



Fueling a better future

The world is undergoing a profound energy transition. The goal is as simple as it is urgent: to achieve a climate-neutral energy system – and to do so quickly.

Sunpine operates the world's first and largest production facility for Raw tall diesel, an advanced second-generation biofuel feedstock produced from by-products of the pulp and paper industry. Sunpine's Raw tall diesel offers a carbon reduction value of up to 99.7 per cent, provides strong engine performance and is manufactured using a process that is protected by around 90 patents. The product is used by fuel producers seeking to meet the growing demand for advanced biofuels while ensuring high performance for their customers.

WE KEEP THE WORLD MOVING – AND IN THE RIGHT DIRECTION.



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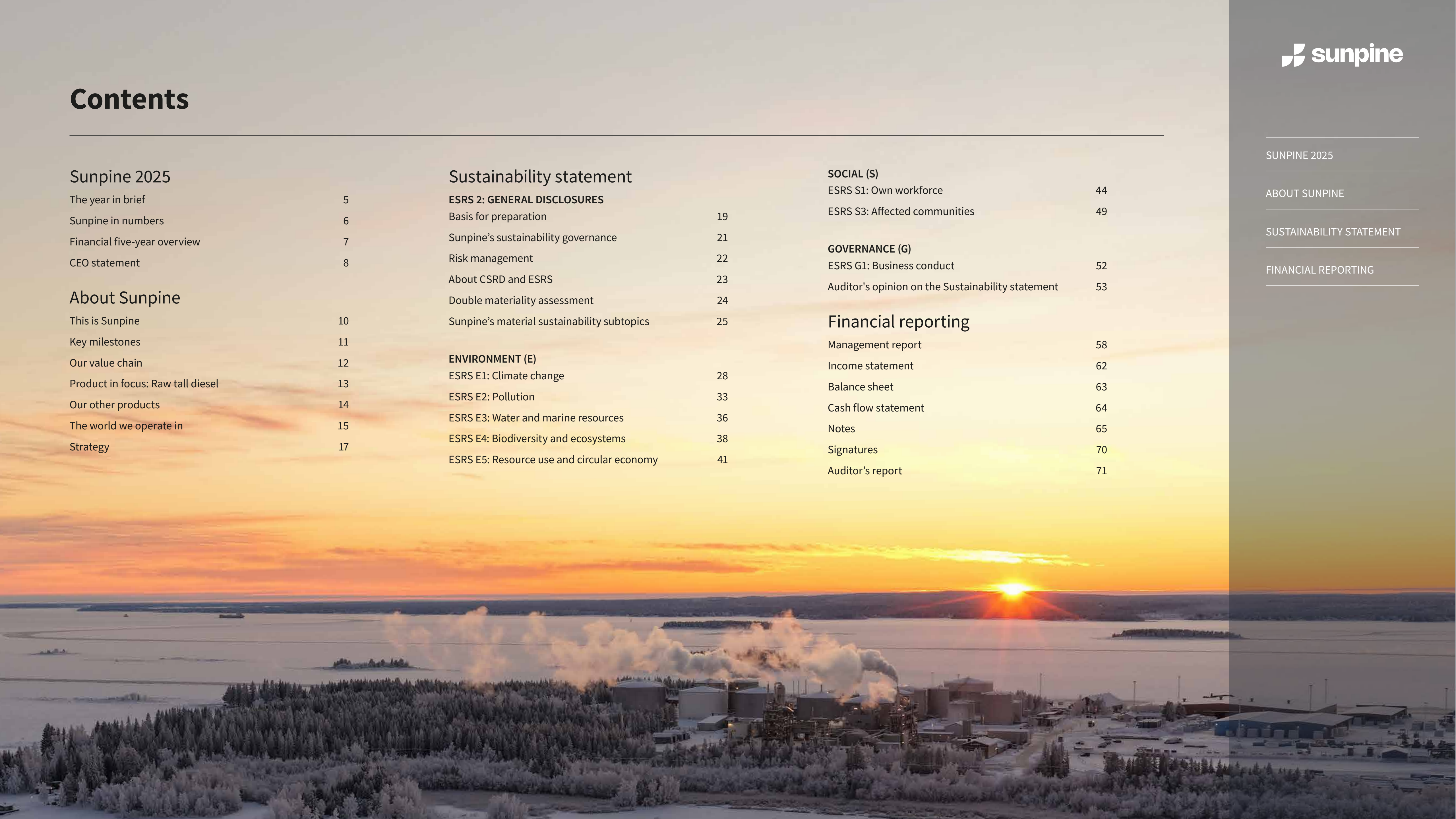
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Year in brief

A new look for Sunpine

In June 2025, Sunpine launched a new logo, website and visual identity. The updated brand profile reflects our role as a key player in the energy transition and in the shift towards fossil-free transport.

Updated strategy

An updated strategy and new strategic targets were developed during the year, linked to volume, margins, sustainability and safety. Read more in the strategy section on page 17.

A year of key recruitments

During the year, we made several key recruitments – including a new Chief Technical Officer, Chief Operating Officer, Chief Commercial Officer and Chief Sustainability Officer.

Gold sponsor

For more than four decades, Piteå IF DFF has been a strong voice in Swedish women’s football. Rising costs and increasingly intense competition have changed the club’s operating conditions. Sunpine has been a sponsor of Piteå IF DFF for many years – in 2025, we strengthened our commitment and became a Gold sponsor for the club.

Record production and full order book

In 2025, Sunpine achieved record production volumes of Raw tall diesel, and our order book for 2026 is strong. The focus is now on expanding production capacity. Read more in the CEO’s statement and in the strategy section on pages 8 and 17.

Reorganisation to support expansion

Sunpine has carried out a comprehensive reorganisation to support our continued expansion. Read more on pages 8 and 17.

Change in ownership after the end of the financial year

In early 2026, Sunpine’s shareholder Preem was acquired by the energy company VARO Energy, and the new entity VAROPreem was formed. VAROPreem subsequently entered into an agreement to acquire all shares in Sunpine from the remaining shareholders. This transaction marks the beginning of a new chapter for Sunpine, and we look forward to continuing to develop the business together with our new owners. Read more on page 60.

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Income statement summary (kSEK)	2025	2024	2023	2022	2021
Net revenue	2,949,204	2,678,476	3,945,797	3,041,751	2,106,205
EBITDA	354,754	85,154	265,248	595,832	337,835
Profit for the year	202,161	16,369	90,681	268,572	105,915

Balance sheet and cash flow summary (kSEK)	2025	2024	2023	2022	2021
Total assets	1,690,381	1,553,283	1,763,713	1,681,344	1,446,655
Equity	834,877	732,716	766,347	775,667	607,095
Cash flow from operating activities	422,260	390,598	-63,654	288,098	312,777

Key figures	2025	2024	2023	2022	2021
EBITDA margin	12 %	3 %	7 %	19 %	16 %
Return on capital employed	20 %	-2 %	13 %	38 %	26 %
Equity ratio	72 %	72 %	66 %	68 %	59 %
Revenue growth compared with previous year	10 %	-32 %	30 %	44 %	55 %
Revenue per employee (kSEK)	37,332	32,664	49,322	39,503	29,253

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“Entering 2026 with a full order book and a strengthened organisation”

2025 has been a year of change and preparation at Sunpine. Through a strengthened organisation, a clarified strategy and an increased presence in the European market, the foundations have been laid for the next phase of growth. The order book is now full – and the focus is shifting.

What has made you proud to be CEO of Sunpine this year?

– During the year we carried out a reorganisation that has strengthened the foundation for continued growth. The changes placed significant demands on the organisation, not least on our managers. Everyone has contributed in a constructive and responsible manner, which makes me very proud. As a result of this work, we now have a clearer internal structure, better coordination and stronger mandates throughout the organisation – which is already improving efficiency in daily operations.

– At the same time as the reorganisation, we reviewed and clarified our strategy so that it can more effectively guide both operational and long-term decisions. We also made several key recruitments and launched a new visual identity. Overall, it has been a year of strong momentum and engagement, during which many important elements have been put in place for the next phase of our development.

What are you particularly looking forward to in 2026?

– When the Swedish blending mandate was lowered, it became crucial for us to strengthen our position in the European market. It is clear that these efforts have been successful – as we enter 2026, the order book is full. The focus is therefore shifting from market development to capacity expansion. Sales will be increased in a responsible and controlled manner, while further strengthening both the technical and organisational capabilities of our production.

One of Sunpine’s targets is to increase the volume of Raw tall diesel by 15,000 tonnes annually through to 2030. To achieve this target, production capacity needs to increase. How will you do that?

– Much of this work involves reducing downtime at our facility. We are doing this by improving maintenance planning and

working towards even more stable operations. At the same time, we are strengthening our logistics chains so that larger volumes can be handled, not least by introducing new transport solutions and increasing our storage capacity.

– We are also continuing to develop and refine our production process. With the right raw material quality, well-functioning equipment and optimised operations, product yields can gradually be improved, thereby increasing total production. This is also why we are investing in recruiting the right expertise and further strengthening our specialist expertise across the entire process.

Which risks do you consider particularly important for Sunpine to manage in 2026?

– As the pace of production increases, time becomes an increasingly critical factor. At the same time, a higher production rate must never come at the expense of safety – on the contrary, safety always takes precedence over production volume. We will continue to work systematically to maintain safe working practices and prevent safety risks at our facility.

Which sustainability topics will Sunpine focus on going forward?

– For us, sustainability is closely linked to the business itself. In practice, what Sunpine sells is reduced fossil dependency – every delivery results in less fossil energy used. Reducing our own climate footprint strengthens both our offering and our business. Since Sunpine’s largest emissions occur in the logistics chain, improving transport efficiency and further developing our logistics flows will be central elements of our sustainability work in the coming years.

In early 2026, Sunpine’s shareholder Preem was acquired by the energy company VARO Energy, and the new entity VAROPreem

was formed. VAROPreem subsequently entered into an agreement to acquire all shares in Sunpine from the company’s other shareholders. What could this change in ownership mean for Sunpine?

– Over the past 20 years, Sunpine has built a state-of-the-art facility, developed patented technology and established an organisation that demonstrates that sustainability and profitability can go hand in hand. Our current ownership structure has been instrumental in that development. We now look forward to taking the next step together with new strong owners. The change in ownership may create new opportunities and synergies, and our focus remains on contributing to an increased share of renewable fuels in the transport sector.

Finally – what lies ahead for Sunpine in 2026?

– For many years, we have focused on building and developing our facility. Now, we are entering a phase of further developing the organisation, with more customers, more suppliers and increasingly advanced planning. 2025 has been about establishing the right conditions for continued long-term growth – in 2026, the next step will be to scale up the business.



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The world needs to transition towards a more sustainable future, and Sunpine aims to be a force in that transition. From Haraholmen in Piteå, we operate the world’s largest production facility for Raw tall diesel – an advanced biofuel feedstock produced from by-products of the pulp and paper industry. With a greenhouse gas reduction value of up to 99.7 per cent and a feedstock that does not compete with global food production, Sunpine’s Raw tall diesel forms an important part of the future energy mix.

Products, customers and suppliers

In addition to Raw tall diesel, Sunpine produces bio-oil, rosin, alpha-pinene and district heating. Our diversified product portfolio, flexibility in the production mix and strong storage capacity reduce vulnerability to short-term market fluctuations and strengthen long-term profitability. Read more about our products on pages 13-14.

Sunpine’s customers are primarily fuel producers within the EU. Our suppliers of crude tall oil are found within the pulp and paper industry in Sweden, Finland and the United States. Together, we develop products adapted to the needs of both the market and the planet. Sunpine strives to maintain long-term and strategic partnerships with all customers, suppliers and other partners.

Market

The strong and long-term growth in the biofuels market is driven by several factors. Demand for fossil-free solutions is increasing among end users,

EU directives are setting stricter requirements for sustainable transport solutions, and growing engagement from the financial sector in sustainable investments is directing capital towards greener alternatives. At the same time, customers are increasingly differentiating between various biofuels based on both quality and sustainability considerations, and this strengthens the competitiveness of Sunpine’s Raw tall diesel. Read more about developments in the biofuels market during the year and other factors affecting our business on pages 15-16.

Sustainability

Every litre of Raw tall diesel and bio-oil sold by Sunpine reduces global dependence on fossil fuels. This is the foundation of our business. However, sustainability extends beyond our products – it spans our entire value chain. In this year’s Sustainability Statement, starting on page 18, we describe our work relating to Sunpine’s 16 material sustainability subtopics.

Owners*

Sunpine is as of 31 December 2025 owned in almost equal shares by Preem AB, Sveaskog Förvaltnings AB, Södra Skogsägarna ekonomisk förening and the chemical company Lawter BVBA. Sunpine’s owners represent the entire value chain – from forest raw material to refining and distribution.

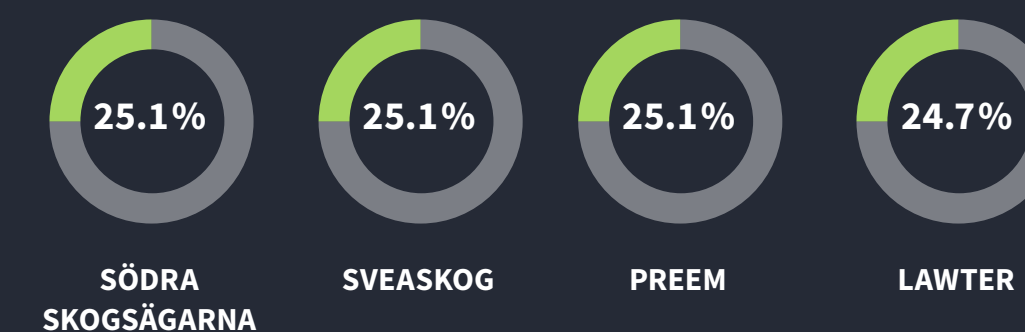
Number of employees: **79**

Share of female employees: **42 %**

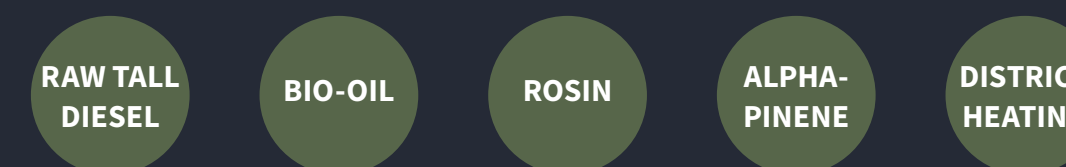
Revenue: **SEK 2,949 million**

Number of patents: **90+**

SUNPINE’S OWNERS*



OUR PRODUCTS



*After the end of the financial year, changes in Sunpine’s ownership structure have taken place. For further information, see page 60.

SUNPINE’S PRODUCTION PROCESS

Using a renewable feedstock – crude tall oil – we extract a range of products through our patented production process. The process can be summarised as follows.



PROCUREMENT OF CRUDE TALL OIL

The basis for our products is crude tall oil, a residual product from the pulp and paper industry.



PRE TREATMENT

Sunpine’s proprietary technology is used to remove impurities from the crude tall oil.



PRODUCTION

Through multistage fractionation, the components of crude tall oil are separated. In simplified terms, these components form our products. Raw tall diesel is the primary product, representing more than half of the total crude tall oil volume processed.



QUALITY CONTROL

The finished products are analysed to ensure that they meet applicable requirements and specifications.



DELIVERY

The products are delivered to the energy sector, the transport sector and the chemical industry. Waste heat from the production process is sold to PiteEnergi and converted into district heating for nearby industries.

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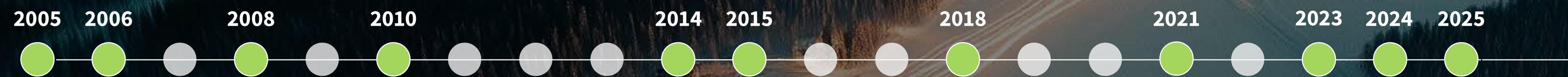
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2005 Chemical engineer Lars Stigsson identifies the potential to produce biofuel from crude tall oil, a residual product from the pulp industry that does not compete with food production or arable land.

2006 SunPine AB is founded with the goal of extracting renewable products from residues from the pulp and paper industry.

2008 Sveaskog, Södra Skogsägarna and Preem invest a total of SEK 300 million to build a full-scale facility for the production of Raw tall diesel.

2010 In May, the production facility at Haraholmen in Piteå is commissioned. In October the same year, the first volume of Raw tall diesel is delivered to Preem.

2014 The global chemical company Lawter becomes a shareholder in Sunpine.

2015 A new production facility for rosin and turpentine is commissioned.

2018 Sunpine's founder Lars Stigsson and chemist Valeri Naydenov receive the Polhem Prize for the development of Raw tall diesel. In the same year, Sunpine decides to invest SEK 410 million in a new production line.

2021 Sunpine commissions the new production line, doubling the production capacity of Raw tall diesel.

2023 Total investments in Sunpine's facility and product development reach close to SEK 1 billion.

2024 Sunpine begins producing alpha-pinene, a further refinement of turpentine.

2025 Sunpine sets a new production record and initiates a comprehensive organisational restructuring to support the company's continued expansion.

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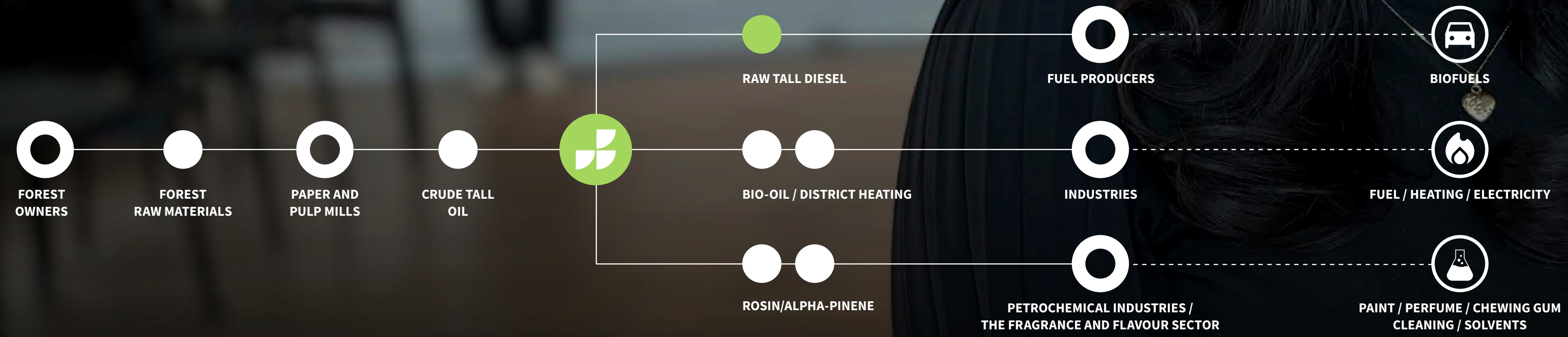
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Our value chain

Sunpine's value chain begins in the forest. Forest raw material is supplied to pulp and paper mills in Sweden, Finland and the United States, which constitute Sunpine's direct suppliers. In their production processes, crude tall oil is generated as a residual product. This crude tall oil is then purchased and transported by ship and truck to Sunpine's production facility at Haraholmen in Piteå. In 2025, just over two thirds of the crude tall oil procured originated from Sweden and Finland, with the remaining volumes sourced from the United States.

