Sekab

2025

Annual and sustainability report

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The year in review

Part one summarizes Sekab's development during the year, with a focus on business, climate benefits, innovation and the people who drive the transition in practice.

Resilience in challenging times

In many ways, 2025 was a dark year for both the European chemical industry and the broader green industrial wave that many had placed their hopes in. Traditional champions within the chemical sector have scaled down their European production – including outright factory closures. For green startups and projects, 2025 was a year when many lost momentum and in some cases failed entirely.

The combined challenges that form this overall picture are many and widely spread: a general European downturn, a climate transition that is clearly losing momentum, and a global economic tightening that means there is, both broadly and in detail, less willingness and less ability to take the step into the new and more sustainable.
For the chemical industry, the downturn has a cumulative effect. 2025 was the fourth consecutive year with demand deviating negatively from what had previously been the normal state.
The weak market is clearly reflected in Sekab's financial results. Low revenue and negative results at the EBIT level speak for themselves.
Nevertheless, I can conclude that 2025 was also a year in which Sekab, despite the headwinds, came together, focused on what we can influence, and is emerging from the year stronger than when it began. This is manifested in several ways:

- Sekab's work to create a non-fossil niche within the chemical market is no longer a distant dream. During the year, we signed new contracts based on Sekab's own feedstock-based pricing formula. This is groundbreaking and the first step towards building a stable, resilient and less volatile chemicals business for Sekab.
- We are deepening our work to become an authority and thought leader in the world of green chemicals. Sekab's visibility in relevant contexts is increasing, which also leads to greater interest directly from customers. Sekab participated in and received both appreciation and interest during the official Swedish business delegation to the UN climate conference COP30 in Belém, Brazil.
- The vision that Sekab's world-unique position in fossil-free chemicals will form the foundation for future expansion remains firm. Work within R&D and business development continues and strengthens Sekab's overall offering.

Fundamentally strong companies should not fear cyclical downturns. Times of decline are an opportunity to challenge and develop. Our work to build and refine Sekab as the world's greenest chemical company continues. ■

Emil Källström

CEO

Sekab

Climate benefits that stand up to scrutiny

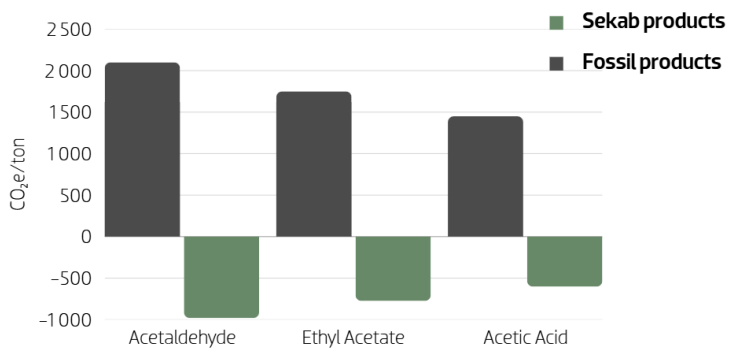
When a product is said to have a lower climate footprint, how do you know that it is actually true? At a time when many want to claim climate benefits without doing the work, Sekab's strategy is clear. In 2025, Sekab fully transitioned to ISO 14067, the international standard for calculating a product's carbon footprint.– It's not about simply saying that a product is better. It's about being able to show it, with data, says Anna C. Olsson, Sustainability Engineer at Sekab.

From feedstock to delivery – everything counts
The work begins by defining the system boundaries. Detailed data is then collected from every part of the process – from the origin of the raw material, the cultivation and processing of bioethanol, to energy and heat use in the factory, transport, by-products and waste, as well as emissions and resource use linked to operations. Once all of this has been mapped, a life cycle assessment (LCA) is carried out, with the result calculated in carbon dioxide equivalents. Finally, the entire calculation is reviewed by an independent third party.
– It is important that our figures meet the same quality standards as the climate reporting of our largest customers. The ISO standard ensures that they can trust and use our results, says Anna C Olsson.

