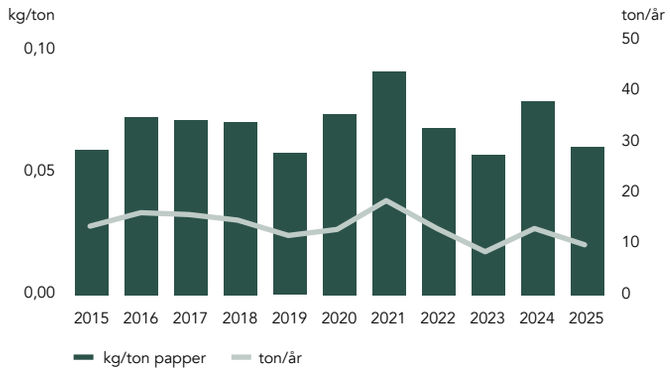


Printed on Arctic Volume White 150 g/m²

Core Indicators – Emissions to Water

BOD_7

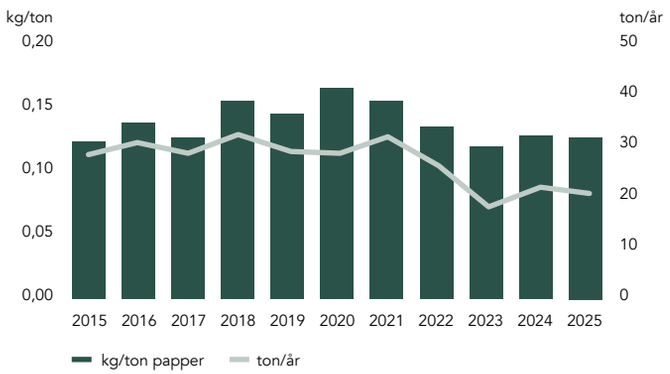
Biological Oxygen Demand (BOD) – a measure of the amount of biologically degradable material over a period of seven days.



TOC

Total Organic Carbon (TOC) – a measure of the total organic carbon content in a medium, for example in our wastewater. It is the organic content that consumes oxygen during decomposition.

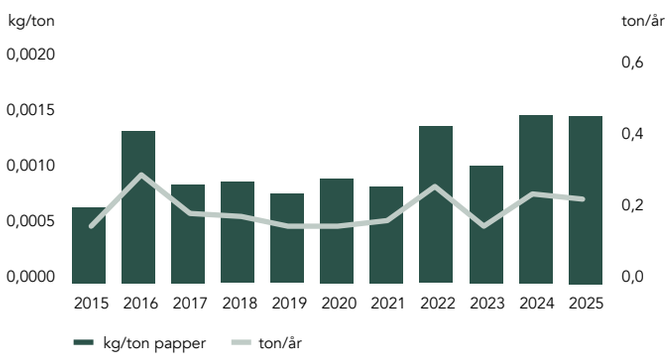
Comment: The levels of BOD_7 and TOC vary from year to year. The 2025 result falls within these normal variations and is not considered abnormal.



AOX

The amount of chlorinated organic substances in the water is measured as AOX (Adsorbable Organic Halogens). These substances may be harmful to aquatic organisms and can accumulate in fish and fish-eating birds.

Comment: The amount of AOX varies from year to year. The 2025 result falls within these normal variations and is not considered abnormal.



Biodiversity

The total land area of the facility is 145,000 m².
Of this, 137,000 m² consists of paved or hardened surfaces, while 8,000 m² consists of nature-oriented areas within the facility. There are no nature-oriented areas located at any other site.

Environmental Incidents

Environmental Incidents

During 2025, seven incidents occurred that were assessed as potentially impacting the external environment. The cases were reported to the County Administrative Board of Dalarna, and all cases have been closed.

- 2025-02-08: In connection with a power outage on 8 February, an overflow from the mill's wastewater treatment plant is suspected to have occurred. The suspicion could not be confirmed due to the total power failure, but it is considered likely that a few cubic metres overflowed. It is estimated that a maximum of approximately 10 m^3 of wastewater overflowed.

- 2025-02-23: Elevated levels of suspended solids in the outgoing water due to operational problems in paper production involving multiple interruptions and restarts. This resulted in reduced treatment efficiency for suspended solids in the wastewater treatment plant.

- 2025-03-25: During the replacement of an oil filter belonging to the central lubrication system on one of the paper machines, an operational error occurred, resulting in approximately 1,200 litres of oil leaking onto the floor and into floor channels. Oil absorbent material was applied and the floor channels were vacuum cleaned. Despite these measures, a small quantity of oil, estimated at a few tens of litres, reached the wastewater treatment plant. As the sludge from the treatment plant contained residues of the oil, the sludge was sent to an approved waste management contractor.

- 2025-04-24: An incident in the production process caused Pergabase Blue (shading dye) to enter the process wastewater system and subsequently the wastewater treatment plant. No dye was discharged from the treatment plant to the receiving water body; all dye was retained in the internal sludge pile. The sludge containing Pergabase Blue was transported to an approved hazardous waste contractor.

- 2025-06-19: In connection with the production shutdown before Midsummer, an elevated TOC value was recorded in the treated wastewater from the mill. The daily value for 18 June was 344 kg/day. The cause was a temporarily high hydraulic load on the wastewater treatment plant.

- 2025-09-02: Due to poor runnability on the paper machines, buffers became overloaded, resulting in a high load on the wastewater treatment plant. The disturbance occurred during the night leading into Monday, 1 September. During Monday, both the process and the treatment plant returned to normal operation.