At Sunpine's facility, a range of products is extracted from the crude tall oil. In addition to Raw tall diesel, bio-oil, rosin and alpha-pinene are produced. Waste heat from the process is recovered and converted into district heating for local industries.



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Product in focus: Raw tall diesel

Sunpine’s main product is ISCC EU-certified Raw tall diesel. It is used by our customers in the production of fossil-free biofuels, primarily HVO. Below, we outline the key reasons customers choose our Raw tall diesel, whether their focus is on traceability, security of supply or fuel performance.

Sustainability

One of the highest greenhouse gas reduction values on the market. Sunpine’s Raw tall diesel achieves a greenhouse gas reduction value of up to 99.7 per cent compared with fossil diesel. In 2025, the average reduction value for the Raw tall diesel delivered by Sunpine to customers amounted to 96.7 per cent. This calculation includes emissions generated upstream in our value chain as well as those arising from our own production. Emissions generated downstream – that is, after our delivery point to the customer – are not included.

Strong traceability. Sunpine’s Raw tall diesel is certified according to ISCC EU. ISCC is a global certification system that verifies sustainability, traceability and greenhouse gas reductions across the biofuel supply chain, in accordance with established standards. The certification helps our customers gain a clearer overview of their supply chains and compare our product with other certified alternatives.

Does not affect food production or land use. Because our feedstock, crude tall oil, is a residual

product from the pulp and paper industry – which would otherwise be wasted or burned for energy – the production of Raw tall diesel does not affect global food supply chains or land use.

Advanced biofuel. Under the EU’s RED II Directive, Sunpine’s Raw tall diesel is classified as an advanced biofuel under Annex IX A. As EU Member States adopt higher blending mandates in connection with the implementation of RED III, demand for advanced biofuels is expected to rise.

Production efficiency

Higher yield. Sunpine’s Raw tall diesel provides a higher yield than other available biofuel feedstocks, such as vegetable oils and animal fats. Compared with these alternatives, customers can obtain 4–12 per cent more finished biofuel when using our Raw tall diesel in their production processes.

Reduced hydrogen demand. Raw tall diesel requires up to 40 per cent less added hydrogen when refined into biofuel than vegetable oils and animal fats. For

customers using hydrogen produced from natural gas, this results in both lower natural gas purchasing costs and a lower climate footprint.

High and consistent purity. Our Raw tall diesel is a pre-refined product with very low levels of phosphorus and metals. This means it does not need to undergo purification in an initial processing step. The high purity also enables extended operating periods between cleaning cycles and catalyst replacements.

Availability and security of supply

Large production capacity. Sunpine’s facility at Haraholmen is the world’s largest production plant for Raw tall diesel.

Reliable delivery routes. Raw tall diesel is delivered to customers directly from northern Sweden without passing logistical bottlenecks or geopolitical hotspots.

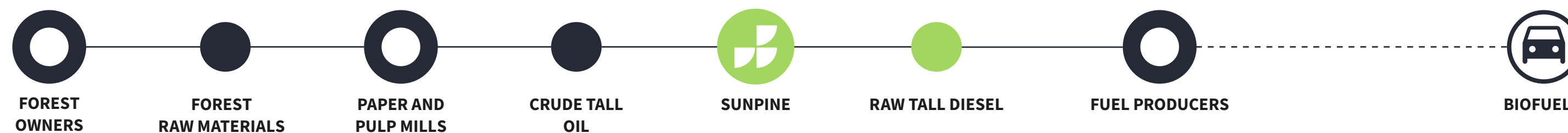
Fuel performance

High cetane number. Raw tall diesel has a higher cetane number than fossil diesel, which improves ignition quality. Vehicles start more easily when using HVO based on Raw tall diesel.

Optimal viscosity. Fuel viscosity is important for diesel engines. The viscosity and lubricity of Sunpine’s Raw tall diesel help maintain engine performance and durability.

Good cold-flow properties. Thanks to its balanced composition, Sunpine’s Raw tall diesel demonstrates better cold-flow properties than many alternative biofuel feedstocks. This means fuel producers do not need to process the Raw tall diesel as intensively in their production processes, and fewer by-products are generated. Overall, this can help reduce production costs.

High energy density. HVO based on Raw tall diesel has a high energy density compared with biofuels based on alternative feedstocks such as vegetable oils and animal fats. This results in a more energy-dense end product and improved fuel economy.



Sunpine’s Raw tall diesel is delivered primarily to fuel producers within the EU, where it is used in the production of HVO and other biofuels.

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Our other products

Alongside Raw tall diesel, we extract several other fossil-free products from our crude tall oil. These products are supplied to customers across a range of industries in Sweden and internationally.

Bio-oil

Bio-oil is used as a heating oil in boilers and to generate both electricity and heat in combined heat and power plants. It has replaced fossil fuels in many of Sweden's district heating networks and is also used in industrial applications, including in the mining industry. As more companies phase out fossil fuels, the importance of bio-oil is expected to grow further, not least because it can often be used in existing facilities with only minor adjustments.

Sunpine's bio-oil is delivered primarily to industrial customers in northern Sweden. For example, it is supplied to several of the same pulp and paper mills from which crude tall oil is sourced, thereby creating circularity and reducing fossil dependency across the value chain. Bio-oil is also used in Sunpine's own production process, contributing to operations that are close to fossil-free.

Rosin

Sunpine's rosin is further refined by customers for use in a wide range of applications. Thanks to its adhesive properties, it is a valuable component in adhesives, protective coatings, printing inks and road-marking paint. It can also replace fossil-based oils in furniture manufacturing, be used to seal boats and in the production of chewing gum.

Alpha-pinene

Alpha-pinene is a base molecule primarily found in coniferous trees. It is used in the production of fragrances and flavourings and is therefore a common component in perfumes, cosmetics and cleaning products. One of Sunpine's largest buyers of alpha-pinene is an Indian company that uses it to give toothpaste its characteristic mint flavour. Alpha-pinene also has properties that make it a widely used intermediate in solvents, paints, adhesives and rubber, and it has applications in the pharmaceutical sector.

Alpha-pinene can be produced using several different methods. Sunpine's alpha-pinene, like our other products, is derived from crude tall oil – a residual product of the pulp industry – and is extracted through a process that is both resource- and cost-efficient.

District heating

Sunpine's production process generates waste heat. This waste heat is converted into district heating and distributed via PiteEnergi to nearby industries and facilities at Haraholmen. In total, approximately 2.5 kilometres of district heating pipes are installed at Haraholmen, and in 2025 Sunpine delivered 1,770,970 kWh of district heating.



Sunpine's bio-oil is delivered as a fossil-free energy alternative for industrial use and is also used in Sunpine's own production. Waste heat from the production process is converted into district heating.



Sunpine's rosin is distributed globally to manufacturers of adhesives, tapes, paints and more. Alpha-pinene is used, among other applications, in the production of fragrances and flavourings.

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The market in which Sunpine operates is evolving rapidly. Global trade flows, geopolitical developments and new climate policy frameworks affect market conditions and may create both risks and opportunities. By monitoring and analysing these developments, Sunpine strengthens its preparedness and long-term competitiveness. Here are some of the year’s most significant developments.

COP30 brings renewed focus on climate policy

The COP30 climate conference was held in Belém, Brazil, during the autumn and drew renewed attention to global climate policy. During the conference, more than 80 countries advocated a clear roadmap for the gradual phase-out of fossil fuels. The so-called Belém 4X Initiative was also highlighted, backed by 23 countries. The initiative aims to quadruple global production and use of sustainable fuels by 2035. At the same time, the importance of ensuring a long-term sustainable supply of raw materials, as well as enhanced transparency and traceability across value chains, was emphasised. These discussions and commitments provide clear signals that strengthen market conditions for sustainable and advanced biofuels.

Delayed implementation of RED III

Much of what was discussed at COP30 is aligned with developments already formalised within the EU through the RED III Directive. The EU aims to become climate-neutral by 2050, and the RED III Directive is an important step towards that goal. The directive introduces stricter requirements regarding the use of renewable energy, emissions reductions and traceability in the biofuel value chain.

RED III entered into force in 2023. EU Member States were required to transpose the directive into national legislation by May 2025. In July, however, the European Commission announced that Sweden and 25 other Member States – all except Denmark – had not yet fully implemented the directive. In October 2025, the Commission therefore decided to refer Sweden to the Court of Justice of the European Union for failing to com-

plete the implementation process. Sunpine closely monitors the continued implementation of RED III, not least because the directive is expected to increase demand for advanced biofuels.

Stricter fuel requirements in aviation and shipping

The EU’s new regulatory frameworks for sustainable aviation fuels and renewable and low-carbon fuels in maritime transport – ReFuelEU Aviation and FuelEU Maritime – entered into force and began to be applied during the year. Their implementation means that binding requirements regarding fuel use, emissions reporting and traceability now apply to both sectors, although the levels in each regulation will be phased in gradually.

Fuel produced with Sunpine’s Raw tall diesel is primarily used in road transport, and demand for Raw tall diesel is therefore not directly affected by these regulations. However, the regulations contribute to a generally increasing demand for advanced biofuels and their feedstocks, which is positive for Sunpine’s market conditions. Lower emissions in shipping are also positive, as they reduce the climate footprint of Sunpine’s sea transport.

Trade tensions and transatlantic relations

Higher US tariffs and shifts in federal energy policy priorities contributed to increased volatility in global raw-material and biomass flows in 2025. This has created greater price uncertainty for several of Sunpine’s products. One example is that the United States introduced high tariffs on rosin imports from Brazil during the year. As a result, larger volumes of Brazilian rosin were instead sold in Europe, increasing competition in the European market where Sunpine primarily sells its rosin.



Commercial Director Mikael Lagerbom on the biofuels market

“During the latter part of 2025, the biofuels market was significantly strengthened, with increasing demand for Sunpine’s Raw tall diesel used for HVO production. At the same time, the market continues to be characterised by a turbulent global environment. Changing trade conditions, the implementation of new regulatory frameworks and geopolitical shifts contribute to a hard-to-predict market environment.

Looking ahead, several market assessments point to strong growth for advanced biofuels, driven by directives such as RED III and other requirements for a more sustainable energy supply. According to Argus Biofuels Analytics from January 2025, demand for renewable diesel in Europe could nearly quadruple by 2030. Overall, we assess that within the next five years the industry will face a situation in which demand for sustainable biofuel feedstocks will significantly exceed supply.

The biofuels market remains relatively young, with flows changing and regulatory frameworks adjusted from year to year. In such an environment, it is a significant strength to be at the forefront of regulatory compliance and documented sustainability. Stricter requirements favour actors that work in a long-term and systematic manner – and in this respect Sunpine is well-positioned.”

The election year ahead

2026 is election year in Sweden, and climate, energy and transport policy issues are expected to play a more prominent role in public debate. For an actor such as Sunpine, the design of future policy instruments, priorities within the transition agenda and timelines for new regulations may have clear consequences. Sunpine follows developments closely in order to assess how potential changes may affect market conditions, feedstock availability and investment decisions.

The reduction obligation in Sweden and Europe

Sweden’s reduction obligation – introduced in 2018 and subsequently raised and lowered in line with changing political priorities – illustrates how political decisions can influence conditions in the biofuels market. Today, Sweden’s reduction obligation sits at a significantly lower level than in 2023. In many other European countries, however, developments point towards increasing blending mandates, which are expected to boost demand for biofuels.



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CFO Per Jervfors on Sunpine’s pricing and currency exposure

“In 2025, Sunpine took an important step in how it navigates the market, with sales and feedstock prices increasingly linked to indices in the biofuels market. This reduced exposure to price movements and volatility in fossil markets and created a clearer relationship between feedstock costs and sales prices.

Sunpine’s currency exposure was also adjusted. The euro became the currency with the greatest impact on operations, unlike previous years when the US dollar had been more dominant. EUR/SEK remained relatively stable, while the Swedish krona gradually strengthened against the dollar, resulting in a positive currency effect overall.

The period also illustrated how different parts of the bioeconomy can move in different directions: HVO prices developed strongly, while prices for alternative feedstocks such as UCO and POME were more stable. Differences in price development between the end product and various feedstocks affect both value-chain dynamics and the pricing of Sunpine’s products.”

Strategy

In 2025, we updated Sunpine's strategy to support continued expansion and to better integrate it into day-to-day operations. Sunpine's strategy defines the priorities and objectives that support continued competitiveness, profitability and growth. It guides day-to-day operations as well as long-term decision-making. Sustainability is a fundamental prerequisite for the business and runs throughout the strategy – from feedstock selection and production to customer relationships and long-term value creation.

Vision

Fueling a Better Future.

Sunpine aims to contribute to a better tomorrow by actively driving innovation, sustainability and transition. We want to be a driving force for positive change that benefits both future generations and the world around us.

Mission

Sunpine aims to be the preferred supplier to the biofuels and chemicals industries. Through reliable deliveries, technical expertise and long-term partnerships, we support sustainable development while maximising long-term profitability.

Two strategic pillars

In 2025, we reviewed and updated Sunpine's strategy to strengthen our market position and the ability to deliver on our objectives. Sustainability remains a fundamental prerequisite for the business, and the strategy is implemented through two strategic pillars: margin and volume.

Margin

With strong margins, Sunpine maintains resilience against rising feedstock prices. This creates better conditions for long-term feedstock sourcing and enables sustainability considerations while maximising production capacity.

Volume

By producing and selling larger volumes, Sunpine meets customers' growing demand for biobased products, creates economies of scale and strengthens our ability to deliver returns to shareholders.

These two pillars reflect the ambition to combine profitable growth with a leading role in the transition to more sustainable fuels. For Sunpine, financial strength is essential to reducing climate impact over the long term.

Strategic objectives

Sunpine's overarching strategic objectives set the direction for what is to be achieved in terms of margin, volume and other prioritised areas.

- Margin:** Maintain ROCE above 13 per cent.
- Volume:** Increase the volume of Raw tall diesel by 15,000 tonnes annually through to 2030.
- Climate:** Reduce greenhouse gas emissions per tonne of Raw tall diesel by 30 per cent by 2030 (base year 2025).
- Safety:** Vision Zero for workplace accidents resulting in absence from work.

Priorities guiding the work in 2025

Linked to Sunpine's two strategic pillars – volume and margin – are priorities that clarify how the strategy is implemented in practice across different functions within the company. These priorities take into account sustainability aspects that affect the business over time, as well as other material sustainability subtopics. They guided ongoing work during 2025 and shape the company's initiatives going forward. The priorities evolve in line with changing conditions in sustainability, markets and regulation.

During 2025, in parallel with the review of the strategy, Sunpine began a strategic re-organisation of the business. As part of this process, several key recruitments were made – including a new Chief Technology Officer, Chief Operating Officer, Head of Sustainability and Commercial Director. The new organisational structure enables efficient decision-making and a cohesive operational focus across the organisation.

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As of the 2025 financial year, Sunpine would have been subject to the Corporate Sustainability Reporting Directive (CSRD). This sustainability statement has therefore been prepared to align as closely as possible with the requirements of CSRD and the European Sustainability Reporting Standards (ESRS). At the beginning of 2025, the European Commission presented a simplification package covering several sustainability-related regulations, which may result in Sunpine no longer being subject to CSRD. This may affect future sustainability reporting. During the year, however, sustainability efforts continued as before pending a decision from the European Commission. Read more about CSRD and ESRS on page 23.

This sustainability statement covers Sunpine's own operations as well as key aspects of the value chain, both upstream and downstream. It covers the same operations and reporting period as the financial statements of SunPine AB. Sunpine has chosen to omit certain information as it is considered commercially sensitive.

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ESRS disclosure requirements

BP-1	General basis for preparation of the sustainability statement	p. 19
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GOV-4	Statement on due diligence	p. 23
SBM-1	Strategy, business model and value chain	pp. 10, 12-14, 17
SBM-2	Interests and views of stakeholders	pp. 24-25
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 25, 27-55
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 24
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Sunpine’s sustainability governance

At the end of 2023, Sunpine established a sustainability department and began implementing a working model designed to ensure that sustainability aspects are broadly integrated across the different parts of the organisation.

The work of the sustainability department is led by the Sustainability Manager. Sunpine’s sustainability strategy is incorporated into the overall corporate strategy, which is approved by the Board of Directors and implemented by the executive management team. Actions, projects and other activities related to specific sustainability matters are monitored, risk-assessed and evaluated in accordance with the routines of the company’s overall governance framework.

Corporate governance

Sunpine’s corporate governance aims to ensure effective management and follow-up of the business. The Board of Directors, which meets six times per year, has overall responsibility for the company’s strategic direction and decides on the business plan. Operational responsibility

lies with the executive management team, which manages day-to-day operations and implements the decisions adopted by the Board.

Prior to each Board meeting, a more comprehensive CEO report is distributed, in which different functions within the company contribute in-depth analyses within their respective areas.

In addition to the regular Board meetings, an annual strategy day is held during which the Board of Directors and the executive management team jointly discuss long-term objectives, strategic priorities and the development of the company.

Strategy and value chain

Information about Sunpine’s overall strategy and value chain can be found on pages 17 and 12-14.

Impacts, risks and opportunities

In addition to the day-to-day risks Sunpine encounters and manages in its operations, comprehensive reviews of material impacts, risks and opportuni-

ties are carried out through the double materiality assessment. The assessment is reviewed annually. Further information is provided on pages 24-25.

The material sustainability subtopics within each ESG area, as well as their impacts, risks and opportunities, are presented in the sections covering environmental, social and governance information.

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Risk management

Sunpine works systematically to identify, assess, manage and follow up sustainability risks at all levels of the organisation. Risk assessments are carried out continuously in daily operations, in connection with internal and external audits and through stakeholder engagement.

In addition to applicable legislation, Sunpine follows several national and international sustainability standards. These standards support and guide Sunpine’s sustainability work to help ensure that risks are identified and managed in value chains and internal processes.

Sunpine is certified in accordance with ISO 9001:2015. This quality management system helps organisations ensure that products and services consistently meet customer and regulatory requirements, while supporting the continuous improvement of processes and efficiency. The system is designed to maintain a strong customer focus and foster supplier relationships.

Sunpine also holds an ISCC EU certificate (International Sustainability and Carbon Certification EU) for the production of Raw tall diesel. This means that the operations comply with the sustainability criteria for certified products set out in the EU Renewable Energy Directive (RED). It also means that raw materials and products can be traced throughout the entire value chain back to their origin.

The certification covers several areas and includes requirements such as the following:

- Sustainability and traceability: ISCC-certified products must be traceable throughout the value chain and comply with strict sustainability criteria.
- Reduced greenhouse gas emissions: ISCC-certified products must achieve significant reductions in greenhouse gas emissions compared with fossil alternatives.
- Responsible land use: Production must not lead to deforestation or degradation of biologically sensitive areas.

- Social and ethical standards: The certification includes requirements relating to fair working conditions and the protection of human rights.
- In addition to the ISCC EU certificate, Sunpine also holds a sustainability declaration from the Swedish Energy Agency. This means that the operations meet the requirements necessary for fuel products to be classified as sustainable under Swedish legislation. Raw tall diesel therefore complies with sustainability requirements under both Swedish and European legislation.