Climate benefits become measurable for customers
Many of Sekab's customers in paint, cosmetics, pharmaceuticals and plastics are working intensively to reduce their Scope 3 emissions. In that context, climate data for input chemicals becomes a key piece of the puzzle. With ISO 14067, customers gain access to consistent and objective product footprints – figures that can be used in their own sustainability reporting, enable comparison with fossil alternatives, and provide a concrete way to demonstrate the impact of switching to fossil-free products.
– When customers can report how much their climate footprint decreases thanks to our products, something happens. That is when climate benefits and business benefits become clearly linked, says Anna C. Olsson.

And the work does not stop there.

A milestone – and a starting point
For Sekab, ISO 14067 is not a project that is ever "finished". It is a way of working. By showing full transparency at product level, we aim to drive development towards more open and comparable climate reporting across the entire industry.
– This is part of our core. We want to show exactly what difference fossil-free chemicals make and give customers the data they need to build their own transition, says Anna C. Olsson.
At a time when both the market and legislation place higher demands on credibility, standardized calculations are not only a sustainability issue but also a competitive advantage.



Climate benefit of 140–150% compared with fossil products, including biogenic carbon uptake (ISO 14067).

FACT BOX: ISO 14067 – Product Carbon Footprint
ISO 14067 is an international standard that sets out requirements and guidelines for calculating a product's **Product Carbon Footprint (PCF).**
It includes:

- life cycle inventory (LCI)
- emissions from raw materials, energy, transport and processes
- CO_2-equivalents based on actual and recognised emission factors
- requirements for transparency, documentation and verification

Transparency as a competitive advantage

The need for climate transition is becoming increasingly apparent, with extreme weather, fires and floods forming an alarmingly frequent part of everyday life for far too many people. Global temperatures continue to rise, while parts of industry remain curiously cool and reluctant to change.

Creating demand for sustainable solutions is not easy. A crucial piece of the puzzle is proof. Those making the transition must be able to trust that what they buy and later market as a sustainable choice is exactly what they have every right to expect. Verifiable and comparable data are therefore absolutely essential.
This new terrain is, however, not uncomplicated to navigate. Without naming names, it can be said that some actors have a vested interest in keeping things vague and unclear to the untrained eye. For producers deeply rooted in fossil-based business models, there are strong incentives to muddy the waters. Suddenly, creative accounting is no longer confined to finance departments.

"The green transition should not be made more difficult by vague mathematics, unclear methods or half-truths."

This is where transparency becomes decisive. As a producer of bio-based chemicals, Sekab takes clear responsibility for raising the bar. During 2025, we introduced ISO 14067 as the standard for calculating the climate footprint of our products. But we are not satisfied with presenting a single figure. We publish the full calculation basis, openly available for anyone to review. This provides better service to our customers, but we also hope it will raise more questions and increase expectations across the industry.
The green transition is challenging enough in itself. It should not be made more difficult by vague mathematics, unclear methods or half-truths.

Sustainability is a competitive advantage, and it deserves to be communicated clearly, loudly and on the basis of robust data. ■

Eva-Marie Byberg
EVP & Head of Sustainability and Strategy

Fossil-free as a key business factor – customers are choosing long term

2025 was the year when several major companies in the European process industry chose to deepen their cooperation with Sekab. This involves multi-year agreements, increased volumes and a clear motivation: fossil-free chemistry is no longer a sustainability choice – it is a business requirement.
– *Customers come to us because we are fossil-free. Climate benefits have become part of the business case*, says Adam Lindholm, Head of Sales.

Strong volume growth in long-term partnerships
At the beginning of the year, Sekab signed a new multi-year agreement with a major player in European basic industry. The agreement involves a volume increase of 50–100 per cent compared with previous periods. It sends a clear signal about the direction of the market:
– *When customers increase their volumes to this extent, it is a strategic decision. They are building their transition on fossil-free input chemicals*, says Adam Lindholm.

New agreement with a global industrial customer
During the spring, Sekab signed another three-year agreement with an international group in consumer and industrial products. The agreement was finalized after extensive technical and commercial dialogue – a process that demonstrates how much importance customers today place on climate data, transparency and security of supply.
– *These customers have high expectations. They need solutions that both reduce the climate footprint and work immediately in their existing processes*, says Adam Lindholm.

Increased demand from energy and raw materials market
In the summer of 2025, demand for fossil-free products also increased from an international trading company in the energy and raw materials sector, which chose larger volumes for upcoming delivery periods. This shows that interest in fossil-free alternatives is broadening – it is no longer limited to traditional chemical customers.