- 2025-09-24: In connection with runnability problems on one of the paper machines, the flow to the wastewater treatment plant remained too high for an extended period. This resulted in overflow from the sludge buffer. The sludge primarily overflowed onto the roof and within the building. A small amount continued across the mill yard and into the river.

Complaints from Local Residents

No complaints were received during the year.

Printed on Arctic Volume White 150 g/m^2

Environmental and Energy Targets

Environmental Targets 2025 & Results	Environmental Targets 2026
Reduce the amount of combustible waste by 10 tonnes, from approximately 100 tonnes to 90 tonnes. **Result:** The target was not achieved, as the outcome increased to 130 tonnes. The increase was due to the year being characterized by two major investment projects that generated more waste than during a normal operating year.	Reduce the amount of combustible waste to 90 tonnes.
Energy Targets 2025 & Results	**Energy Targets 2026**
Save 1,700 MWh of energy (electricity or heat). **Result:** During the year, energy savings of approximately 2,307 MWh were achieved. The target was achieved.	Save 1,800 MWh of energy (electricity or heat).

Environmental Verifier and Contact Information

For Further Information and Requests for Environmental Reports

Arctic Paper Grycksbo AB
Box 1
SE-790 20 Grycksbo
Tel: +46 10 451 80 00
arcticpaper.com

Arctic Paper Grycksbo's environmental report is also available in English and in digital format.

The next environmental report will be published in Spring 2026.

Environmental Contact Persons

Björn Legnerfält
Head of Quality, Environment and Development
Mobile: +46 70 398 70 83
bjorn.legnerfalt@arcticpaper.com

Anders Jons
Development Engineer, Quality and Sustainability
Tel: +46 10 451 81 31
anders.jons@arcticpaper.com

Environmental Verifier

Bureau Veritas Certification AB
Accreditation number: 1236

EMAS
VERIFIED ENVIRONMENTAL MANAGEMENT
S-000061

Printed on Arctic Volume White 150 g/m²

Glossary

AOX
The amount of chlorinated organic substances in water is measured as AOX (Absorbable Organic Halogens). These compounds can be harmful to aquatic animals and may accumulate in fish and fish-eating birds.

ACCREDITED COMPANY
A company approved by a supervisory authority to perform specific analyses and inspections within industry.

COATED PAPER
Paper treated with coating agents to improve its printability. Common agents include clay or chalk-based pigments.

BIOLOGICAL TREATMENT
The breakdown of pollutants in water using microorganisms.

BLEACHING
A method of increasing for example the pulp's brightness. Bleaching is undertaken using chemical compounds without elementally bound chlorine, ECF, or without any chlorine compounds, TCF.

BOD_7
Biological Oxygen Demand. The amount of oxygen required for natural decomposition of wastewater. BOD is low in relation to COD if remaining substances are hard to decompose and the biological treatments functioning well.

dB(A)
Decibel A, a measure of the amount of sound measured with a filter that takes account of the human ear's sensitivity to various sound frequencies.

EMAS
Eco-Management and Audit Scheme. A voluntary EU decree and requirement document for an environmental management system. EMAS requires, in addition to the fact that ISO 14001 or equivalent is fulfilled, that an official environmental report is compiled. The environmental report is examined and approved by an accredited environmental audit company.

HAZARDOUS WASTE
Waste containing pollutants that are directly hazardous to the environment, such as certain chemicals, waste oils, batteries, fluorescent tubes, mercury lamps and electronic scrap.

FINE PAPER
A generic term for graphic paper, writing paper and printing paper, and certain special types of paper.

FSC®
The Forest Stewardship Council (FSC) ensures traceability of raw material and excludes wood sourced through illegal logging, from areas with high conservation values, severe social conflict, or involving genetically modified trees or unsustainable forestry.

EMISSION LIMIT VALUE
A regulatory limit for emissions from industrial activities, established by the environmental authority and not to be exceeded.

SUSTAINABILITY CRITERIA
To be considered sustainable, biofuels must meet specific criteria throughout the entire value chain – from raw material to end use. These requirements ensure compliance with Sweden's legislation on sustainability.

ISO 14001
An international standard for environmental management systems. Certification is valid for three years, subject to compliance and annual audits.

ISO 50001
An international standard for energy management systems. Certification is valid for three years, provided requirements are met and annual audits are successfully completed.

CHEMICAL PRECIPITATION
A process that chemically binds pollutants, allowing them to be removed from wastewater via sedimentation.

CHEMICAL PULP
A general term for kraft and sulfite pulps, where wood fibers are separated using chemical processes.

CORE INDICATORS
Environmental indicators used to summarize and facilitate the management and communication of environmental data. By measuring environmental impact, organizations can improve and track environmental performance in reports.

MECHANICAL PULP
Pulp produced by mechanically separating wood fibers.

Ordförklaringar

PEFC
The Programme for the Endorsement of Forest Certification (PEFC) assures customers and the public that certified forests are managed sustainably according to officially adopted criteria under the Forest Europe initiative.

GUIDE VALUE
A threshold which, if exceeded, obliges the permit holder to take corrective measures.

SS – SUSPENDED SOLIDS
Fiber fragments and other solid particles in wastewater that consume oxygen and may cause sediment buildup at discharge points.

Printed on Arctic Volume White 150 g/m²

ARCTIC PAPER

arcticpaper.com