Through internal and external audits, ongoing risk management work and continuous improvement efforts, Sunpine ensures that operations comply with the requirements of these standards. The ISO 9001 certification follows a three-year audit cycle, while the ISCC EU certificate is audited annually. During 2025, both the ISO 9001 and ISCC audits were completed without any nonconformities.

Sunpine’s internal audit group follows an established audit programme under which operational processes are reviewed. The areas covered include ISO 9001, occupational health and safety, fire protection, and the control system for sustainability criteria for liquid biofuels, which also incorporates ISCC. The purpose of the audit group is to identify areas for improvement and potential risks, while ensuring compliance with legal requirements, certifications and internal policies.

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Due diligence

Sunpine works actively with due diligence to identify, prevent and manage potential negative impacts on people, the environment and society throughout the value chain. This work is described in more detail in the different sections of the sustainability statement.

Both Sunpine’s own operations and suppliers are reviewed to ensure responsible business practices and sustainable raw materials. Efforts include supplier assessments, implementation and follow-up of the Code of Conduct, and dialogue with business partners. The work is guided by the material sustainability subtopics identified through the double materiality assessment, which is reviewed annually. Further information is provided on pages 24-25.

Our due diligence efforts also include monitoring and reporting. The effectiveness of measures is evaluated

continuously, and strategies are adjusted based on new insights and changing conditions.

About CSRD and ESRS

The Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) form the EU framework for standardised sustainability reporting among companies within the Union.

CSRD, adopted in 2023, aims to increase transparency and comparability in reporting, making it easier for stakeholders to analyse and assess companies’ sustainability efforts. Sunpine was expected to become subject to CSRD from the 2025 financial year. During the year, however, the European Commission presented a proposal to revise the EU’s sustainability regulatory framework, with the aim of simplifying the reporting process and raising the thresholds that determine which companies fall within the scope of CSRD. These changes may result in Sunpine no longer being subject to CSRD. Pending a final decision, sustainability-related work continued during the year in a structured manner and in alignment with the directive.

The ESRS constitute detailed reporting standards that specify how companies should disclose sustainability information in accordance with the requirements of CSRD. During 2025, the standards were subject to review, and the European Commission presented proposals to simplify and adjust certain reporting requirements. As of December 2025, these proposals had not yet been adopted. Sunpine has therefore chosen to continue reporting according to the same structure and approach as in the previous year.

The ESRS cover a broad range of sustainability topics. They are divided into two general standards and thematic standards within the areas of environmental (E), social (S) and governance (G) matters.

Main components of the ESRS:

General standards

- ESRS 1: General requirements
- ESRS 2: General disclosures

Environmental (E)

- ESRS E1: Climate change
- ESRS E2: Pollution
- ESRS E3: Water and marine resources
- ESRS E4: Biodiversity and ecosystems
- ESRS E5: Resource use and circular economy

Social (S)

- ESRS S1: Own workforce
- ESRS S2: Workers in the value chain
- ESRS S3: Affected communities
- ESRS S4: Consumers and end-users

Governance (G)

- ESRS G1: Business conduct

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Double materiality assessment

The double materiality assessment is a central process in Sunpine’s sustainability work and within the CSRD framework. It is used to identify the sustainability subtopics that are most relevant to the business, taking the entire value chain into account.

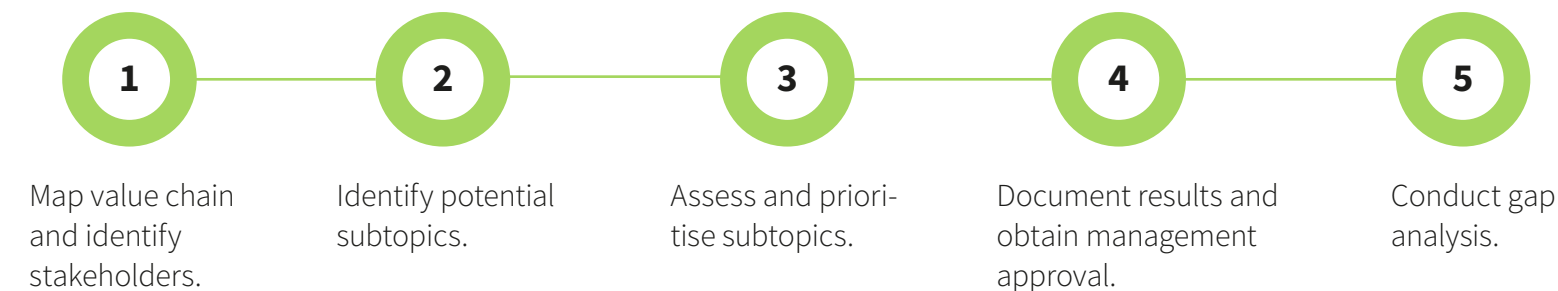
The assessment includes two dimensions:

- **Financial materiality:** how external sustainability factors, such as climate change or social issues, may affect the company’s financial position in the short and long term.
- **Impact materiality:** how the company’s operations and value chain affect the environment, society and other external stakeholders from a sustainability perspective.

A double materiality assessment therefore examines both a company’s impact on the environment and society and how external sustainability factors may affect the company financially. This assessment provides Sunpine with a clearer picture of the matters that are strategically important for creating long-term sustainability and business value.

Sunpine conducted a double materiality assessment in 2024 and performs an annual review to determine whether the results should be updated.

THE PROCESS FOR SUNPINE’S DOUBLE MATERIALITY ASSESSMENT



Sunpine’s double materiality assessment 2024 – the process

1 Mapping of the value chain and stakeholders
The assessment began with mapping Sunpine’s entire value chain, from the forest through to waste management. Relevant stakeholders were also identified: suppliers, owners, employees and trade unions, residents and local communities, authorities, as well as customers and end-users.

2 Long list of potential subtopics
A long list of potentially material subtopics was developed, based on previous materiality assessments as well as ESRS and other relevant industry standards.

3 Assessment and prioritisation of subtopics
The subtopics on the long list were assessed and

prioritised using insights from stakeholder groups gathered through interviews, meetings and workshops.

How subtopics are assessed and prioritised

In the calculation model used in the double materiality assessment, potentially material subtopics are assessed and prioritised as follows. To estimate financial impact, the probability (1–100 per cent) of an event occurring within a given time horizon is multiplied by the magnitude of the financial effect (0–5). For impacts on people and the environment, a “severity” score is calculated by taking into account scale, scope and, in the case of negative impacts, also remediability (all on a scale of 0–5). This is then multiplied by the probability that the impact will occur within a given time horizon and a weighting factor (0–5) to

determine materiality. The calculation model allows both negative and positive effects to be analysed and ensures a structured and comparable assessment.

4 Final results and management approval
The completed double materiality assessment was documented and approved by Sunpine’s executive management team.

5 Gap analysis
Finally, a gap analysis of the material subtopics was carried out. The analysis identified areas where further development is needed, for example in relation to targets, policies and reporting procedures.

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Governance (G)

ESRS G1: Business conduct

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Sunpine’s 16 material sustainability subtopics – results of this year’s review

Following the annual review of Sunpine’s double materiality assessment, 16 sustainability subtopics have been identified as material. The results are largely consistent with those of the original 2024 assessment, with a few exceptions. Among key differences are: Skills supply is no longer considered a material subtopic, Corporate culture is now assessed as material from both perspectives instead of one, and Energy is now assessed as material from one perspective instead of both.

Differences between the 2025 and 2024 results may have several causes, ranging from changes in the business to shifts in the risk profile or a more in-depth analysis.

Sunpine’s 16 material subtopics cover all three thematic ESRS areas – Environmental (E), Social (S) and Governance (G). Three subtopics were identified as material from both an impact and a financial perspective.

The subtopics assessed as material are presented in the following table. The table indicates whether each subtopic is material from an impact perspective, a financial perspective, or both. It also shows where in the value chain the impact occurs – upstream (U), in own operations (O) or downstream (D).

Further information about each material subtopic is provided in the relevant sections of the Sustainability Statement.

THEMATIC AREA	MATERIAL SUBTOPIC	VALUE CHAIN	MATERIAL IMPACT	FINANCIAL MATERIALITY	
ENVIRONMENTAL (E)					
E1 Climate change	1 Climate change adaptation	O D	Positive	Opportunity	p. 29
	2 Climate change mitigation	U O D	Negative		p. 30
	2 Climate change mitigation	O D	Positive	Opportunity	p. 30
E2 Pollution	3 Energy*	U	Negative		p. 32
	4 Air pollution	U D	Negative		p. 34
	5 Water pollution	U O D	Negative		p. 35
E3 Water and marine resources	6 Water	O D		Risk	p. 37
E4 Biodiversity and ecosystems	7 Direct impact drivers of biodiversity loss	U O D	Negative		p. 39
	8 Impacts on the state of species	U O D	Negative		p. 39
	9 Impacts on ecosystem extent and condition	U	Negative		p. 40
E5 Resource use and circular economy	10 Resource outflows related to products and services	O D		Opportunity	p. 42
SOCIAL (S)					
S1 Own workforce	11 Working conditions	O	Positive		p. 45
	12 Equal treatment and opportunities for all	O	Positive		p. 48
S3 Affected communities	13 Economic, social and cultural rights of communities	U O	Negative		p. 50
GOVERNANCE (G)					
G1 Business conduct	14 Corporate culture**	O	Positive	Opportunity	p. 53
	15 Management of relationships with suppliers, including payment practices	U O		Risk	p. 54
	16 Management of the legal and regulatory environment (company-specific subtopic)	O		Risk, Opportunity	p. 55

U = Upstream D = Downstream O = In own operations * No longer material from both perspectives. ** Now material from both perspectives.

Subtopics assessed as non-material

ENVIRONMENTAL (E)

Pollution of soil
 Pollution of living organisms and food resources
 Substances of concern
 Substances of very high concern
 Microplastics
 Marine resources
 Impacts on and dependencies on

SOCIAL (S)

ecosystem services
 Resource inflows, including resource use
 Waste
 Skills supply*
 Other work-related rights
 Civil and political rights of communities
 Rights of indigenous peoples

Information-related impacts for consumers and/or end-users
 Personal safety of consumers and/or end-users
 Social inclusion for consumers and/or end-users

GOVERNANCE (G)

Protection of whistleblowers

Animal welfare**
 Political engagement and lobbying activities
 Corruption and bribery

* The company-specific topic Skills supply was assessed as material in 2024, but following the 2025 review is no longer considered to entail a material financial risk.

** The topic has not been assessed as Sunpine’s operations are not linked to animal welfare.

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Social (S)

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Continued efforts

Based on Sunpine’s double materiality assessment and the subsequent gap analysis, a plan was developed in 2024 to continue efforts related to Sunpine’s material sustainability subtopics and to meet the requirements of the CSRD.

The plan included developing action plans for the material subtopics and identifying how to meet ESRS data point requirements. It also involved reviewing which targets and metrics should be linked to the subtopics, as well as reviewing and developing policies describing how they should be managed.

Following this year’s review of the double materiality assessment, work on the company’s sustainability subtopics has continued, informed by the CSRD. However, in light of the potential changes to the scope and application of the regulatory framework currently under discussion, and the uncertainty regarding whether and when Sunpine will be subject to it, some aspects of the work have been adjusted. Developments are monitored to ensure that efforts remain proportionate and business-relevant, and priority continues to be given to the sustainability subtopics considered most material for the business and its stakeholders.

In the following sections, some of the policies, actions, metrics and targets connected to Sunpine’s material sustainability subtopics that were in place during the reporting year are mentioned or described.

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Environmental (E)

Sunpine has a clear environmental focus. Climate and environmental aspects are material to our operations. We strive, among other things, to reduce our climate impact and maximise our positive contribution to the transition towards a fossil-free society.

Nine of Sunpine's sixteen material sustainability subtopics fall within the Environmental (E) category. All five topical standards within ESRS E are addressed. This chapter provides insight into our work in this area, based on the identified material subtopics.

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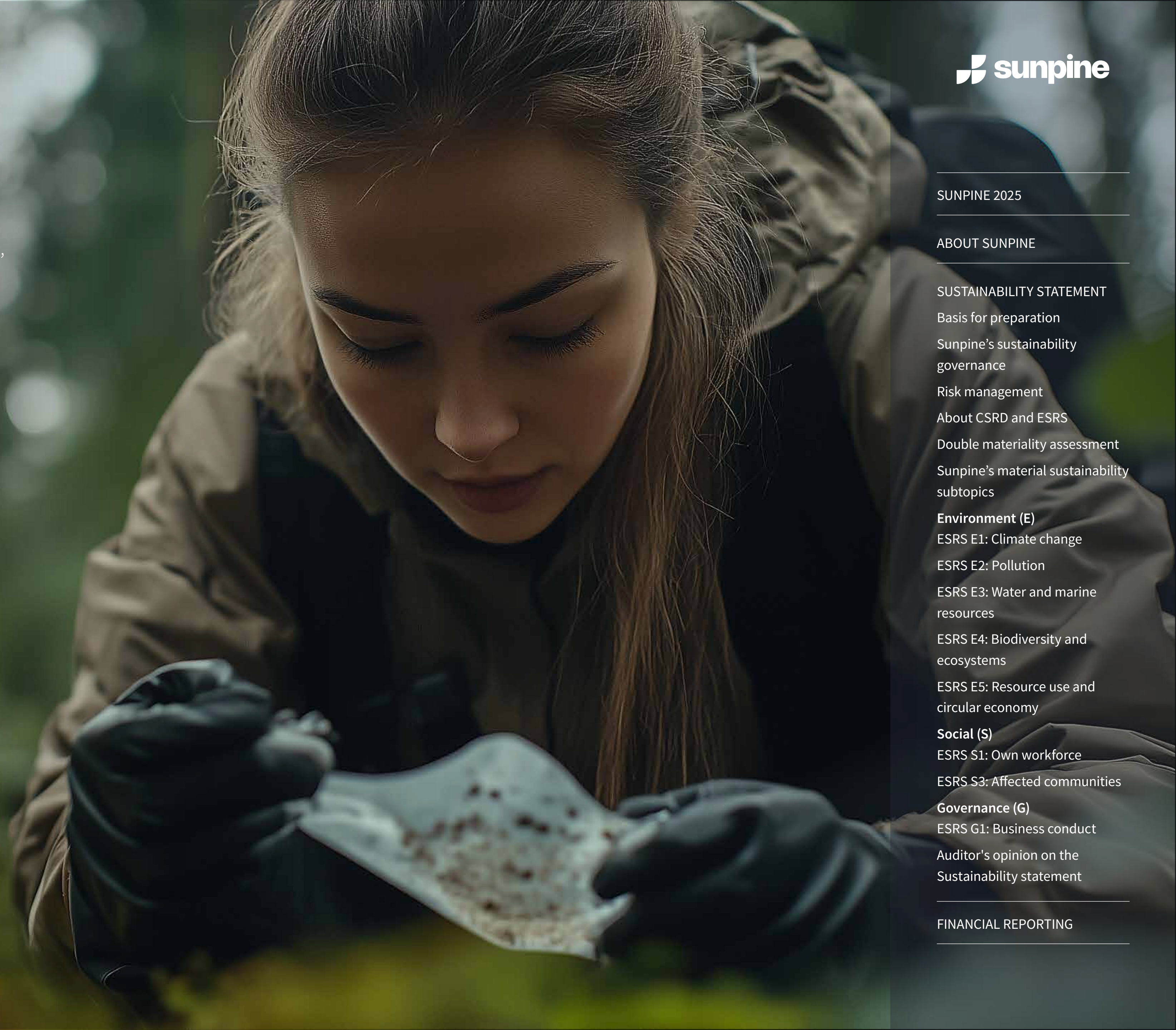
ESRS S3: Affected communities

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Environmental – ESRS E1 – Climate change

ESRS disclosure requirements

SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 29-32
IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	p. 24
E1-1	Transition plan for climate change mitigation	p. 28
E1-2	Policies related to climate change mitigation and adaptation	p. 26
E1-3	Actions and resources in relation to climate change policies	p. 26, 30
E1-4	Targets related to climate change mitigation and adaptation	p. 26, 30
E1-5	Energy consumption and mix	p. 32
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	p. 31
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phase-in

In brief, **ESRS E1: Climate change** addresses a company’s impact on the climate and how climate change may affect the company’s business.

ESRS E1 covers three subtopics, all of which have been identified as material in Sunpine’s double materiality assessment:

1. Climate change adaptation
2. Climate change mitigation
3. Energy

In the 2024 assessment, all three subtopics were considered material from both an impact and a financial perspective. Following the 2025 review, Energy is now assessed as material only from an impact perspective, as it is no longer considered to pose a material financial risk.

As part of the double materiality assessment, we identified a number of tasks related to these material subtopics in 2024. They included, among other things, developing:

- a transition plan for climate change mitigation in line with the Paris Agreement,
- a resilience analysis assessing how Sunpine’s strategy and business model are affected by and adapted to climate change,
- an energy audit, and
- a climate scenario analysis examining climate-related transition events – see pages 29 and 37 for more information.

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Environmental | ESRS E1 – Climate change



Climate change adaptation

Climate change leads to rising temperatures, extreme weather events and changing ecosystems, affecting both natural systems and society. This subtopic includes risks related to, for example, droughts, floods and storms, as well as how operations may need to adapt to reduce their vulnerability. Relevant aspects may include policies, legislation and technologies that influence how these risks are managed.

Identified materiality for Sunpine

We see both direct and indirect positive impacts in Sunpine’s operations related to this sustainability subtopic. Sunpine’s business is based on minimising society’s dependence on fossil fuels. Through our production, we help industry transition to fossil-free

alternatives, thereby contributing to a direct positive impact. Our products also contribute positively downstream in the value chain, as they reduce customers’ and end consumers’ reliance on fossil fuels.

The subtopic also represents a financial opportunity for Sunpine, as global demand for biofuels is expected to increase significantly over the coming ten years – not least in markets outside of Sweden where we see major growth opportunities. This depends, however, on a reliable supply of forest raw material, which leads us to one of the financial risks associated with the subtopic: climate change may cause fires and floods that reduce biomass and forest resources and, in turn, our raw material, crude tall oil.

Climate scenario analysis

During 2025, Sunpine conducted a climate scenario analysis covering both physical and transition-related risks and opportunities, as well as their potential effects on our business model, financial position and competitiveness. The analysis included two scenarios (low and high emissions) and three separate time horizons.

The results showed that Sunpine’s business model is fundamentally robust, but that continued efforts are needed to secure access to raw materials, ensure a climate-adapted production, and capitalise on transition-driven markets.

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Environmental | ESRS E1 – Climate change



Climate change mitigation

Mitigating climate change requires reducing greenhouse gas emissions from industry, transport and energy production. Within this subtopic, emission levels and sources of greenhouse gases are assessed as well as methods to reduce emissions, for example energy efficiency measures or the transition to fossil-free technologies.

Identified materiality for Sunpine

Sunpine has identified a positive impact in that our products contribute to reducing dependence on fossil oil – and thereby to reducing greenhouse gas emissions. The impact occurs directly in our own operations but above all downstream in the value chain, among end consumers. Read more about our products on pages 13-14.

There are also financial risks associated with this subtopic. One risk concerns the increased costs associated with meeting increasingly stringent climate targets and more ambitious sustainability legislation.