"Customers choose fossil-free because it strengthens their competitiveness and they know it is the way forward"

Climate data as a competitive advantage
A decisive factor in many of the year's business deals is that Sekab can present product-level data in accordance with ISO 14067.
– *When we show how much the customer's climate footprint is reduced by our products, the climate benefit becomes tangible. It changes both the dialogue and the decisions*, says Adam Lindholm.

Major customers use Sekab's figures in their climate reporting and in their efforts to reduce Scope 3 emissions, making the data a direct value creator.

A market that is maturing
Developments during 2025 show clear momentum: companies in several industries are now putting fossil-free input chemicals on the table in their business decisions.
– *We see that sustainability and business go hand in hand, even in a challenging economic climate. Customers choose fossil-free solutions because it strengthens their competitiveness and because they know it is the way forward*, says Adam Lindholm.
For Sekab, this development brings both stability and the opportunity to create climate benefits on a larger scale.
As more customers make fossil-free solutions part of their business decisions, the joint effort towards a more sustainable industry is strengthened. For Sekab, this is confirmation that the direction is right – and at the same time a mandate to continue leading the way. ■

Shaping tomorrow's materials – Sekab joins BioGlue Centre

As the chemical industry transitions, new products, new materials and entirely new ways of collaborating are needed. In 2025, Sekab took an important step in that direction by joining BioGlue Centre, a national research centre focused on developing next-generation bio-based adhesives. For Sekab, this is both about contributing expertise and exploring new business opportunities. *–We are seeing rapidly growing demand for fossil-free chemicals and need to stay one step ahead at all times. BioGlue gives us a unique opportunity to be part of the development of the solutions of the future*, says Mathilda Johansson, Innovation Engineer at Sekab.

From renewable feedstock to new materials
Sekab produces fossil-free acetaldehyde, ethyl acetate and acetic acid from bio-based ethanol at its facility in Örnsköldsvik. These products are used today in, for example, cosmetics and food, where they replace fossil-based alternatives. The next step is to broaden the portfolio.
–We want to understand which fossil-free solvents and monomers could become relevant for future adhesive formulations. This is an area where the transition is moving quickly, and where we can make a real difference, says Mathilda Johansson.

A world-class research collaboration
BioGlue Centre brings together researchers from SLU, KTH and Linnaeus University, together with industrial players in forestry, chemistry and design. The ambition is to create world-leading knowledge on everything from bio-based adhesives and sustainable use of raw materials to recyclability and end-of-life solutions.
–Sekabs invitation to join is no coincidence. This group of participants makes the network particularly attractive. There is a tremendously broad expertise, and we look forward to contributing with our experience of bio-based chemistry, says Mathilda Johansson.

BioGlue Centre's Director, Professor Stergios Adamopoulos, also welcomes Sekab:
–Sekab has extensive experience of producing bio-based chemicals from renewable resources. Through BioGlue, we can jointly develop new green building blocks for future materials.

"BioGlue gives us a unique opportunity to contribute where future solutions are taking shape"

Innovation that drives the transition
For Sekab, innovation is not a side project – it is at the heart of the company's future.

Participation in BioGlue Centre provides:
- early insight into next-generation materials
- opportunities to develop new fossil-free products
- research collaborations that strengthen competitiveness
- a platform where Sekab can help shape the future direction of the industry

– BioGlue is part of our strategy to grow and broaden our offering. We want to be more than a supplier of fossil-free products. We want to help shape what comes next, says Mathilda Johansson.

A step towards tomorrow's product portfolio
This initiative clearly shows that Sekab is not only supplying today's fossil-free chemicals but is also investing in the solutions that industry will need tomorrow. It is an important step, built on knowledge, partnerships and curiosity.
– We need to think ahead if industry is to transition. BioGlue helps us do exactly that, says Mathilda Johansson. ■

Climate benefits start in operations – fossil-free energy in action

Sustainable chemistry is not only about the products that leave the plant – it is also about how they are made. At Sekab, a significant share of the climate benefit is created in the boiler system, before the products even reach the customer. Residual gases are put to use, energy is shared between companies and fossil-free processes are made possible every day.
–This is part of the transition that may be less visible from the outside but has one of the biggest impacts. We build climate benefits into every shift, says Mikael Lundqvist, Head of Production at Sekab.