Another risk relates to potential increases in transport costs as shipping companies and transport providers reduce their emissions by switching to biofuels or electrified transport. This is largely linked to new EU legislation promoting the use of renewable fuels, for example in maritime transport. As transport accounts for the majority of the greenhouse gas emissions that Sunpine currently measures, the transition from fossil fuels is expected to result in significant costs.

Finally, there are financial opportunities linked to this subtopic – and here, new EU sustainability legislation plays an important role as well. Through new directives and reduction requirements, fuel suppliers' demand for biofuels will increase. This should in turn lead to a rising demand for our products.

Our greenhouse gas emissions

Since 2024, Sunpine has reported gross greenhouse gas emissions in accordance with the GHG Protocol standard for Scopes 1–3. A total of 96 per cent of our emissions occur in Scope 3 and fall within category 4 (transport and distribution upstream) and category 9 (transport and distribution downstream). Not all transport activities are included here; for further details, see the footnote to the emissions table on page 31.

In 2025, Sunpine set a target to reduce emissions from the transport of crude tall oil by 10 per cent per tonne of crude tall oil by the end of 2026. The base year for this target is 2024. By the end of 2025, the target had not yet been achieved.

A strategic target was also established to reduce emissions per tonne of Raw tall diesel by 30 per cent from 2026 to 2030, with 2025 as the base year. As this target covers a larger share of our value chain and runs over a longer period, it incorporates the previous transport-related target for crude tall oil and will replace it. Read more about our strategic targets on page 17.

During the year, we initiated a project aimed at analysing how to minimise the climate impact generated by our transport activities across the value chain. Approximately SEK 1 million was invested in ensuring that truck transport of our raw material is fossil-free, and we have begun exploring opportunities to reduce greenhouse gas emissions from inbound raw material transport by ship. This work will continue in the coming years.

Our greenhouse gas emission data is based on actual calculations, primarily using emission factors from Annex IX in IR 2022/996. When calculating emissions from energy combustion, emissions from direct combustion

(TTW) are reported. The emission factors do not reflect lifecycle emissions but instead provide an indication of point emissions from the combustion of the fuel used. For transport emissions, a distance-based calculation method has been applied.

Calculations of direct emissions from the combustion of our own bio-oil and turpentine residuals include only CH₄ and N₂O, as biogenic CO₂ emissions are reported separately. Climate impact from our own operations is included in Scope 1 and accounts for only 2 per cent of total emissions.

Sunpine does not measure Scope 3 emissions related to the end product and its final use. Although the combustion of biofuels results in actual carbon dioxide emissions, the CO₂ released is the same carbon that was previously absorbed by the trees, which means that the net emissions are close to zero. Unlike fossil fuels, which release carbon stored for millions of years, biofuels therefore do not contribute to increasing the amount of carbon dioxide in the atmosphere over time. However, it is still important to understand our climate impact — and our emissions chain — in detail.

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Environmental | ESRS E1 – Climate change



Results for the year

During 2025, our Scope 3 emissions increased by 43 per cent. The increase is primarily linked to increased shipping activity. We purchased 54 per cent more raw material compared with the previous year in order to enable increased production, which, together with higher sales, increased the need for both inbound and outbound transport.

Emissions from our own operations reported in Scope 1 decreased by 26 per cent compared with the previous year, despite significantly increased production. This is largely because 99 per cent of the energy consumed during the year came from renewable sources, up from 97 per cent the previous year.

Total (scope 1-3)	Unit	Base year 2024	2025
(1) Total tCO ₂ e emissions (scope 1,2,3)	Tonnes	17 297	24 072
Climate impact of operations (scope 1)			
(2) Direct tCO ₂ e emissions from production	Tonnes	705	536,6
(3) tCO ₂ e emissions from commercial vehicles	Tonnes	31	6
Indirect tCO₂e emissions (scope 2)			
Indirect CO ₂ e emissions, purchased electricity, heating and cooling (market-based approach)			0
(4) (place-based approach)	Tonnes	366	410
Other indirect tCO₂e emissions (scope 3)			
(5) CO ₂ e emissions from land transport	Tonnes	5 677	4 562
(6) CO ₂ e emissions from maritime transport	Tonnes	10 518	18 557
Biogenic emissions tCO₂			
(7) Scope 1	Tonnes	13 888	4 728
(8) Scope 3	Tonnes	151	171

Footnotes:

(1) From 2024 onwards, Sunpine calculates greenhouse gas emissions in accordance with the GHG Protocol. Under this standard, emissions are classified into three different scopes. Scope 1 includes direct emissions from owned or controlled emission sources. Scope 2 includes indirect emissions from purchased electricity. Scope 3 includes indirect emissions under categories 4 and 9 that occur both upstream and downstream in the value chain and are not included in Scope 1 or 2.

(2) Emissions from production include the combustion of both renewable and fossil oil in boilers, as well as the use of process chemicals in production. Drinking water and water consumption for production are also included.

(3) Emissions from vehicles refer to wheel loaders and other work vehicles at Sunpine's facility. The calculations exclude fuel consumption from private cars used for business travel where mileage reimbursement has been paid.

(4) Includes electricity use at Sunpine's facility, a nearby pump station and offices. The calculations are based on carbon intensity at the local grid level, i.e. the Swedish electricity mix according to emission factors from the Swedish Energy Agency. Sunpine's office in Luleå is excluded as it is assessed to have a minimal impact. Electricity consumption at our leased depots in Skelleftehamn, Norrköping and parts of the depot in Piteå is also excluded due to limitations in obtaining the necessary information.

(5) Includes inbound transports of crude tall oil, internal deliveries between Sunpine's depots, and inbound deliveries of process chemicals to Sunpine's facility. Also includes outbound transports of bio-oil to customers. Inbound deliveries of other goods and services

are excluded, as well as outbound transports of waste, contaminated process water, rosin and alpha-Pinene from Sunpine's facility.

(6) Includes inbound transports of crude tall oil, internal transports between Sunpine's depots, inbound and outbound transports of bio-oil, and outbound transports of rosin. Downstream rosin transports occur in transport chains that include both land and sea transport. For reporting purposes, the greenhouse gas emissions from the entire transport chain have been attributed to maritime transport, as this mode of transport accounts for the clearly largest share of emissions. Minor emissions from land transport are therefore included in this reporting. Outbound transports of Raw tall diesel and the product alpha-Pinene are not included.

(7) Refers to biogenic CO₂ emissions from the combustion of our residual products in the boilers at our facility.

(8) Refers to biogenic CO₂ emissions from the heating of storage tanks containing Sunpine's raw material at leased depots. Biogenic CO₂ emissions from heating storage tanks containing Sunpine's outgoing products at leased depots are not included.

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Environmental | ESRS E1 – Climate change

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Energy

Energy production, distribution and consumption affect both the climate and global resource use. This topic includes aspects such as energy sources, energy consumption and the balance between fossil and renewable energy sources, as well as opportunities to reduce energy dependence through efficiency improvements and innovation.

Identified materiality for Sunpine

We have identified a negative impact for Sunpine within this material sustainability subtopic. Our impact is primarily linked to upstream activities in our value chain, within the energy-intensive operations of the pulp and paper and forest industries.

In the double materiality assessment conducted in 2024, the energy topic was also assessed as representing a financial risk for Sunpine, linked to the industrial expansion expected across northern Sweden. This development is expected to increase competition for energy and, consequently, drive higher energy prices. However, in the 2025 review of the materiality assessment, the magnitude of the financial risk was assessed as less significant. As a result, this topic is no longer identified as financially material.

Sunpine’s own energy consumption

During 2025, Sunpine’s production facility consumed approximately 15.7 GWh of electricity, an increase compared with the previous year due to higher production volumes. We continuously work to make our production process as energy efficient as possible and to reduce its climate impact. Today, our production facility is powered by almost 99 per cent self-produced and renewable fuel, an increase from 97 per cent in 2024. Fossil fuel oil is only used during startups and operational disruptions, when

it replaces our own bio-oil. The fossil energy consumed by Sunpine during the reporting year is also related to the operation of generators, mobile machinery and external pumps.

All of Sunpine’s electricity is purchased from a local energy supplier and we hold a certificate confirming that all electricity consumed is renewable. In our greenhouse gas calculations, electricity consumption is reported under Scope 2, where emissions are calculated using the emission factor for the Swedish electricity mix provided by the Swedish Energy Agency. Currently, Scope 2 emissions account for only 2 per cent of the total emissions reported.

Greenhouse gas emissions and energy consumption also occur in connection with the heating of storage tanks where our raw materials and products are stored. These are reported under Scope 3. In 2025, we only report emissions and energy consumption related to the storage of our raw material under category 4.

Energy consumption and mix	Base year 2024	2025
(1) Fuel consumption from coal and coal products (MWh)	0.0	0.0
(2) Fuel consumption from crude oil and petroleum products (MWh)	2,096.1	1,122.9
(3) Fuel consumption from natural gas (MWh)	0.0	0.0
(4) Fuel consumption from other fossil sources (MWh)	0.0	0.0
(5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	0.0	0.0
(6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	2,096.1	1,122.9
Share of fossil sources in total energy consumption (%)	3.0 %	1.3 %

Energy consumption and mix	Base year 2024	2025
(7) Consumption from nuclear sources (MWh)	0	0.0
Share of consumption from nuclear sources in total energy consumption (%)	0.0 %	0.0 %
(8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	54,393.9	71,938.6
(9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	14,088.3	15,761.4
(10) The consumption of self-generated non-fuel renewable energy (MWh)	0.0	0.0
(11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	68,482.2	87,700
Share of renewable sources in total energy consumption (%)	97.0 %	98.7 %
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	70,578.3	8,822.9

Information:

Only energy used in processes owned or controlled by Sunpine is reported. Energy used for heating storage tanks rented at various depots is therefore excluded. Raw materials and fuels that are not combusted for energy purposes are also excluded.

Footnotes:

(2) Includes the consumption of fossil energy that occurs during the start-up of the boilers in production, as well as fuel consumption from the work vehicles that we control at the facility.

(8) Refers to the energy consumption in our boilers from our self-produced, renewable biofuels. Energy consumption at leased depots is excluded from this figure.

(9) The electricity we purchase from our local electricity supplier is 100 per cent renewable. Includes electricity consumption at Sunpine’s facility and in a nearby pump room, as well as the electricity used for heating Sunpine’s rosin storage facilities in the port of Piteå.

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Environmental – ESRS E2 – Pollution

ESRS disclosure requirements

IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	p. 24
E2-1	Policies related to pollution – air and water only	p. 26
E2-2	Actions and resources related to pollution – air and water only	pp. 26, 34-35
E2-3	Targets related to pollution – air and water only	p. 26
E2-4	Pollution of air, water and soil – air and water only	pp. 34-35
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	Phase-in

In brief, **ESRS E2: Pollution** addresses emissions of pollutants to air, water and soil from a company and across its entire value chain.

ESRS E2 covers seven sustainability subtopics, of which two have been identified as material in Sunpine’s double materiality assessment:

1. Pollution of air
2. Pollution of water

Sunpine follows a systematic internal control programme to monitor, supervise and follow up on any deviations related to these two sustainability subtopics.

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Environmental | ESRS E2 – Pollution



Pollution of air

Air pollution in the form of, for example, nitrogen oxides, sulphur oxides and particulate matter affects human health, ecosystems and the climate. This topic addresses the sources, scale and potential consequences of emissions. Relevant aspects include the dispersion of air pollutants, impacts on human health and measures to reduce emissions from industry and transport.

Identified materiality for Sunpine

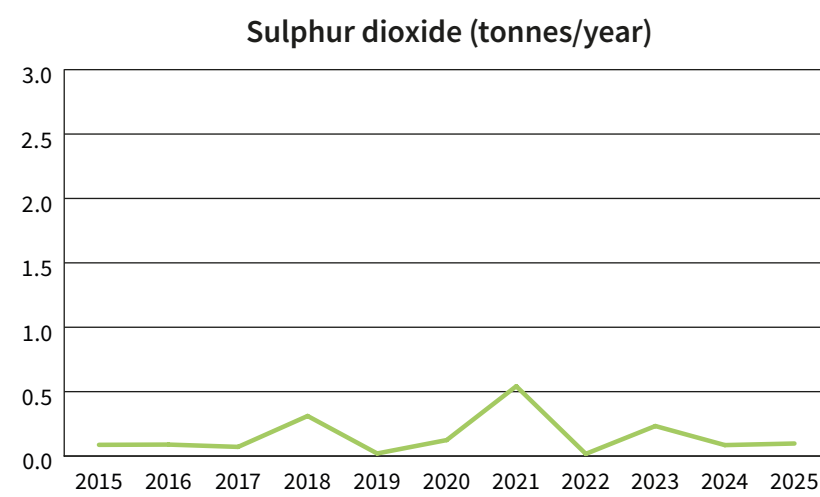
Within this material sustainability subtopic, we identify a negative indirect impact both upstream and downstream

in our value chain. The impact is linked to air pollution generated by Sunpine’s transporters, suppliers and customers. There is also a direct impact from Sunpine’s own operations through emissions of air pollutants.

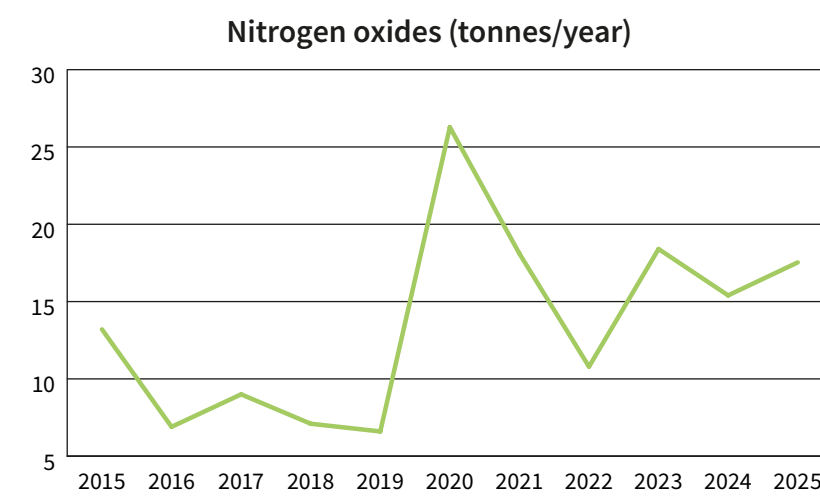
Air pollution from our own operations

Emissions to air from our own operations arise partly from internal transports and partly from combustion in the boilers, which generates flue gases. Sunpine measures flue gases at least twice per year through a third-party provider accredited by Swedac. These measure-

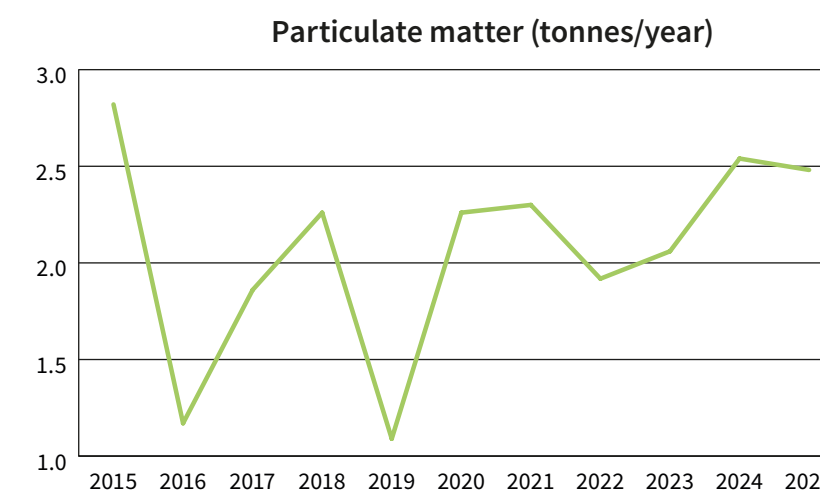
ments include emissions of particulate matter, nitrogen oxides and sulphur oxides, as well as the total concentration of volatile organic compounds in the air (TVOC). Emissions of these substances are compared with limit values in applicable regulations and with the conditions specified in the facility’s environmental permit. In 2025, emissions remained well below the levels specified in the environmental permit.



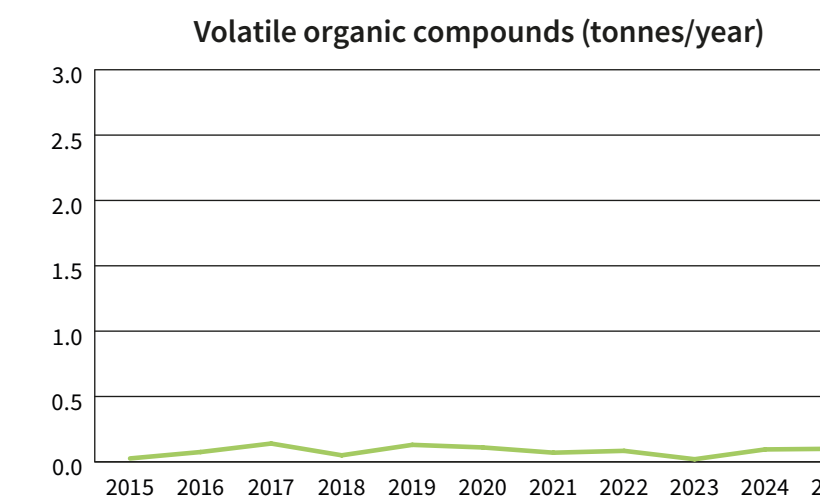
In 2025, 0.038 tonnes and 0.060 tonnes of sulphur compounds were emitted from process lines 1 and 2 respectively. These low emission levels are made possible by efficient scrubbers and filters. Measurement method: SS EN 14791:2017 (manual method)



In 2025, emissions of nitrogen oxides from process lines 1 and 2 increased from 15.40 to 17.53 tonnes, but they remained well below the limits set in our environmental permit. The significant increase observed up until 2020 was due to the commissioning of process line 2. Since then, we have worked to optimise burners and increase boiler availability. Measurement method: SS 02 84 25 (instrumental method)



Particulate matter emissions remain well below the limit values specified in our environmental permit for both process lines 1 and 2. At the first measurement occasion of the year for process line 1, a limit value in the ordinance (2018:471) on medium combustion plants was momentarily exceeded. At the second measurement occasion, the limit value was not exceeded. The increase in particulate matter emissions observed in 2020 was due to the commissioning of process line 2 and the reconstruction of boilers. In 2023, an increase was observed in boiler 2, and in 2024 in boiler 1. During 2025, the causes of the elevated values recorded in the previous year, as well as the temporarily higher concentration observed at the first measurement occasion during the year, were investigated. This work resulted in several measures, including a review of the scrubber at process line 1. Overall, the total amount of particulate matter emitted in 2025 was lower than in 2024. Work to analyse and monitor particulate matter levels in the flue gases will continue in 2026. Measurement method: SS EN 13284 1:2017 (manual method)



In 2025, 0.093 tonnes and 0.010 tonnes of volatile organic compounds were emitted from process lines 1 and 2 respectively. These low emission levels are made possible by efficient scrubbers and filters. Measurement method: SS EN 12619:2013 (instrumental method)

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Environmental | ESRS E2 – Pollution



Pollution of water

Water pollution can damage ecosystems, reduce the availability of clean drinking water and affect aquatic organisms. This subtopic addresses emissions of chemicals, heavy metals and nutrients, as well as how these substances may spread in rivers, lakes and seas.

Identified materiality for Sunpine

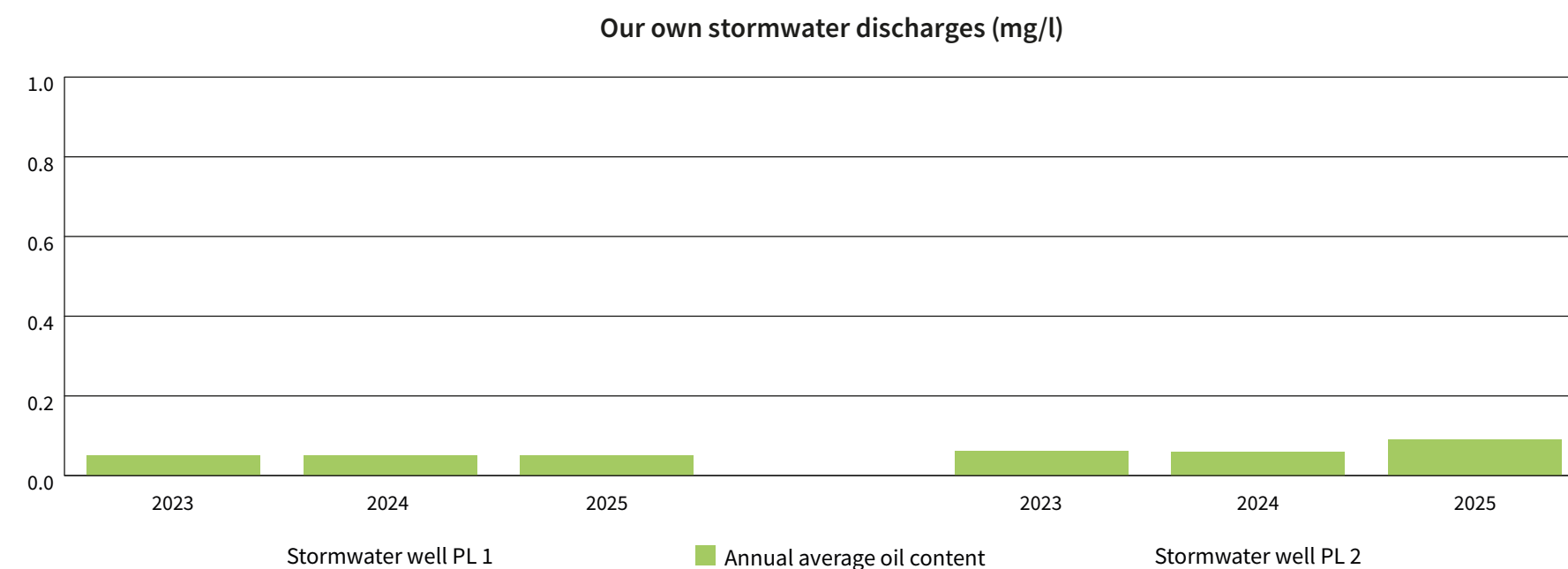
Within this material sustainability subtopic, we identify a negative indirect impact in our value chain, both upstream and downstream.

Looking downstream, vessel deliveries of Sunpine’s raw materials and products may contribute to pollution of marine waters, both globally and locally. Industries upstream in our value chain may contribute to elevated levels of BOD (Biochemical Oxygen Demand) and COD (Chemical Oxygen Demand), which can lead to oxygen depletion and risks for aquatic organisms.

Sunpine’s own operations do not generate process discharges to water under normal operating conditions. However, impacts may occur in the event of accidents or leakages. Preventive measures and safety systems are therefore important in order to avoid spills and protect water environments.

Our own discharges to stormwater

Sunpine measures discharges to stormwater from its own operations through regular monitoring of stormwater. Water samples are taken at least four times per year by internal personnel and sent to an accredited laboratory for analysis. Our discharges are very low – well below the permitted limit specified in our environmental permit.



The accredited laboratory engaged by Sunpine uses the GC-FID measurement method to determine the oil content in the stormwater. The oil content often falls below the laboratory’s reporting limit of 0.05 mg/l. For these samples, a value of 0.05 mg/l is assumed, which means that the calculated average values are conservative and therefore slightly overestimated. In both stormwater wells, the average value remains well below the permitted limit specified in our environmental permit.

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Environmental – ESRS E3 – Water and marine resources

ESRS disclosure requirements

IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to water resources	p. 24
E3-1	Policies related to water resources	p. 26
E3-2	Actions and resources related to water resources	p. 26
E3-3	Targets related to water resource	p. 26
E3-4	Water consumption	p. 37
E3-5	Anticipated financial effects from impacts, risks and opportunities related to water resources	p. 37, phase-in

ESRS E3: Water and marine resources focuses on how companies and their entire value chain affect and manage water and marine resources through their operations.

ESRS E3 covers two sustainability subtopics, of which one – Water – has been identified as financially material for Sunpine in the double materiality assessment.

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Environmental | ESRS E3 – Water and marine resources



Water

Water is a key resource for both industries and ecosystems. At a time of increasing water use and stricter environmental requirements, efficient water management is becoming an important part of long-term sustainability and business resilience. This topic includes, among other aspects, companies' water consumption and any measures taken to reduce water consumption. It also covers water from operations that is transferred to third parties.

Identified materiality for Sunpine

Sunpine's process water is sent to a nearby pulp mill for use in its process, and no internal treatment of the process water takes place at Sunpine. Dependence on external parties for such processes may constitute a financial risk.

Our own water consumption

Sunpine has good access to water, and our operations are not located in an area classified as having water scarcity risks. Nevertheless, we monitor our water consumption. In 2025, 84,493 cubic metres of water were used in Sunpine's operations, compared with 70,233 cubic metres in the previous year. The increase is in line with the year's higher production volumes.

The climate scenario analysis that we carried out during the year indicates that spring floods are expected to decrease across the country in the future, disappear in southern Sweden and occur earlier and weaken in northern parts of the country. Water flows in rivers and streams are important for both soil moisture and overall water supply. Should the indications in our climate scenario analysis turn out to be accurate, the Water subtopic may become more significant for Sunpine in the longer term.



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Environmental – **ESRS E4** – Biodiversity and ecosystems

ESRS disclosure requirements

SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 39-40
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	p. 26
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity and ecosystems	p. 24
E4-2	Policies related to biodiversity and ecosystems	p. 26
E4-3	Actions and resources related to biodiversity and ecosystems	p. 26
E4-4	Targets related to biodiversity and ecosystems	p. 26
E4-5	Metrics on impacts related to biodiversity and ecosystems	p. 26
E4-6	Anticipated financial effects from biodiversity- and ecosystem-related risks and opportunities	Phase-in

ESRS E4: Biodiversity and ecosystems focuses on how a company affects and manages natural resources, ecosystems and biodiversity through its operations and value chain.

ESRS E4 covers four sustainability subtopics, of which three have been identified as material in Sunpine’s double materiality assessment:

1. Direct drivers of biodiversity loss
2. Impacts on the state of species
3. Impacts on the extent and condition of ecosystems

The material issues relating to biodiversity, the state of species and the extent and condition of ecosystems are closely interconnected. Sunpine’s largest negative impact within all three issues occurs upstream in the value chain, at the pulp and paper mills that supply our crude tall oil. This industry relies on forests as its raw material – and consequently Sunpine does as well.

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Environmental | ESRS E4 – Biodiversity and ecosystems

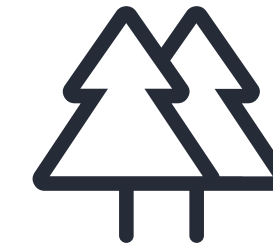
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Direct drivers of biodiversity loss

Biodiversity declines when species lose their habitats or are affected by pollutants, climate change and human activities. This topic concerns how land use, deforestation and overexploitation of natural resources affect plants and animals. It also includes the spread of invasive species that may outcompete native species. Key aspects include how habitats change, how landscapes become fragmented and which measures can reduce negative impacts.

Identified materiality for Sunpine

We have assessed that there is a negative impact related to this issue throughout Sunpine’s value chain. This impact is linked to the exploitation of natural resources, for example the harvesting of forests, which may lead to biodiversity loss. When Sunpine or other companies in our value chain use new land areas to expand their operations, this may also result in biodiversity loss.



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Impacts on the state of species

Species are affected by changes in their environment, which may lead to declining populations or, in the worst case, extinction. This issue concerns how factors such as pollution, climate change and changes in land use affect animals and plants. Important aspects examined include which species are threatened, how they adapt to new conditions and how conservation measures may help them survive.

Identified materiality for Sunpine

We have identified a negative impact for Sunpine related to this issue. There is a risk of negative impacts associated with the use and exploitation of natural resources occurring upstream in our value chain. We also see risks related to emissions caused by accidents as well as new land use associated with expanding operations. These developments may, for example, negatively affect red-

listed species present in the surrounding area. This is a negative impact that may occur both in Sunpine’s own operations and across our value chain.

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Environmental | ESRS E4 – Biodiversity and ecosystems

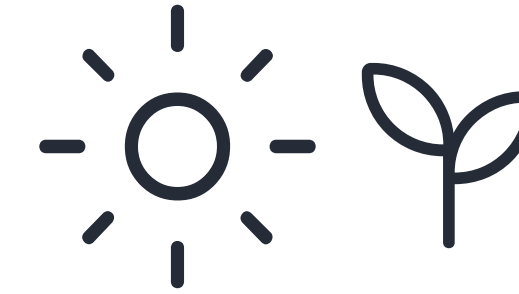
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Impacts on the extent and condition of ecosystems

Ecosystems are altered by human activities and climate change, which may affect their ability to function and provide important services such as pollination, water purification and carbon storage. This issue concerns how the size and composition of ecosystems change, how they are affected by land use and environmental change, and what is required to preserve or restore them. The focus is on the overall condition of ecosystems rather than specific factors leading to biodiversity loss.

Identified materiality for Sunpine

We have identified a negative impact upstream in our value chain within this issue. Sunpine purchases residual products, such as crude tall oil, from the pulp and paper industry, which in turn relies on forests as its raw material. We also purchase residual products, including mixed fatty acids (MFA), originating from industrial processes within the agricultural industry. Activities in the forestry and agricultural industries may affect ecosystems through land degradation and reduced resilience.



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Environmental – **ESRS E5** – Resource use and circular economy

ESRS disclosure requirements

IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to resource use and circular economy	p. 24
E5-1	Policies related to resource use and circular economy	p. 26
E5-2	Actions and resources related to resource use and circular economy	p. 26
E5-3	Targets related to resource use and circular economy	p. 26
E5-5	Resource outflows	p. 26, 42
E5-6	Anticipated financial effects from impacts, risks and opportunities related to resource use and circular economy	p. 42, phase-in

ESRS E5: Resource use and circular economy addresses efficient resource management, the sustainable use of materials and energy, and the transition to circular business models. **ESRS E5** covers three sustainability subtopics, of which one – Resource outflows related to products and services – has been identified as material in Sunpine’s double materiality assessment.

Sunpine has long worked to optimise our production processes with the aim of achieving the most energy- and resource-efficient production possible. An overarching ambition in this area is to maintain high yields and high operational availability, as this is synonymous with a resource-efficient production process. These factors are continuously measured and monitored.

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Environmental – ESRS E5 – Resource use and circular economy

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Resource outflows related to products and services

This issue concerns how companies manage and minimise resource outflows associated with their products and services. It encompasses everything from material use and waste management to circular business models and sustainable innovation.

Identified materiality for Sunpine

In relation to this material sustainability subtopic, we identify a financial opportunity for Sunpine. By refining residual products, Sunpine contributes to a more resource-efficient economy, which strengthens our market position. We believe that the market's transition towards greater sustainability will lead to a continued growth in demand for our products.

We also see significant development opportunities in this area, particularly through product development. Our R&D department continuously explores new product innovations and opportunities linked to our raw material.

It should also be noted that the matter of efficient resource use is closely linked to Sunpine's core business, not least because our primary raw material is a residual product. Through patented processes, we extract several valuable products from crude tall oil, thereby extending its lifecycle. In addition, the excess energy generated in our processes is supplied as district heating to the surrounding industrial area and is also used to heat the office building at our facility.



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Social (S)

Sunpine has a strong commitment to our employees and to the communities in which we operate and have an impact. Three of our sixteen material sustainability subtopics fall under the Social category. This chapter provides insight into our work in this area, based on our material sustainability subtopics.

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ESRS disclosure requirements

SBM-1	Stakeholder interests and views	pp. 24-25
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	pp. 45-48
S1-1	Policies related to the company’s own workforce	p. 46, 48
S1-2	Processes for engaging with workers and workers’ representatives about impacts	pp. 46-47
S1-3	Processes to remediate negative impacts and channels through which the company’s own workforce can raise concerns	pp. 46-47
S1-4	Actions related to material impacts on the own workforce and approaches to mitigate material risks and pursue material opportunities related to the own workforce, and the effectiveness of those actions	p. 26, 45
S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	p. 17, 26
S1-6	Characteristics of the undertaking’s employees	p. 48
S1-7	Characteristics of workers in the undertaking’s own workforce who are not employees	Phase-in
S1-8	Collective bargaining coverage and social dialogue	pp. 45-46
S1-9	Diversity indicators	p. 48, phase-in
S1-10	Adequate wages	pp. 45-46
S1-11	Social protection	pp. 45-48
S1-12	Persons with disabilities	Phase-in
S1-13	Training and skills development metrics	p. 26
S1-14	Health and safety metrics	p. 26, 45
S1-15	Work–life balance metrics	p. 26
S1-16	Remuneration metrics (pay gap and total remuneration)	p. 26
S1-17	Incidents, complaints and severe human rights impacts	Phase-in

ESRS S1: Own workforce focuses on how a company manages working conditions, equal treatment in the workplace and skills development. Sunpine works to be a safe, inclusive and attractive workplace that promotes employee well-being and development, while continuing to attract and retain competence. **ESRS S1** covers three subtopics, of which two – Working conditions and Equal treatment and opportunities for all – have been identified as material in Sunpine’s double materiality assessment.

Last year we also reported on a third, company-specific subtopic: Skills supply. Following this year’s review of the double materiality assessment, Skills supply is no longer considered to represent a material financial risk for Sunpine. Therefore, we do not report on Skills supply in this year’s report.

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Working conditions

Working conditions affect employees' quality of life, health and safety. This subtopic covers factors such as working hours, pay, the work environment and forms of employment. Relevant aspects include work-related accidents, sick leave and compliance with labour legislation.

Identified materiality for Sunpine

Sunpine has identified a positive impact within the subtopic Working conditions based on several factors. For one, our employee surveys have consistently shown positive results. During the year, we transitioned to pulse surveys, and the results were above the global benchmark for the three indices measured: psychological safety, engagement and organisational and social work environment. Particularly strong results were seen in psychological safety. Sunpine has also historically maintained a low level of employee turnover – although it increased during the year due to our reorganisation – and accident rates remain low. In addition, the company is covered by collective bargaining agreements, which contribute to clear and fair working conditions.

Sunpine conducts systematic work related to our work environment, safety and competence development with the aim of providing a safe and supportive workplace for our employees.

Safe working environment

Promoting a safe working environment is one of Sunpine's core principles. We involve various stakeholders in our work environment management and strive to identify and manage risks while continuously improving working conditions within the organisation. Preventive work environment efforts are carried out in

close collaboration between management, employees, the safety committee and occupational health services.

Sunpine's facility is classified as a Seveso establishment, meaning that our operations involve hazardous substances and therefore entail a risk of major chemical accidents. The most significant risks in our production relate to leakage of liquids and chemicals, fires and explosions. To minimise the risks of accidents and ill health, we work preventively through maintenance, procedures, training, risk assessments and inspections.

All risk observations, incidents and accidents must be registered by employees and contractors in a deviation management system. Sunpine's department managers and executive management team receive regular reporting on these events and how they are followed up. For every incident or accident, a root cause analysis must be initiated within 48 hours to identify the underlying cause and implement measures to prevent recurrence.

Sunpine conducts systematic monthly follow-ups of malfunctions in production. In the event of recurring faults or faults that have caused production disruptions, a root cause analysis is performed and a plan is established to resolve the issue.

During 2025, 113 risk observations were reported at Sunpine, representing a decrease compared with the previous year when the figure was 177. Despite this decrease, the relatively high number of risk observations – in relation to the low number of near-misses and accidents (see below) – indicates a strong safety culture in which employees actively identify and prevent risks.

To reduce the need for corrective maintenance and unplanned shutdowns, which may be associated with safety risks, Sunpine has established a target for preven-

tive maintenance. At least 69 percent of the maintenance carried out by our mechanics should be preventive rather than corrective. In 2025, we exceeded this target with a result of 76 percent.

Sunpine follows a Vision Zero approach to workplace accidents leading to absence. One accident resulting in absence occurred in 2025, when an employee sustained a shoulder injury that led to sick leave. During the year, four accidents that did not result in sick leave also occurred, a decrease compared with 2024 when the corresponding number was eleven. The most common type of accident not leading to sick leave consists of slips, trips and falls that for the most part occur during sudden weather changes.

Safety Day

In 2025, Sunpine organised the internal training day Safety Day for the third time. Employees deepened their knowledge of Xray technology and radiation and learned how to respond to accidents and maintain a healthy work life balance. We also carried out fire-extinguishing exercises using VR as well as simulations of chemical spills at the facility.

Wellbeing at work

Wellbeing is a key factor for a well-functioning workplace. Two important elements in this work are our wellbeing group and our internal health promotion group, which regularly organise wellbeing and health-promoting activities.

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Social – ESRS S1 – Own workforce

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Employee dialogue and influence

Sunpine values open dialogue with our employees. We have several processes in place to ensure that employees' views and suggestions are integrated into operational decisions and strategies:

1. Pulse surveys

Starting in 2025, Sunpine conducts pulse surveys several times per year where employees can share their views on their work situation. The results are carefully analysed and used to identify areas for improvement across three indices. Previously, annual employee surveys were conducted.

2. Annual performance and development reviews

Sunpine's employees participate in annual performance and development reviews where they can raise questions or views regarding their role or work situation.

3. Trade union collaboration

All employees at Sunpine are covered by collective bargaining agreements. Trade union representatives are present on site.'

4. Safety committee

Sunpine's safety committee consists of representatives from management, employees and trade unions. The committee meets four times a year to discuss work environment issues, identify risks and implement improvement measures.

5. Direct communication

Sunpine aims to promote a culture in which employees feel safe communicating directly with their managers or with HR if they have questions, views or concerns.

Policies for fair working conditions

Sunpine has a number of governing policies, guidelines, functions and values that support our work to ensure fair working conditions. The most relevant are listed below.

- Personnel policy – clarifies the expectations employees can and should have regarding their employment, for example that they should feel safe and have proper conditions to perform their work.
- Work environment policy – describes the objectives and allocation of responsibilities related to Sunpine's work environment.
- Salary policy – regulates principles for fair remuneration.
- Whistleblowing function – provides a channel for reporting suspected irregularities or misconduct anonymously and without risk of retaliation.