Residual gases as an energy resource – lower environmental impact and higher efficiency
The production of acetaldehyde and acetic acid generates residual gases that, under environmental regulations, must be destroyed. At Sekab, these gases are instead recovered in the boiler system in a controlled and efficient way, replacing other energy sources and reducing the need for external transport. By using residual gases on site, emissions are reduced, transport needs decrease and energy efficiency improves. At the same time, the process remains fully fossil-free. It is a clear example of how climate benefits are built into production from the outset.

Biogas from neighboring industries – circular energy that works
An important feature of the boiler system is its ability to use biogas from neighboring industries within High Coast Innovation Park. When that gas is used to generate steam at Sekab instead of being flared, climate benefits are created on two levels. Energy that would otherwise go to waste can be put to productive use, while the need to purchase fuel is reduced. When volumes allow, surplus steam can also be supplied to other companies in the area. This creates a resource-efficient energy solution that strengthens the entire site's energy system.
–This is what resilience looks like in practice. When energy can be shared across the site, the whole area becomes both more sustainable and more robust, says Erik Thalén, Project Engineer.

"We can talk about innovation and future technology, but climate benefits have to be created here and now."

A boiler system optimized for sustainable operations
The modern combustion facility is designed to handle fluctuating gas flows with high safety and efficiency. By optimizing temperature, pressure and flow, the boiler can operate reliably on both residual gases and biogas, entirely without fossil inputs. The result is clean, stable combustion with low energy losses, high production availability and the potential over time to integrate more bio-based energy sources.

The climate benefits of operations – every day of the year
A large share of Sekab's climate benefit comes from day-to-day engineering work: producing energy, minimizing losses and making sure every process runs as efficiently as possible. This is sustainability in practice, not just ambition.
–We can talk about innovation and future technology, but climate benefits have to be created here and now. That comes down to how we run our processes every single day, says Erik Thalén.

An energy system that strengthens both Sekab and the surrounding area
When residual gas streams become fuel, biogas from neighboring companies is put to use and steam can be shared between businesses, a different kind of climate benefit is created – one that is built into the system, not just into a single plant.
This is an important step in the transition of the chemical industry and a concrete example of how fossil-free operations and circular energy can strengthen both competitiveness and sustainability. ■

The people behind Sekab – expertise driving the transition

Sekab's greatest asset is its people – the ones who make fossil-free chemistry happen every day. Here you will find production staff, engineers, sales professionals and specialists working together in a culture shaped by curiosity, collaboration and accountability.
It is where their expertise meets Sekab's ambitions that real progress happens. From innovative product ideas to stable operations, from climate-smart customer dialogue to technical solutions that deliver real climate benefits.
In 2025, Sekab continued to strengthen the organization with new expertise and fresh perspectives. Our employees carry both our history and the key to our future. During the year, we welcomed two important additions: Process Operator Linn Holmdahl and Sales Manager Albert Bergström. Their backgrounds are different, but they share the same motivation: contributing to a fossil-free future.

Linn Holmdahl – experienced process operator with a strong team spirit
After nine years in her previous role, Linn decided to take the next step and join Sekab. Linn started on a daytime schedule to get to know the plant and learn how all the shifts operate before moving into her role on the F shift.
–I had always had a very positive impression of Sekab, both as a workplace and because of the people here. When I got the opportunity to become part of the team and work with fossil-free chemistry, it just felt right, says Linn.
In her day-to-day work, Linn is part of the core of Sekab's production. This is where fossil-free chemicals are made and where stable operations, safety and quality are essential. Her background in process industry has been a valuable addition, and her colleagues especially highlight her calm approach, commitment and keen eye for detail.

Albert Bergström – sales manager with international experience and a strong sustainability focus
In June, Albert joined Sekab as Sales Manager, based in Stockholm. With a background in industrial heating systems and sales to European heavy industry, he brings both technical understanding and strong commercial insight to the team.
After six months at Sekab, he sums up his experience this way:
–The most rewarding part has been learning so much about the sustainability challenges facing the chemical industry. People often talk about energy and transportation, but much less about the impact of chemicals. We want to help change that.
His meetings with customers across Europe have also given him a clear sense of Sekab's position in the market:
–There is strong interest. Customers want to understand how our bio-based chemicals can create both climate value and business value.
One of the highlights was the EPCA conference in Berlin, where he met customers from many different segments and gained a clear sense of how Sekab's fossil-free profile sparks interest and builds trust.