Our policies and guidelines are updated when necessary and communicated to employees during onboarding. Compliance is followed up within each area through, for example, systematic work environment management, the salary review process and dialogue between managers and employees.

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From annual to pulse surveys

During the year, Sunpine transitioned from annual employee surveys to quarterly pulse surveys. The aim is to capture employees’ experiences more quickly and to increase flexibility in our improvement efforts.

Until 2025, Sunpine conducted annual employee surveys. In these surveys, our employees shared their views across several indices, including engagement, team effectiveness, organisational and social work environment, and leadership. The so-called eNPS.

In September 2025, we conducted Sunpine’s first pulse survey. The survey is based on three indices: engagement and organisational and social work environment, which have previously been measured in Sunpine’s annual employee surveys, and psychological safety, which had not been measured previously. Together, these indices provide an overall picture of employee wellbeing, engagement and collaboration at Sunpine. The pulse surveys are conducted in collaboration with Brilliant Future. The response rate for the first survey was 85 percent.

After each pulse survey, all Sunpine departments receive the results together with recommendations on how their department can follow up in areas where improvements can have the greatest impact. The aim is to support a positive working environment where employees feel psychologically safe, have the right conditions for collaboration and opportunities to develop.

Results

As part of the transition from employee surveys to pulse surveys, we present the results from the employee surveys conducted over the past three years together with the outcome of our first pulse survey, which was carried out in September 2025.

Index	2022	2023	2024	2025
Engagement	85	85	84	84
Organisational and social work environment	79	83	83	78
Psychological safety (new in 2025)	-	-	-	92
Team effectiveness (not included in pulse surveys)	77	82	83	-
Leadership (not measured in 2022, not included in pulse surveys)	-	83	81	-
Inclusion (first measured in 2023, not included in pulse surveys)	-	90	91	-

eNPS*	2022	2023	2024	2025
How likely is it that you would recommend Sunpine as an employer to a friend or an acquaintance?	62	62	44	-

*eNPS is a score ranging from -100 to +100. Generally, a score above 0 is considered good, above 20 very good and above 50 excellent. eNPS is not included in the pulse surveys.

The results from Sunpine’s first pulse survey were above the general global benchmark value across all three indices, which indicates that Sunpine should be compared with other high-performing organisations. Particularly strong results were seen in questions related to psychological safety; employees largely reported that they can be themselves at work, that they feel part of the team and that they are respected by their colleagues.

The greatest improvement potential was identified in relation to how much employees feel they can influence their own work situation. This is an important area that we will continue to work on.

The next pulse surveys are planned for the winter and spring of 2026.

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Equal treatment and equal opportunities for all

Equal treatment means that all employees – regardless of gender, gender identity or gender expression, ethnicity, religion or other belief, disability, sexual orientation or age – should have the same opportunities to thrive, develop and pursue a career at Sunpine. All Sunpine employees should have equal opportunities, rights and responsibilities, and everyone should have access to a safe working environment free from discrimination and harassment.

This topic covers the prevention and management of discrimination, harassment and abusive behaviour, as well as efforts to promote an inclusive working environment. Relevant aspects include representation, fair working conditions and pay structures, as well as ensuring that processes for recruitment, training and competence development are open and accessible to everyone.

Identified materiality for Sunpine

We have assessed that Sunpine has a positive impact related to this topic. The assessment is based on several factors, including our established procedures for preventing discrimination and harassment, our regular pay equity analyses and a gender distribution that is more balanced than the industry average. Sunpine’s first pulse survey in September 2025 showed particularly strong results in the area of psychological safety, which may indicate that we are successfully translating the principles of equal treatment into everyday practice. At the same time, we continue to strengthen equal treatment and inclusion within our operations.

Our approach

Through clear guidelines and careful follow-up, Sunpine strives to maintain an inclusive corporate culture and a balanced gender distribution. We have procedures and policies in place to ensure equal treatment in the workplace. Our Code of Conduct for employees clarifies our commitment to counteracting all forms of discrimination, abusive behaviour and harassment. We also seek to promote a culture in which employees find it easy to raise potential issues with their immediate manager or with HR.

During the year, Sunpine established a diversity and inclusion working group in order to structure our work in this area. The group participated in a full-day training session, in which Sunpine’s safety committee and trade union representatives also took part in selected sessions. The focus of the day was how Sunpine can become a more inclusive, norm-aware and gender-equal workplace – as well as the business value of active diversity and inclusion work. The group also explored methods for implementing proactive measures going forward.

Sunpine conducts structured gender equality work with the aim of achieving a balanced gender distribution. In 2025, the share of female employees was 42 percent, which is a high figure in our industry and an increase compared with the previous year. As of 31 December 2025, the share of women on the Board of Directors and in the executive management team was 20 percent and 43 percent respectively, the latter representing an increase compared with the previous year.

Gender distribution

Group	Women	Men	Total
Board of Directors	1	4	5
Executive management	3	4	7
Other employees	33	46	79

Governing guidelines for equal treatment

Sunpine’s principles regarding equal rights and opportunities for all employees are supported by the following governing documents:

- Code of Conduct for employees – sets out the shared ethical guidelines that apply to all employees and clarifies expectations regarding respect, equal treatment, professional conduct and accountability.
- Sunpine’s values – guide behaviours and form the foundation of an inclusive and respectful working environment.

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Social – ESRS S3 – Affected communities

ESRS disclosure requirements

SBM-2	Interests and views of stakeholders	p. 24
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 50
S3-1	Policies related to affected communities	p. 26
S3-2	Processes for engaging with affected communities about impacts	p. 50
S2-3	Processes to remediate negative impacts and channels through which affected communities can raise concerns	p. 50
S2-4	Taking action on material impacts on affected communities, approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	p. 26, 50
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	p. 26

ESRS S3: Affected communities focuses on how companies impact the communities in which they operate. This includes the company’s direct impacts on local communities as well as indirect impacts throughout the value chain, the relationships built with affected communities, and the company’s contribution to positive outcomes.

ESRS S3 covers two sustainability subtopics, one of which – Economic, social and cultural rights of communities – has been identified as material in Sunpine’s double materiality assessment.

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Economic, social and cultural rights of communities

The subtopic Economic, social and cultural rights of communities aims to safeguard people's welfare and dignity. It includes factors such as social inclusion, economic equality and access to essential community services. Relevant aspects include the protection of individuals' rights to land and natural resources, as well as ensuring fair and sustainable management of these resources.

Identified materiality for Sunpine

Sunpine has identified a negative impact related to this subtopic. Our operations may affect nearby residents through odour and noise from production and could potentially have negative effects in the event of accidents or spills.

Sunpine as a neighbour

At Sunpine, we are proud to be part of Piteå and to contribute to the region's development. As one of the region's employers, Sunpine has the opportunity to strengthen the local business community, create jobs and support growth in the area. At the same time, we are aware that our operations may cause certain disturbances for nearby neighbours. These risks are managed continuously through ongoing improvements to our processes, rigorous safety work and dialogue with nearby residents.

We work to minimise noise from our operations and conduct environmental noise measurements in connection with major changes to the business. The most recent daytime measurement was carried out in 2024. The results showed that we were below our permitted limit values during daytime, but not below the stricter limit values for night-time. A complementary night-time measure-

ment was therefore carried out in early 2025. The results show that we meet the limit values during night-time as well. The measurements were conducted in accordance with the Swedish Environmental Protection Agency's Method for immission measurement of external industrial noise, Report 5417, consultation draft.

In 2025, Sunpine implemented an LDAR programme. LDAR stands for Leak Detection and Repair and is a work procedure used to detect and identify leaking equipment in order to reduce diffuse odour emissions. Inspections under the programme are carried out once a month, and any deviations are documented and addressed. If odour issues occur in the surrounding area, Sunpine immediately investigates the cause and takes necessary measures.

Accidents or spills at Sunpine that affect nearby residents are very rare. No such incidents occurred in 2025.

Sponsorship

For a company that aims to be an attractive workplace for the future, contributing to the local community is a natural responsibility. Sunpine supports a number of associations engaged in high-quality women's and youth activities. For example, we have sponsored Piteå IF DFF for many years, and in 2025 we strengthened our support by becoming a Gold Sponsor. We are also a very proud sponsor of Piteå Elit SK.

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Governance (G)

Through clear allocation of responsibilities, transparency and well-defined decision-making processes, Sunpine seeks to ensure that sustainability matters are managed effectively and that operations are conducted in an ethical manner. In this section, we describe our governance structure and how it provides the foundation for long-term responsible business practices. The section also provides insight into Sunpine’s material subtopics within this area.

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ESRS disclosure requirements

GOV-1	The role of the administrative, management and supervisory bodies	p. 21
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to business conduct	pp. 24, 53-54
G1-1	Business conduct policies and corporate culture	pp. 26, 53-54
G1-2	Management of relationships with suppliers	pp. 53-54
G1-6	Payment practices	p. 54

ESRS G1: Business conduct focuses on a company’s business ethics and the governance of sustainability matters. It covers areas such as ethical corporate culture, relationships with suppliers, and the prevention of corruption and bribery.

ESRS G1 comprises six subtopics, two of which have been identified as material in Sunpine’s double materiality assessment. The subtopic Corporate

culture has furthermore been assessed as material from both an impact and a financial perspective. In addition, one company-specific subtopic has been identified.

Taken together, the subtopics are:

1. Corporate culture
2. Management of relationships with suppliers, including payment practices
3. Management of the legal and regulatory environment (company-specific)

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Governance – ESRS G1 – Business conduct

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Corporate culture

Corporate culture reflects the values, norms and behaviours that characterise an organisation and influence how decisions are made and how operations are conducted. This subtopic covers how companies ensure a strong and responsible culture through clear values, leadership and organisational climate. Transparency, ethical decision-making and employee engagement are key factors in creating a sustainable and inclusive workplace.

Identified materiality for Sunpine

We have identified both a positive impact and a financial opportunity connected to this subtopic. Among other things, this assessment is based on our employee surveys, which have consistently shown high levels of engagement and employee satisfaction. In the fall of 2025 we transitioned to pulse surveys, and in the first survey Sunpine scored above the general global benchmark on all three indices measured – read more on page 47. Particularly strong results were observed for questions related to psychological safety. These are aspects of which we are proud and that we strive to maintain. Naturally, there are also areas for improvement, but our overall assessment is that Sunpine has a positive impact.

Ethics and anti-corruption

Sunpine's corporate culture is built on responsibility, business ethics and transparency. We actively promote sound business conduct and transparency, both internally and in our relationships with stakeholders.

To ensure a high standard of business ethics in our operations, we have a number of tools and procedures in place:

- Our Code of Conduct for employees defines our values and expectations regarding employee behaviour. We also adhere to the Swedish Anti-Corruption Institute's Business Code.
- Our whistleblowing system allows employees, contractors and external parties to report suspected irregularities or ethical violations. The system is publicly available on Sunpine's website. No cases were reported in 2025.
- Internal audits and controls ensure compliance with business conduct policies and enable swift action in the event of any violations.

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Management of relationships with suppliers, including payment practices

This subtopic covers compliance with legislation and regulatory requirements in areas such as environmental protection, labour rights and corporate governance, as well as how corporate governance and risk management ensure legal certainty, regulatory compliance and transparency in reporting. A central element is the management of business relationships, where procurement procedures and supplier terms are strategically designed to ensure fair and effective cooperation. Payment practices, supply chain risk assessments and the integration of social and environmental criteria in supplier selection are other significant aspects of this subtopic.

Identified materiality for Sunpine

Currently, a small number of suppliers account for large volumes of Sunpine’s purchased raw material. Although these collaborations are stable, this structure entails a financial risk. We also observe that competition for suppliers may increase as demand for biofuels grows, partly as a result of stricter EU requirements.

To strengthen our security of supply, we are working to establish new partnerships. Through long-term agreements and a clear procurement strategy, we aim to reduce business risk and financial risk over time.

Responsibility in the supply chain

A well-functioning and responsible supply chain is essential for Sunpine’s operations. Through ongoing dialogue and fair terms, we strive to create long-term and sustainable partnerships that are beneficial for all parties. We place clear requirements on our suppliers related to sus-

tainability, regulatory compliance and business ethics. To support these requirements and promote social and environmental sustainability in the supply chain, we use several tools, including:

- Our Supplier Code of Conduct, which is signed in connection with contractual agreements. The Code of Conduct sets out requirements and expectations regarding suppliers’ sustainability work related to social conditions, the environment, climate and anti corruption. The Code of Conduct is based on recognised international conventions and legislation.
- Our ISCC EU certification. ISCC conducts annual audits, which include visits to raw material suppliers in order to verify compliance with our supplier requirements.
- Our procedures for purchasing and handling crude tall oil. These procedures are based on our control system for sustainable biofuels, which in turn is based on Swedish legislation and the ISCC regulatory framework. Our procurement department follows an annual plan that includes supplier evaluations and supplier reviews.

Sunpine’s suppliers operate in countries that generally ensure strong traceability, good working conditions and a high level of regulatory compliance. Suppliers must be able to demonstrate the origin of the raw material, compliance with the sustainability criteria in the EU Renewable Energy Directive, and adherence to national legislation concerning sustainability criteria for liquid biofuels.

During 2025, Sunpine strengthened the procurement process and the management of our suppliers through

an improved supplier approval process, including tailored questionnaires for logistics and storage suppliers as well as clearer requirements and controls related to raw material purchases. We also renewed the approval of our existing suppliers to ensure sustainability, financial stability and quality. As a result, requirements have been strengthened both in the procurement process and in contract follow up.

Payment practices

Sunpine strives to maintain fair and transparent payment practices towards all suppliers and business partners. Our payment terms are based on what is considered reasonable within the industry and are established in agreement with customers, suppliers and contractors. To ensure that payments are made on time, Sunpine’s finance department continuously monitors our payment processes. In the event of delays, both Sunpine and the affected party are notified and corrective measures are taken as soon as possible. Interviews with suppliers confirm that Sunpine offers favourable payment terms.

In 2025, 95 percent of our received invoices were paid on time.

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Social (S)

ESRS S1: Own workforce

ESRS S3: Affected communities

Governance (G)

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Management of the legal and regulatory environment (company-specific subtopic)

Legislation and regulatory requirements govern business activities in areas such as environmental protection, labour rights and corporate governance. This subtopic covers regulatory compliance, risk management and corporate governance. Key factors include legal certainty, adherence to regulations and transparency in reporting.

Our approach

Sunpine works systematically to ensure that its operations comply with applicable legal requirements and sustainability standards. Through clear governance, risk management and follow-up, we adapt to changing regulations and ensure responsible operations. Certifications, internal audits and sustainability targets are important tools in strengthening transparency and complying with national and international requirements. Read more on pages 22 and 53-54.

Identified materiality for Sunpine

We have identified a financial opportunity for Sunpine within this subtopic, as several EU countries are increasing their respective blending mandates. This enables Sunpine to increase production and sales in Europe. In the short term, this financial opportunity is expected to be high and in the medium to long term it is expected to be very high.

During the 2025 review of the double materiality assessment, we also identified a financial risk within this subtopic. The risk perspective is based on the same underlying reasoning as the financial opportunity but instead assumes that EU countries reduce their blending mandates and that the EU lowers its climate ambitions. In such a scenario, demand for biofuels could decrease, which would negatively affect the company's profitability. We consider the opportunity to be greater than the risk, but the risk serves as a reminder that our business is closely influenced by climate policy decisions within the EU.

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The auditor's opinion regarding the statutory sustainability report

To the general meeting of Sunpine AB, registration number 556682-9122

Tasks and division of responsibilities

It is the board of directors that is responsible for the sustainability report for the year 2025 on pages 18-55 and that it is prepared in accordance with the annual report and with the previous wording that was in effect before July 1, 2024.

Focus and scope of the review

Our review has taken place in accordance with FAR's recommendation REVR 12. The auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a significantly smaller scope compared to the focus and scope of an audit according to International Standards on Auditing and good accounting practice in Sweden. We believe that this review provides us with a sufficient basis for our statement.

Statement

A sustainability report has been drawn up.

Piteå enligt den dag som framgår av digital signering
Ernst & Young AB

Magnus Holmgren

Authorized Public accountant



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The Board of Directors of SunPine AB, corporate identity number 556682-9122, with its registered office in Piteå, hereby presents the annual report for 2025.

Nature of operations

The company's business is to refine residual products from the pulp and paper industry into products that contribute to the ongoing energy transition.

Sunpine currently extracts five products from crude tall oil, a residual product from the pulp and paper industry. Raw tall diesel (RTD), which accounts for the largest share of the company's revenue, is a biofuel feedstock used in the production of HVO (hydrotreated vegetable oil). Bio-oil is a fossil-free heating oil used in a range of industrial applications. Rosin is used in the production of, for example, printing inks, paints and adhesives. Alpha-pinene is a refined product derived from turpentine used in the cosmetics, food and pharmaceutical industries, among others.

The fifth product is district heating – the surplus energy generated in the process is supplied via PiteEnergi as district heating to the surrounding industrial area. Sunpine's operations are conducted in Piteå.

Ownership structure

Ownership is distributed as follows: Lawter BVBA holds 24.7 per cent and the remaining shares are owned in equal parts by Preem AB, Sveaskogs Förvaltnings AB and Södra Skogsägarna ekonomisk förening, each holding 25.1 per cent. The ownership consortium in SunPine AB represents the entire value chain from forest raw material to refining, marketing and distribution of renewable fuels and rosin.

In 2026, the ownership structure of SunPine AB changed following the acquisition of Preem by VARO Energy and the subsequent agreement for VAROPreem to acquire the remaining shares in the company. Read more about this on page 60.

Events during the financial year

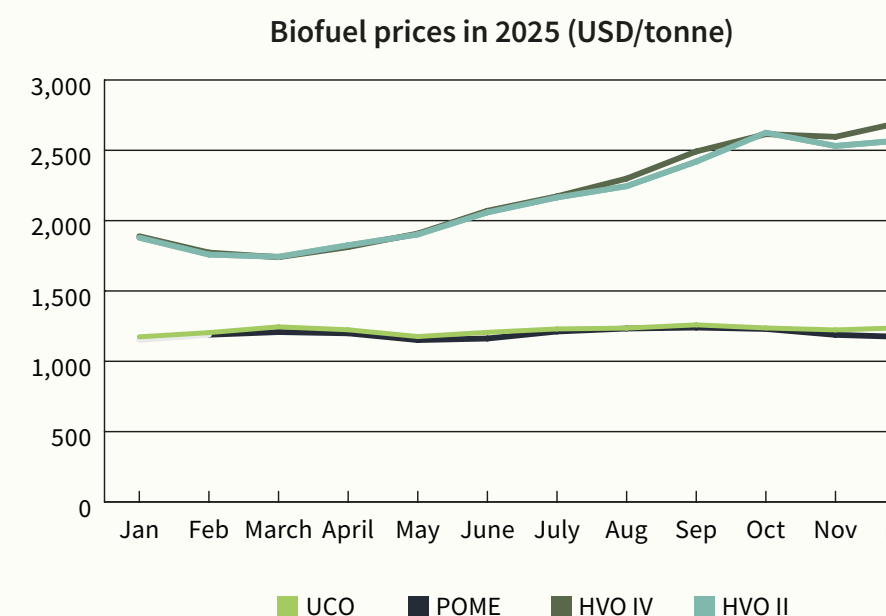
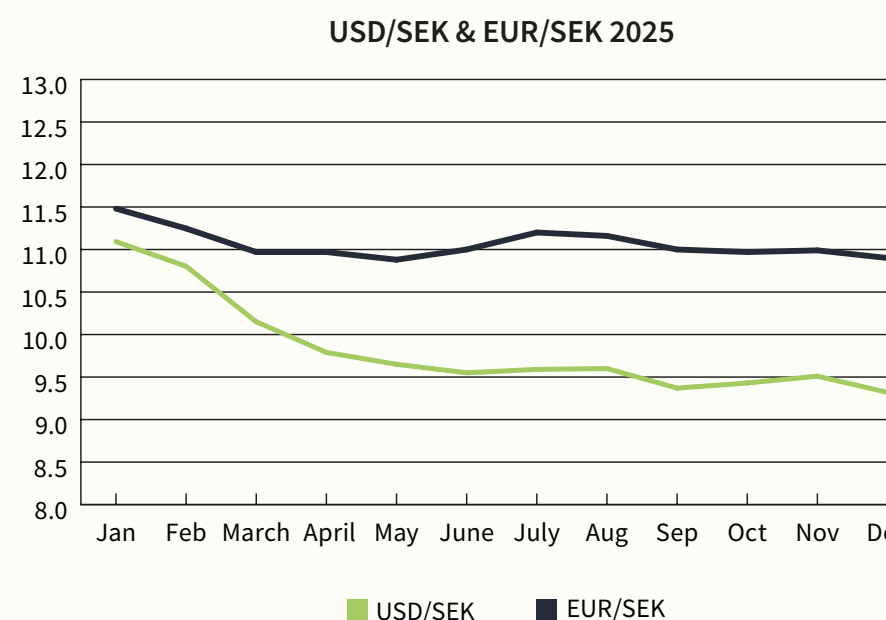
During 2025, Sunpine decided to align its sales and raw material prices more closely with indices related to the biofuel market, thereby reducing the linkage to price fluctuations in the fossil market. The company also worked to more closely align sales prices with raw material costs, which reduced business risk during the year.

In connection with the index change mentioned above, the company's currency exposure was adjusted. The currency with the greatest impact on operations during the year was the euro (EUR), unlike previous years when the US dollar (USD) has been more significant. During 2025, the euro exchange rate remained relatively stable against the Swedish krona. The krona strengthened against the euro during the first quarter and thereafter remained around 11.00 EUR/SEK during the second to fourth quarters. The krona also strengthened gradually against the US dollar during 2025, partly due to changes in US monetary and trade policy. The weaker dollar was favourable for the company during the year (see graph).

Developments in the biofuel market were largely positive during the year. HVO prices, which represent the price of the end product, increased steadily from the second quarter onwards. This signals increased demand for biofuels in Europe linked to higher blending mandates. The average price of HVO was approximately 40 per cent higher in December 2025 than at the beginning of the year (see graph). The strong price development for HVO indicates that the purchasing power of Sunpine's customers has strengthened.

However, the price of Sunpine's products did not increase at the same pace as HVO. This can be explained by the relatively stable price development for alternative biofuel feedstocks such as used cooking oil (UCO) and palm oil mill effluent (POME) (see graph). The weaker price development for UCO and POME, compared with HVO, limited the company's ability to increase the sales price of its products.

Market conditions for rosin remained weak during 2025, with stable but low price levels. The subdued demand resulted in continued limited production volumes. In contrast, both demand and price development for alpha-pinene were positive, leading to rising prices and improved profitability. The product therefore moved from a negative to a positive gross margin. The market developments described above had a clear impact on Sunpine's operations during the year. Increased demand for biofuels contributed to in-depth dialogue with potential customers and deliveries of test volumes as part of new business relationships. A broader customer base reduces business risk and strengthens the company's position in the European biofuel market.



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During the year, the company achieved record levels for both production and sales volumes, which can be attributed to the increased demand for biofuels. Overall, sales volumes increased by 34 per cent compared with 2024. The higher production rate generates economies of scale, which in turn strengthens profitability per tonne produced.

Sunpine has no long-term debt, which means that the interest rate cuts implemented by the Swedish central bank during the year did not reduce interest expenses. Instead, the cuts resulted in lower deposit interest rates, which had a negative effect on interest income from the company's cash reserves.

Development of the company's operations, earnings and financial position

Earnings development during 2025 was stable and positive. Increased demand for biofuels resulted in record production and sales volumes, and a stronger linkage between sales prices and raw material prices contributed to greater stability.

The first quarter represented a stable start to the year, with profit after financial items amounting to SEK 59 million. During the quarter, the company benefited from a higher euro exchange rate compared with the remaining quarters. In the second quarter, profit declined to SEK 48 million, mainly attributable to somewhat lower sales prices as a result of a weaker euro exchange rate. Volumes were somewhat lower during the first two quarters of the year and the gross margin was below the level of the final two quarters, largely due to a less favourable product mix.

The company's third quarter was the strongest of the year, with profit after financial items of SEK 105 million. Sales and raw material prices were relatively stable compared with the first half of the year, while the gross margin improved due to increased sales of Raw tall diesel, which resulted in a stronger product mix.

The fourth quarter was characterised by continued strong demand for biofuels, which contributed to positive price developments for Raw tall diesel. However, the gross margin declined compared with the third quarter

and returned to the margin level of the first and second quarters. The lower margin in the quarter was primarily linked to a weaker product mix and a somewhat weaker market for bio-oil. Profit after financial items amounted to SEK 44 million.

Production during 2025 was stable, with delivered sales volumes in line with the year's delivery plans. Production availability remained good throughout the year, with few disruptions, and the yield for Raw tall diesel exceeded the company's budgeted annual average.

Net sales increased by 10 per cent compared with 2024, mainly as a result of higher production and sales volumes. However, revenue did not increase at the same pace as sales volumes, as sales prices were on average somewhat lower than the previous year. Gross profit increased by 142 per cent compared with the previous year. Both the volume increase and an improved gross margin contributed to the higher gross profit. The margin improvement can in turn be attributed to a better alignment between sales and raw material agreements and to lower raw material costs due to reduced demand and increased availability of crude tall oil.

Fixed costs (excluding non-recurring items) per unit of production decreased by 27 per cent compared with 2024, primarily due to economies of scale from increased production. In absolute terms, fixed costs increased by approximately 29 per cent due to significant non-recurring items, mainly related to tank costs. Profit after tax amounted to SEK 202 million, representing an increase of SEK 186 million compared with the previous year.

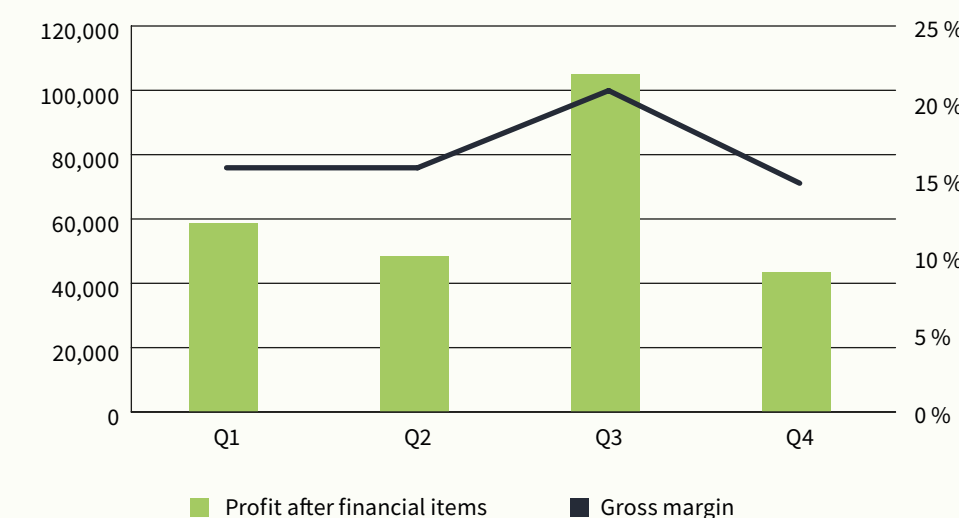
Investments during the year amounted to SEK 15 million (SEK 19 million in 2024). As part of these investments, the company initiated important feasibility studies during the year ahead of potential future growth investments.

The company's liquidity remains strong, with positive development during 2025. Cash and cash equivalents as of 31 December 2025 amounted to SEK 689 million.

Expected future development

In 2026, Sunpine intends to continue its growth journey by increasing production and sales of Raw tall diesel to levels exceeding previous financial

Gross margin and profit after financial items, 2025



Sales volume by quarter



Management report

years. This is based on an expanded order book and contracted volumes. Additional discussions with potential new customers regarding supplementary volumes for the coming years are ongoing.

Developments within EU Member States indicate gradually increasing blending mandates, which in the long term drive demand for biofuels. The introduction of RED III is expected to particularly benefit companies such as Sunpine, as increased demand for advanced biofuels coincides with regulatory limits for non-advanced alternatives. The price difference between HVO IV and HVO II has begun to increase, but at current volumes it is too early to draw far-reaching conclusions about a future price gap.

Despite these positive market prospects, business risk linked to currency fluctuations remains. To ensure stable profitability, the company will therefore implement a financial policy aimed at facilitating future currency hedging and reducing earnings volatility. Pricing formulas for the company's products are reviewed continuously to ensure an appropriate linkage to relevant market indices.

The company's long-term business prospects have strengthened as forecasts indicate continued growth in the biofuel sector. This is linked to increased use of, and stricter blending requirements for, biofuels within the aviation and maritime industries as well as higher blending mandates in many EU countries. A gradual expansion of production and sales volumes is planned in order to maximise utilisation of existing capacity. Sunpine's business and profitability are strongly correlated with demand for biofuels. The graph below illustrates the relationship between Sunpine's profitability over time and the development of the HVO II price.

Market development for the company's raw material, crude tall oil, was weak during the year, resulting in lower purchasing prices. In the long term, however, the company maintains its view that increasing demand and greater competition will lead to higher crude tall oil prices.

Overall, when assessing Sunpine's future risks, the biofuel industry is considered to remain in a phase of rapid development. External factors such as political decisions and new trade flows may affect supply, demand and price

levels. The company emphasises the need for increased transparency and clarity in pricing.

Sunpine is also conducting several strategic development projects focusing on more efficient use of raw materials, increased capacity and the development of new products for entry into additional markets.

Events after the end of the financial year

After the end of the financial year, Preem was acquired by the energy company VARO Energy, and the new entity VAROPreem was formed. Subsequently, VAROPreem reached an agreement with the other existing shareholders to acquire all shares in SunPine AB. The transaction is subject to customary regulatory approvals and, as of the date of this report, the acquisition has therefore not yet been formally completed.

Sustainability disclosures

SunPine AB is subject to the provisions of the Swedish Annual Accounts Act regarding sustainability reporting. The sustainability report is integrated into the annual report. The company conducts operations that require a permit under the Swedish Environmental Code.



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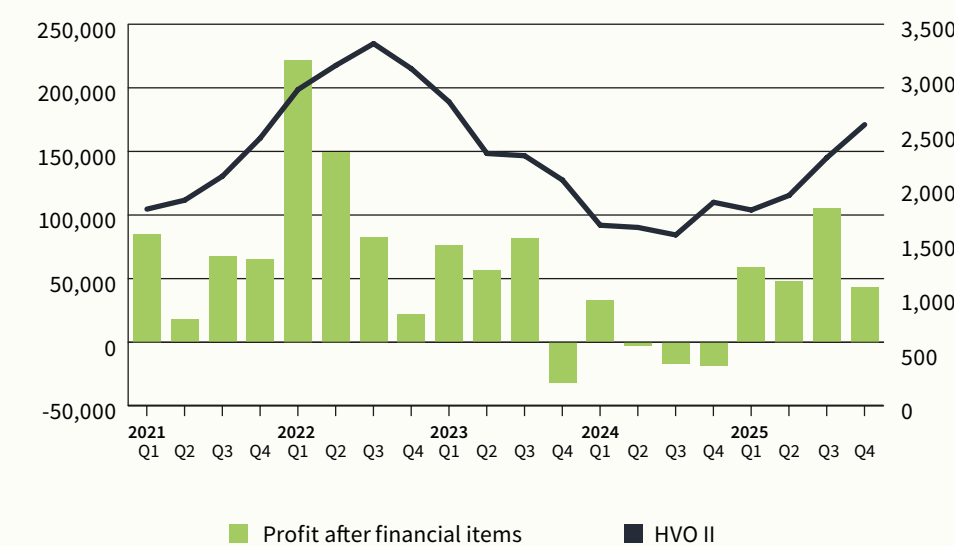
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Sunpine's profitability and the development of HVO II prices



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EQUITY (SEK THOUSAND)	Share capital	Retained earnings	Profit for the year
At the beginning of the year	6,636	709,711	90,681
Transfer of previous year's profit		16,369	-16,369
Dividend		-100,000	
Profit for the year			202,161
At the end of the year	6,636	626,080	202,161

Unconditional shareholder contributions amounted to SEK 60,993 thousand (60,993).

Proposal for the appropriation of the company's profits (SEK thousand)

The Board of Directors proposes that the available funds:

Share premium account		380,809
Retained earnings		245,271
Net profit for the year		202,161
Total		828,241

Are appropriated as follows

Dividend to shareholders	SEK 7,534.7730 per dividend-entitled share, total	500,000
Carried forward		328,241
Total		828,241

Considering the requirements that the nature, scope and risks of the company's operations place on the size of its equity, and taking into account the company's consolidation requirements, liquidity and financial position in general, the Board of Directors considers the proposed dividend to be in accordance with the prudence rule set out in Chapter 17, Section 3 of the Swedish Companies Act. With regard to the company's results and financial position in other respects, reference is made to the following income statement and balance sheet with accompanying notes.

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Income statement

AMOUNTS IN SEK THOUSAND	NOTE	2025-12-31	2024-12-31
Net sales		2,949,204	2,678,476
Other operating income	3	19,952	14,159
		2,969,156	2,692,635
Operating expenses			
Raw materials and consumables		-2,360,962	-2,403,318
Other external expenses	4,5	-173,916	-135,116
Personnel costs	6	-79,524	-69,047
Depreciation and impairment of tangible and intangible fixed assets		-89,047	-89,904
Other operating expenses	7	-9,659	-9,243
Operating profit		256,048	-13,993
Net financial items			
Interest income and similar income items	8	12,682	14,593
Interest expenses and similar expense items	9	-13,266	-6,107
Profit after financial items		255,464	-5,507
Appropriations	10	945	28,984
Profit before tax		256,409	23,477
Tax	11	-54,248	-7,108
Profit for the year		202,161	16,369

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Balance sheet

AMOUNTS IN SEK THOUSAND	NOTE	2025-12-31	2024-12-31
ASSETS			
Non-current assets			
Intangible assets			
Other intangible assets	12	7,685	12,257
		7,685	12,257
Tangible assets			
Buildings and land	13	82,505	85,399
Machinery and other technical equipment	14	273,273	331,356
Equipment, tools and fixtures	15	24,950	29,040
Construction in progress and advance payments for tangible assets	16	15,543	20,212
		396,271	466,007
Financial non-current assets			
Deferred tax asset		8	45
Other long-term receivables	17	600	467
		608	512
Total non-current assets		404,564	478,776
Current assets			
Inventories			
Raw materials and consumables		229,097	291,360
Finished goods and goods for resale		207,612	110,147
		436,709	401,507
Current receivables			
Trade receivables		145,257	250,089
Current tax receivable		-	5,373
Other receivables		5,026	12,119
Prepaid expenses and accrued income	18	9,848	11,168
		160,131	278,749
Cash and bank balances			
		688,977	394,251
Total current assets		1,285,817	1,074,507
TOTAL ASSETS		1,690,381	1,553,283

AMOUNTS IN SEK THOUSAND	NOTE	2025-12-31	2024-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	19	6,636	6,636
		6,636	6,636
Unrestricted equity			
	20		
Share premium account		380,809	380,809
Retained earnings		245,271	328,902
Profit for the year		202,161	16,369
		828,241	726,080
Total equity		834,877	732,716
Untaxed reserves			
Accumulated excess depreciation	21	257,313	232,658
Tax allocation reserves	22	216,978	242,578
		474,291	475,236
Provisions			
Provisions for pensions and similar obligations		692	527
Other provisions	23	19,178	21,549
		19,870	22,076
Long-term liabilities			
Long-term liabilities to credit institutions		-	-
		-	-
Short-term liabilities			
Trade payables		300,904	247,853
Tax liabilities		23,661	-
Other short-term liabilities		23,480	28,302
Accrued expenses and deferred income	25	13,298	47,100
		361,343	323,255
TOTAL EQUITY AND LIABILITIES		1,690,381	1,553,283

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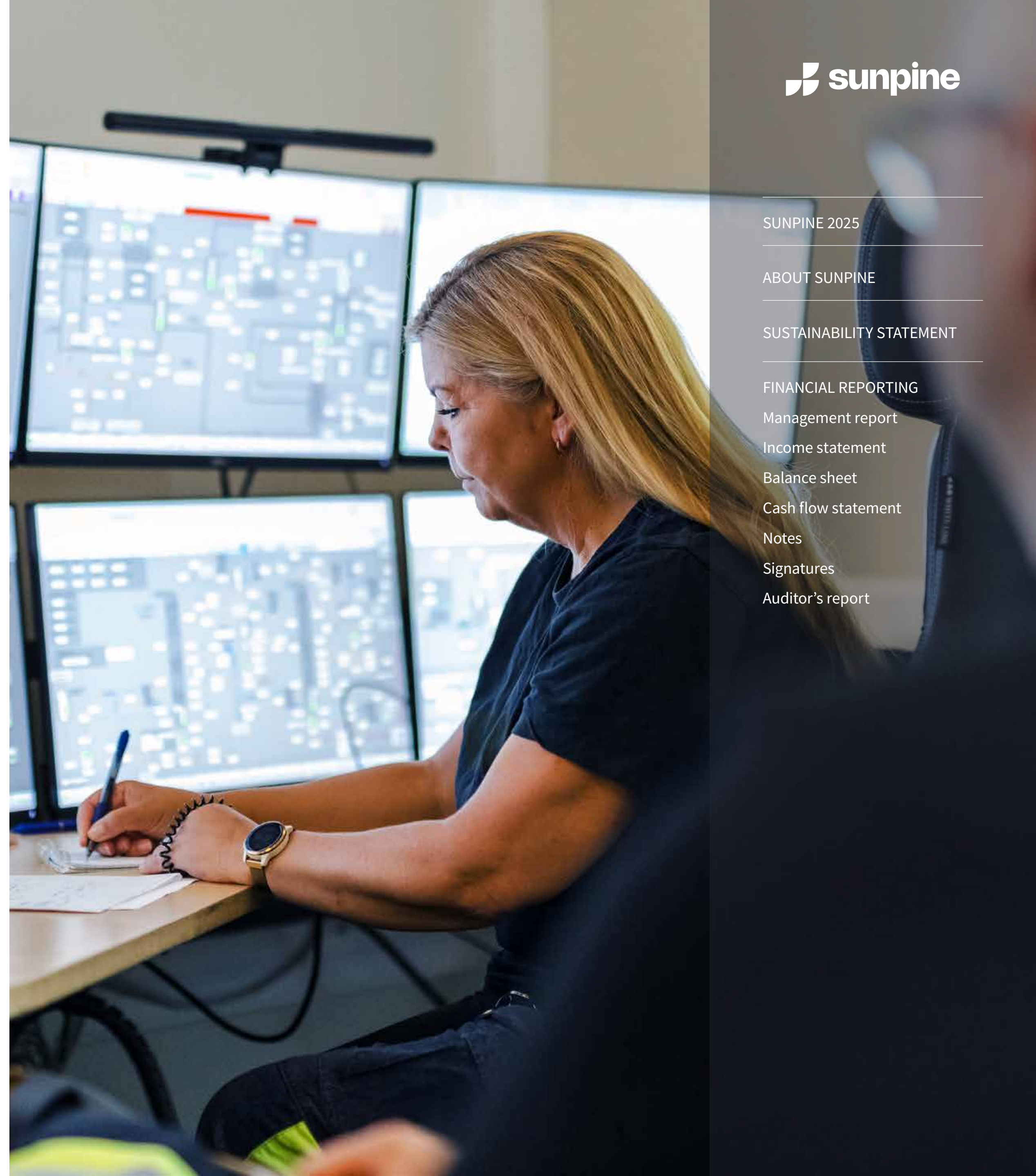
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AMOUNTS IN SEK THOUSAND	NOTE	2025-12-31	2024-12-31
Operating activities			
Operating profit		256,048	-13,993
Adjustments for items not affecting cash flow	26	86,841	85,614
		342,889	71,621
Interest received		12,682	14,593
Interest paid		-602	-919
Income tax paid		-24,181	-9,486
Cash flow from operating activities before changes in working capital		330,788	75,809
Cash flow from changes in working capital			
Increase(-)/Decrease (+) in inventories		-35,202	-15,352
Increase(-)/Decrease (+) in operating receivables		113,243	473,678
Increase(+)/Decrease (-) in operating liabilities		13,431	-143,537
Cash flow from operating activities		422,260	390,598
Investing activities			
Acquisition of tangible fixed assets		-14,738	-18,804
Acquisition of financial assets		-133	-130
Cash flow from investing activities		-14,871	-18,934
Financing activities			
Currency effects		-12,663	-5,188
Dividends paid to shareholders		-100,000	-50,000
Cash flow from financing activities		-112,663	-55,188
Cash flow for the year		294,726	316,476
Cash and cash equivalents at the beginning of the year		394,251	77,775
Cash and cash equivalents at the end of the year		688,977	394,251

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Note 1 Accounting principles

Amounts in SEK thousand unless otherwise stated.