A shared focus – expertise, commitment and a fossil-free future
Both Linn and Albert say they felt welcome from day one and describe Sekab's culture as one shaped by collaboration, expertise and a clear sense of direction.
–It is inspiring to be part of a company that is helping drive the development of a more sustainable chemical industry based on renewable carbon instead of fossil carbon, says Albert.

Linn puts it this way:
–It feels good to work somewhere where what you do truly matters.
Together, they represent two sides of Sekab – stable production and long-term customer relationships – but they are driven by the same ambition. They want to help shape a fossil-free chemical industry. ■

Sekab

Sekab at COP30 – global interest in fossil-free chemistry

As part of Sweden's official business delegation, Sekab participated in the UN climate conference COP30 in Belém, Brazil. The event provided an opportunity to contribute to international discussions on the role of industry in the climate transition and to show how fossil-free chemistry can already deliver measurable climate benefits across global value chains.

A focus on implementation and rapid emissions reductions
A recurring theme throughout COP30 was the need to move from long-term commitments to concrete action. In several contexts, Sekab highlighted how fossil-free, bio-based chemistry can enable rapid emissions reductions without waiting for future technological breakthroughs.
Sekab CEO Emil Källström took part in a Business Summit in the Swedish pavilion, where industry's responsibility and opportunity to build circular, resilient value chains were discussed alongside representatives from the energy, steel and industrial sectors, among others. The message was clear: if climate targets are to be met, solutions that already work in practice are needed today.

Fossil-free chemistry at commercial scale
Sekab's Vice President Sustainability and Strategy, Eva-Marie Byberg, participated in several international panel discussions. At Technology Day on Transformative Industry, organized by UNIDO, the UNFCCC Technology Executive Committee and Japan's Ministry of Economy, Trade and Industry, Sekab was presented as a concrete example of fossil-free production already being possible at commercial scale.

In the panel discussion "Decarbonizing the Chemical Industry," Eva-Marie Byberg emphasized that the solutions already exist and that the time to act is now. Sekab's fossil-free, bio-based chemicals were highlighted as an example of how the transition in industry can begin immediately and be scaled globally.

A roundtable on fossil-free value chains
Sekab also hosted its own roundtable during COP30 under the theme "Beyond pledges: executing fossil-free value chains," moderated by Eva-Marie Byberg. Representatives from the food, textile, hygiene and pharmaceutical industries took part in the discussion, which focused on how companies can move from ambition to implementation and accelerate the transition in real terms.
The discussion showed that interest in fossil-free feedstocks and new value chains is strong, but that collaboration across value chains is essential to scaling solutions.

Circularity and resource efficiency in focus
Sekab also took part in a roundtable on circularity organized by the Confederation of Swedish Enterprise, with representatives from the World Trade Organization and several international organizations. The discussion focused on how circular material flows and resource efficiency can contribute to emissions reductions, stronger biodiversity and a more competitive industry.

Against the backdrop of the large share of global greenhouse gas emissions linked to how materials are extracted, produced and used, Sekab highlighted the importance of fossil-free and circular feedstocks in the transition.

International visibility for Swedish industry
Sekab's participation at COP30 provided clear international visibility for both the company and Swedish industry. Its presence in the Swedish pavilion, in international panels and through its own events showed that solutions from Sweden, and from Sekab, are in demand globally – not as future visions, but as practical contributions to delivering on climate goals.COP30 confirmed Sekab's role as a company that combines climate value and business value and helps make the fossil-free transition possible here and now. ■

Sekab

Highlights of 2025

Carbon-negative chemicals

During the year, Sekab published verified data showing that the company's chemicals are carbon-negative. All calculations are reported transparently in accordance with ISO 14067.

Miljöstrategipriset 2025

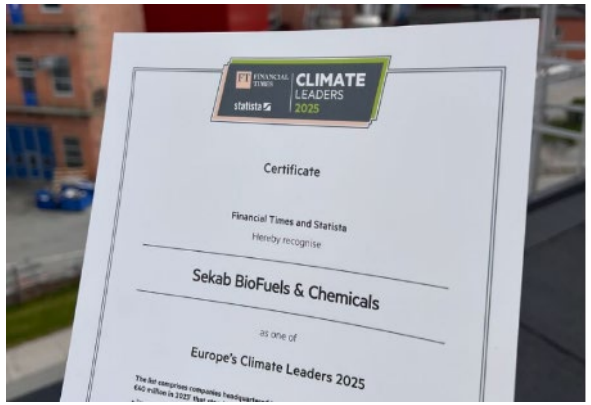
Sekab was awarded the 2025 Environmental Strategy Award for its consistent work in fossil-free chemistry and its clear link between climate value and business value. The award recognizes Sekab's role as a driving force in the transition of the chemical industry.

Shaping the industry at European level

In 2025, Sekab, through Lena Nordgren, took a seat on EPCA's Net Zero Transition Committee. Through its representation on the committee, the company helps shape the chemical industry's shared roadmap toward net-zero emissions.

European Climate Leaders – Financial Times

For the second year in a row, Sekab was recognized as one of Europe's Climate Leaders by the Financial Times. The ranking is based on verified emissions reductions and places Sekab among the leading companies in Europe in terms of climate performance.



EcoVadis Gold

During the year, Sekab received EcoVadis Gold, placing the company among the top-performing companies globally in sustainability, transparency and responsible business practices.

GOLD | Top 5%
ecovadis
Sustainability Rating
APR 2025

Sekab

Sekab 40 years – industrial development with deep roots

In 2025, Sekab marks 40 years as a company. Since the beginning, the business has had a clear focus on refining ethanol into products for industrial use. That focus has evolved over time in line with changing market conditions and societal needs, but the core of the business has remained the same – industrial chemistry built on experience, resource efficiency and a long-term perspective.

Sekab's operations in Örnsköldsvik have their roots in more than a century of chemical production at the site.
The industrial environment, expertise and infrastructure have created the conditions needed to build and grow a competitive company with a stable presence in the region.
Today, Sekab is focused on producing bio-based chemicals for the European market. Its products are used across a wide range of industries, including paints and coatings, pharmaceuticals, food, plastics and adhesives, where requirements for quality, reliability of supply and traceability are high.
Sekab's development has been shaped by a long-term approach and our ability to build on the industrial expertise that has been developed at this site over a very long time. That has given us stability and room to act in a changing world, says Emil Källström, CEO of Sekab.

The anniversary was marked in the fall with a celebration in Örnsköldsvik, where employees and partners came together to recognize Sekab's development over time. It was also an opportunity to highlight the culture and commitment that have been essential to the company's operations and continued success.
–Bringing together so many people with a connection to Sekab made it clear just how important the company has been – and continues to be – to both the people and the place, says Emil Källström.
After 40 years, Sekab is well positioned for continued development. With strong local roots, established customer relationships and a clear sense of direction, the company continues to contribute step by step to the transition of industry and to show how competitive industrial production can evolve in line with increasing climate demands. ■

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Sustainability report

Part two presents Sekab's sustainability work in accordance with ESRS, with a focus on material topics, governance, targets and performance monitoring.

Sustainability report 2025
Sekab BioFuels & Chemicals AB

1. General disclosures (ESRS 2)

1.1 Company information

Sekab BioFuels & Chemicals AB (company registration number 556263-4088) is a Swedish producer of fossil-free chemicals. The company's head office and production facility are located in Örnsköldsvik, where operations are based at the High Coast Innovation Park site.

The company is wholly owned by Sekab Holding AB (556670-2527), which in turn is 90.1 percent owned by Sekab BioFuel Industries AB (556666-7654). The ultimate parent company of the Group is Norrlands Etanolkraft AB (556303-6986).

In 2025, the company employed 70 people. Revenue and other financial information are presented in this combined annual and sustainability report.

1.2 Business model and strategy

Sekab BioFuels & Chemicals' business model is based on replacing fossil-based basic chemicals with bio-based alternatives in order to reduce climate impacts across chemical industry value chains. The company produces acetaldehyde, ethyl acetate and acetic acid using bio-based ethanol as its primary feedstock. Sekab also markets refined ethanol, primarily to the European low-blend fuel market.