General accounting principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

Valuation principles

Assets, provisions and liabilities have been measured at cost unless otherwise stated below.

Intangible fixed assets

Other intangible assets acquired by the company are recognised at cost less accumulated amortisation and impairment losses. Expenditure on internally generated goodwill and trademarks is recognised as an expense in the income statement when incurred.

Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful life of the asset.

Amortisation is recognised as an expense in the income statement.

Intangible fixed assets	% per year
Acquired intangible assets	20

Tangible fixed assets

Tangible fixed assets are recognised at cost less accumulated depreciation. Cost includes the purchase price as well as expenditure directly attributable to the acquisition.

Subsequent expenditure

Subsequent expenditure that meets the asset recognition criteria is added to the carrying amount of the asset. Expenditure on repairs and maintenance is recognised as an expense when incurred.

Depreciation

Depreciation is recognised on a straight-line basis over the estimated useful life of the asset, as this reflects the expected consumption of the asset's future economic benefits. Depreciation is recognised as an expense in the income statement.

The following depreciation rates have been applied, taking into account the period of ownership for assets acquired and disposed of during the year.

Tangible fixed assets	% per year
Buildings	4–5
Leasehold improvements	10–25
Land improvements	5
Machinery and other technical equipment	10–20
Equipment, tools and installations	10–20

Buildings consist of a number of components whose useful lives are the same. The main classification is buildings and land. No depreciation is applied to land, as it is considered to have an indefinite useful life.

Foreign currency

Monetary items (receivables and liabilities) in foreign currency are translated at the exchange rate on the balance sheet date. Exchange differences relating to operating receivables and liabilities are recognised in operating profit, while differences relating to financial receivables and liabilities are recognised among financial items. Non-monetary items are recognised at the exchange rate on the transaction date.

Inventories

Inventories are measured at the lower of cost and net realisable value. Allowance has been made for obsolescence risk. Cost is calculated using the weighted average method. Cost includes not only the purchase price but also expenditure incurred in bringing the inventories to their present location and condition.

For internally produced semi-finished and finished goods, cost includes direct production costs and indirect costs that represent more than an insignificant portion of the total production cost. In the valuation, consideration has been given to normal capacity utilisation.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and costs necessary to make the sale.

Income tax

Recognised income taxes include taxes payable or refundable in respect of the current year as well as adjustments relating to current tax for previous years.

Tax liabilities and tax receivables are measured at the amount expected to be paid to or recovered from the Swedish Tax Agency. The assessment is made in accordance with the tax rules and tax rates that have been enacted or substantively enacted.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that future taxable profits will be available against which the temporary differences or unused tax losses can be utilised.

Deferred tax assets are measured at the maximum amount that is expected to be recovered based on current and future taxable profit. The valuation is reassessed at each balance sheet date.

Revenue

Revenue represents the inflow of economic benefits that the company has received or will receive for its own account. Revenue is measured at the fair value of the consideration received or receivable, net of discounts.

Sale of goods

Revenue from the sale of goods is recognised when the following criteria are met:

- It is probable that the economic benefits associated with the transaction will flow to the company.
- Revenue can be measured reliably .
- The company has transferred the significant risks and rewards of ownership of the goods to the buyer.
- The company retains neither continuing managerial involvement nor effective control over the goods sold.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Leases

All leases where the company is the lessee are recognised as operating leases, regardless of whether the agreements are classified as finance or operating leases. Lease payments are recognised as an expense on a straight-line basis over the lease term.

Operating leases

Lease payments under operating leases, including initial higher lease payments but excluding costs for services such as insurance and maintenance, are recognised as an expense on a straight-line basis over the lease term.

Employee benefits

Short-term employee benefits

Short-term employee benefits consist of wages, social security contributions, paid holiday, paid sick leave, healthcare benefits and any profit-sharing arrangements. Short-term employee benefits are recognised as an expense and a liability when there is a legal or constructive obligation to make such payments.

Post-employment benefits

The company only has defined contribution pension plans. Under defined contribution plans, the company pays fixed contributions to another entity and has no legal or constructive obligation to pay further amounts even if the other entity cannot fulfil its commitment. Pension costs are recognised as an expense as the employees render their services.

Termination benefits

Termination benefits are payable when a company decides to terminate employment before the normal retirement date or when an employee accepts voluntary redundancy in exchange for such benefits. If the benefit does not give the company future economic benefits, a liability and

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an expense are recognised when the company has a legal or constructive obligation to provide the benefit. The obligation is measured at the best estimate of the amount required to settle the obligation at the balance sheet date.

Financial assets and liabilities

Financial assets and liabilities are recognised in accordance with Chapter 11 (Financial instruments measured at cost) of BFNAR 2012:1.

Financial instruments recognised in the balance sheet include securities, trade receivables and other receivables, short-term investments, trade payables, borrowings and derivative instruments.

Financial instruments are recognised in the balance sheet when the company becomes a party to the contractual terms of the instrument. Financial assets are derecognised when the right to receive cash flows from the instrument has expired or has been transferred and the company has transferred substantially all risks and rewards associated with ownership.

Financial liabilities are derecognised when the obligations have been settled or otherwise extinguished.

Trade receivables and other receivables

Receivables are recognised as current assets except for items with maturity later than twelve months after the balance sheet date, which are classified as non-current assets. Receivables are recognised at the amount expected to be received after deduction of individually assessed doubtful receivables.

Receivables that are non-interest-bearing or that bear interest at a rate significantly different from market interest rates and have a maturity exceeding twelve months are measured at discounted present value. The change in value due to the passage of time is recognised as interest income in the income statement.

Short-term investments

Securities acquired with the intention of being held in the short term are initially recognised at cost and subsequently measured in accordance with the lower of cost and market value principle. The item short-term investments include shares held to invest surplus liquidity in the short term.

Trade payables

Trade payables are recognised at cost.

Offsetting of financial assets and liabilities

A financial asset and a financial liability are offset and recognised as a net amount in the balance sheet only when a legal right of set-off exists and the intention is to settle on a net basis or to realise the asset and settle the liability simultaneously.

Provisions

A provision is recognised when the company has a legal or constructive obligation and a reliable estimate of the amount can be made. Provisions expected to be settled after more than twelve months are measured at present value. The increase in the provision due to the passage of time is recognised as interest expense.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant will be received and that the company will comply with the associated conditions. Government grants relating to expected costs are recognised as deferred income. The grant is recognised as income in the period in which the costs intended to be compensated are incurred. Government grants relating to the acquisition of tangible fixed assets reduce the carrying amount of the asset.

Cash flow statement

The cash flow statement is prepared using the indirect method. Reported cash flow includes only transactions that involve cash receipts or payments. Cash and cash equivalents include, in addition to cash, available balances with banks and other credit institutions.

Note 2 Estimates and judgements

Inventories constitute a significant asset for the company and require assessments regarding the risk of obsolescence. Estimates are also made when determining the amount of provisions.

Note 3 Other operating income

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Insurance compensation	123	-
Government grants	9	51
Foreign exchange gains	19,463	12,869
Other income	357	1,239
Total	19,952	14,159

Note 4 Operating leases – lessee

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Future minimum lease payments under non-cancellable operating lease agreements		
Within one year	33,997	25,877
Between one and five years	76,322	52,360
Later than five years	21,157	17,027
Total	131,476	95,264
Lease expenses recognised during the financial year relate to rents for premises, tank storage, containers and passenger cars.	25,820	25,321

Note 5 Fees and reimbursement of expenses to auditors

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
EY		
Audit services	420	565
Audit-related services	-	109
Tax advisory services	12	-
Other services	95	8
Total	527	682

Note 6 Employees and personnel costs

Average number of employees	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Men	53	50
Women	35	32
Total	88	82

Gender distribution in senior management

	2025-12-31	2024-12-31
Share of women		
Board of Directors	20 %	20 %
Other senior executives	43 %	30 %

Wages, salaries and other remuneration and social security costs, including pension costs

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Board of Directors and CEO	2,509	2,260
Other employees	49,891	43,475
Total	52,400	45,735
Social security costs	23,951	21,191
(of which pension costs) ¹⁾	5,534	5,179

¹⁾ Of the company's pension costs, SEK 627 thousand (previous year SEK 643 thousand) relate to the Board of Directors and the CEO. The company's outstanding pension obligations to these amount to 0 (previous year 0). The CEO has an agreement regarding severance pay corresponding to 12 months' salary. The agreement applies only in the event of termination by the company.

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Note 7 Other operating expenses

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Exchange losses on operating receivables and liabilities	9,659	9,243
Total	9,659	9,243

Note 8 Interest income and similar income items

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Other interest income	12,682	14,593
Total	12,682	14,593

Note 9 Interest expenses and similar expense items

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Interest expenses, other	2	318
Other financial expenses	600	600
Foreign exchange differences	12,664	5,189
Total	13,266	6,107

Note 10 Appropriations

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Difference between tax depreciation and depreciation according to plan:		
– Machinery and other technical equipment	24,655	3,026
Tax allocation reserve, allocation for the year	-	11,490
Tax allocation reserve, reversal for the year	-25,600	-43,500
Total	-945	-28,984

Note 11 Tax on profit for the year

	2025-01-01- 2025-12-31	2024-01-01- 2024-12-31
Current tax expense	54,211	7,108
Deferred tax	37	-
Tax on profit for the year	54,248	7,108

Reconciliation of effective tax	%	2025-01-01- 2025-12-31	%	2024-01-01- 2024-12-31
Profit before tax		256,409		23,477
Tax according to applicable tax rate	20.6	-52,820	20.6	-4,836
Non-deductible expenses	0.05	-211	0.9	-221
Non-taxable income	-	18	-0.05	13
Adjustment of tax depreciation	-	-8	0.2	-44
Standard interest on tax allocation reserve	0.4	-979	6.3	-1,482
Effect of changed tax rates	0.05	-211	2.3	-538
Redovisad effektiv skatt	21.1	-54,211	30.3	-7,108

Note 12 Concessions, patents, licences, trademarks and similar rights

	2025-12-31	2024-12-31
<i>Accumulated acquisition costs</i>		
- At beginning of year	23,196	19,499
Additions during the year	-	150
- Reclassifications	-	3,546
At end of year	23,196	23,195
<i>Accumulated amortisation</i>		
- At beginning of year	-10,939	-6,142
- Amortisation for the year	-4,572	-4,796
At end of year	-15,511	-10,938
Carrying amount at end of year	7,685	12,257

Note 13 Buildings and land

	2025-12-31	2024-12-31
<i>Accumulated acquisition costs</i>		
- At beginning of year	126,833	118,391
- Additions	780	287
- Reclassifications	2,499	8,155
At end of year	130,112	126,833
<i>Accumulated depreciation</i>		
- At beginning of year	-41,434	-35,367
- Depreciation for the year	-6,173	-6,067
At end of year	-47,607	-41,434
Carrying amount at end of year	82,505	85,399
Of which land		
Accumulated acquisition costs	3,343	3,343
Carrying amount at end of year	3,343	3,343

Note 14 Machinery and other technical equipment

	2025-12-31	2024-12-31
<i>Accumulated acquisition costs</i>		
- At beginning of year	990,963	982,810
- Additions	4,566	2,399
- Reclassifications	10,237	5,754
At end of year	1,005,766	990,963
<i>Accumulated depreciation</i>		
- At beginning of year	-659,607	-585,956
- Depreciation for the year	-72,886	-73,651
At end of year	-732,493	-659,607
Carrying amount at end of year	273,273	331,356

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Note 15 Equipment, tools and fixtures

	2025-12-31	2024-12-31
<i>Accumulated acquisition costs</i>		
- At beginning of year	120,305	114,028
- Additions	1,118	795
- Reclassifications	207	5,482
At end of year	121,630	120,305
<i>Accumulated depreciation</i>		
- At beginning of year	-91,264	-85,874
- Depreciation for the year	-5,416	-5,391
At end of year	-96,680	-91,265
Carrying amount at end of year	24,950	29,040

Note 16 Construction in progress and advances for tangible fixed assets

	2025-12-31	2024-12-31
At beginning of year	20,212	27,977
Reclassifications	-12,943	-22,938
Investments during the year	8,274	15,173
Carrying amount at end of year	15,543	20,212

Note 17 Other long-term receivables

	2025-12-31	2024-12-31
Capital insurance	600	467
Total	600	467

Note 18 Prepaid expenses and accrued income

	2025-12-31	2024-12-31
Prepaid rent	4,554	6,600
Accrued transport grants	1,272	1,246
Prepaid expenses	3,479	2,797
Other items	543	524
Total	9,848	11,167

Note 19 Number of shares and quota value

The share capital consists of 66,359 Class A shares and 0 Class B shares (previous year 66,359 Class A shares and 0 Class B shares). Quota value SEK 100.

Note 20 Proposed appropriation of profit or loss

The Board of Directors proposes that the retained earnings, SEK 828,241,338, be appropriated as follows:

	2025-12-31
Dividend (66,359 shares * SEK 7,534.7730 per share)	500,000
Carried forward	328,241
Total	828,241

Note 21 Accumulated excess depreciation

	2025-12-31	2024-12-31
Machinery and equipment	257,313	232,658
Total	257,313	232,658

Note 22 Tax allocation reserves

	2025-12-31	2024-12-31
Tax allocation reserve, allocated in tax year 2019	-	25,600
Tax allocation reserve, allocated in tax year 2020	7,800	7,800
Tax allocation reserve, allocated in tax year 2021	44,800	44,800
Tax allocation reserve, allocated in tax year 2022	112,588	112,588
Tax allocation reserve, allocated in tax year 2023	40,300	40,300
Tax allocation reserve, allocated in tax year 2024	11,490	11,490
Total	216,978	242,578

Of the tax allocation reserves, SEK 44,697 (SEK 49,971) constitutes deferred tax

Note 23 Other provisions

	2025-12-31	2024-12-31
Future costs for removal of bottom sediment	19,178	21,549
Total	19,178	21,549
Carrying amount at beginning of year	21,549	26,000
Provisions made during the year*	7,383	17,300
Amounts used during the year	-9,754	-21,751
Carrying amount at end of year	19,178	21,549

*(incl. increases of existing provisions)

The provision relates to future costs for removal and handling of bottom sediment arising in tanks used by the company.

Note 24 Overdraft facility

	2025-12-31	2024-12-31
Granted credit limit	200,000	200,000
Unutilised portion	-200,000	-200,000
Utilised credit amount	-	-

Note 25 Accrued expenses and deferred income

	2025-12-31	2024-12-31
Personnel-related expenses	12,951	11,694
Accrued raw material purchases	44	33,642
Other accrued expenses	303	1,764
Total	13,298	47,100

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Note 26 Other disclosures relating to the cash flow statement

Adjustments for items not included in cash flow, etc.

	2025-12-31	2024-12-31
Depreciation and amortisation	89,047	89,904
Other provisions	-2,206	-4,289
Total	86,841	85,615

Note 27 Definitions of key performance indicators

- **Operating margin:** Operating profit / Net sales
- **Return on capital employed:** Operating profit / Capital employed
- **Capital employed:** Total assets – non-interest-bearing liabilities
- **Non-interest-bearing liabilities:** Liabilities that do not bear interest.
Pension liabilities are regarded as interest-bearing.
- **Equity ratio:** Adjusted equity / Total assets

Note 28 Pledged assets and contingent liabilities

Pledged assets	2025-12-31	2024-12-31
<i>Pledged assets for own liabilities and provisions</i>		
Floating charges	150,000	150,000
Total	150,000	150,000
Contingent liabilities		
<i>Contingent liabilities</i>		
Other guarantees, County Administrative Board	8,600	8,600

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Date 2026 – as indicated by the digital signature

Martin Forsén
Chairman of the Board of Directors

David Öqvist
Chief Executive Officer

Our audit report has been submitted on the date shown by the digital signature Ernst & Young Aktiebolag

Malin Hallin
Member of the Board of Directors

Anders Jönsson
Member of the Board of Directors

Magnus Holmgren
EY Authorised Public Accountant

Mikio Katayama
Member of the Board of Directors

Magnus Björkman
Member of the Board of Directors

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To the general meeting of the shareholders of SunPine AB, corporate identity number 556682-9122

Report on the annual accounts

Opinions

We have audited the annual accounts of Sunpine AB for the year 2025-01-01--2025-12-31. The annual accounts of the company are included on pages 57-70 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the Sunpine AB as of 31st of December and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Sunpine AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises sustainability report at pages 18-55.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The

going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts, we have also audited the administration of the Board of Directors and the Managing Director of Sunpine AB for the year 2025-01-01--2025-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Sunpine AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general. The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

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Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Piteå on the date specified by digital signature
Ernst & Young AB

Magnus Holmgren

Authorized Public Accountant



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