The production facility in Örnsköldsvik has an annual capacity of approximately 100,000 tonnes of chemicals.

Sekab's products are used as intermediate inputs by other chemical companies and process industries and are incorporated into a wide range of end products, including plastics, coatings, adhesives, pharmaceuticals, cosmetics and packaging. By enabling the substitution of fossil-based chemicals with bio-based alternatives, Sekab supports customers in reducing greenhouse gas emissions without compromising functionality, quality or reliability of supply.

The company's value proposition is based on three core components:
Fossil-free products Sekab's product portfolio is entirely fossil-free. This is enabled by the use of bio-based feedstock processed in a facility powered by renewable energy, resulting in substantially lower climate impacts compared with conventional fossil-based alternatives.
High reliability of supply from a European production facility Reliable regional production contributes to customers' operational resilience and supply security.
Certified sustainability performance Products are certified under ISCC+ and have verified product carbon footprints in accordance with ISO 14067. The company has committed to Science Based Targets and is certified under ISO 14001 and ISO 9001. Sekab applies a transparency-driven approach and publicly discloses product carbon footprint data. Sekab's customers are primarily active in the European market, where demand for fossil-free and traceable chemicals is aligned with increasingly stringent regulation, climate targets and rising expectations from downstream customers.

Strategy
Sekab's strategy aims to strengthen the company's long-term position as a leading producer of sustainable chemicals while ensuring profitability. The strategy is based on three strategic pillars:

Leadership in sustainable chemistry
Sekab aims to maintain its position as a leading producer of sustainable chemicals and to actively contribute to the transition of the chemical industry. Fossil-free production is a defining element of the company's business strategy and forms the foundation for both product development and market positioning. The company seeks to set industry benchmarks for the production of bio-based chemicals with high quality standards, reduced climate impacts and full traceability. In 2025, Sekab's position in sustainable chemistry was reflected in its participation as the only chemical company in the official Swedish business delegation to the UN Climate Conference COP30.

Strong partnerships across the value chain
Sekab works closely with customers to establish long-term collaborations that generate both commercial and climate value. This includes the development of pricing models reflecting sustainability attributes, tailored logistics solutions and cooperation on product and process development. These partnerships help reduce barriers to customers' transition from fossil-based to bio-based chemicals. During 2025, Sekab entered into new contracts with industry partners based on fossil-free value propositions.

Development for future market needs
To meet future market and sustainability requirements, Sekab continuously invests in research and development related to new bio-based chemicals and production processes. The strategic focus is on expanding the product portfolio and enabling fossil-free alternatives in chemical segments currently dominated by fossil feedstocks. In 2025, the company's priority development projects related to butadiene and vinyl acetate monomer advanced significantly, both technically and commercially.

Sekab

1.3 Governance and responsibilities

Sekab's Board of Directors is responsible for the company's sustainability work and sustainability reporting. The Board reviews sustainability-related matters in a structured manner at least once a year, including the company's material sustainability-related risks, opportunities and strategic priorities related to sustainable development.
Given Sekab's business model, in which fossil-free and bio-based production constitutes its core strategic value, sustainability is integrated into the Board's ongoing work. Matters relating to investments, product development, market positioning, risk management and long-term competitiveness are regularly considered from both a business and sustainability perspective. Sustainability aspects are therefore integrated into the Board's strategic decision-making rather than treated as a separate agenda item.
At the operational level, Sekab has a dedicated Strategy and Sustainability unit, led by the Executive Vice President. This organizational structure underlines that sustainability is a strategic core issue for the company and ensures that sustainability work is closely integrated with business development, investments and operational decisions. The unit is responsible for the coordination, monitoring and reporting of sustainability matters, and for supporting management and the Board with decision-making documentation.
Sekab operates under a policy framework covering environment, occupational health and safety, equality and diversity, procurement and sales. The policy framework is adopted by the Board and forms the basis for the company's governance and internal control in the area of sustainability. In addition, Sekab's Code of Conduct, based on the principles of the UN Global Compact, applies across the business and sets out fundamental requirements relating to human rights, labor conditions, the environment and business ethics.

1.4 Stakeholder engagement

Sekab BioFuels & Chemicals has identified a number of key stakeholder groups that are of particular importance to the company's operations, business model and long-term value creation. Engagement with these stakeholders is an integrated part of Sekab's governance and is used as a basis for strategic decisions, risk assessments and the development of the company's sustainability work.
The most important stakeholder groups are employees, customers, suppliers, owners and society at large.

Employees
Employees are essential to safe, efficient and sustainable production. Sekab maintains ongoing dialogue with its employees through active and present leadership. The company conducts regular employee surveys, company-wide meetings and structured forums for occupational health, safety and work environment matters. Skills development and training are provided on an ongoing basis, including training in relevant areas such as safety, procurement, sustainability and compliance. This dialogue is used to identify areas for improvement and to follow up on matters including the work environment, equality and long-term competence supply.

Customers
Sekab's customers are primarily other chemical companies and process industries that use the company's products as intermediate inputs. Sales of bio-based chemicals require close and continuous dialogue, as the climate benefits, traceability and use of the products often need to be explained and integrated into customers' own processes and sustainability work. Engagement takes place through ongoing customer contacts, collaborative projects and targeted information initiatives, such as digital training. Customer dialogue contributes to a better understanding of customer requirements and expectations relating to quality, reliability of supply and sustainability.

Suppliers
Sekab places clear requirements on its suppliers in relation to business ethics, sustainability and compliance. Supplier dialogue takes place through structured work on the Code of Conduct and supplier qualification, both of which form part of the procurement process. Sustainability-related matters are also addressed in connection with audits and follow-up activities. During 2025, an external whistleblowing system was introduced, which may also be used to report suspected irregularities linked to the supply chain.

Owners
Dialogue with the company's owners takes place primarily through Board work and regular owner dialogue. Given Sekab's business model, in which sustainability is a core element of value creation, sustainability-related matters are addressed on an ongoing basis in connection with strategic decisions, operational follow-up and long-term development. Owner dialogue therefore covers both financial development and sustainability aspects.

Society
Sekab operates in an international chemical industry while maintaining a strong local presence. The company contributes to employment and industrial development and actively participates in knowledge-sharing related to green chemistry and the fossil-free transition. Dialogue with society takes place through participation in industry organizations, conferences and international forums, as well as through communications such as newsletters and information initiatives. Sekab also monitors and participates in relevant global, European and national contexts related to climate and sustainability matters.

1.5 Double materiality

In 2025, Sekab carried out a double materiality assessment in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The purpose of the assessment is to identify and prioritize the sustainability matters that are material from both an impact perspective and a financial perspective, and that therefore form the basis for the company's sustainability reporting and strategic direction.
The assessment covers Sekab's entire operations and value chain and was carried out through a structured process that included the identification of potential sustainability-related impacts, risks and opportunities related to environmental, social and governance matters. The identification was based on internal analyses, applicable ESRS standards, relevant regulation and dialogue with key functions within the company.
Materiality was assessed from two parallel perspectives. From an impact perspective, Sekab assessed the company's actual and potential impacts on people and the environment, taking into account severity and likelihood.
From a financial perspective, the company assessed sustainability-related risks and opportunities that may affect Sekab's financial position, financial performance or future development.
The results of the assessment were validated by the company's management and integrated into the governance of the sustainability work. The sustainability matters assessed as material from a double materiality perspective form the basis for which ESRS standards are reported in this sustainability report, as well as for Sekab's priorities in sustainability strategy, risk management and follow-up.
The double materiality assessment is regarded as a living tool and will be updated regularly to ensure that it continues to reflect changes in the company's operations, external conditions and applicable regulation. This will take place within the same framework as the company's other work in this area, including within the framework of its ISO certifications, in order to ensure a coordinated and integrated approach.

2. Environment (ESRS E1–E5)

2.1 E1 – Climate change

Strategy, targets and overall direction
Sekab operates a business in which climate impact and climate transition are closely linked to the business model. The company's production of bio-based chemicals is intended to replace fossil-based alternatives and thereby contribute to reduced greenhouse gas emissions both in its own operations and in its customers' value chains. Climate-related work is therefore integrated into Sekab's strategy, investments and operational decisions.
Sekab has established science-based climate targets that have been validated by the Science Based Targets initiative (SBTi). The targets are aligned with the ambitions of the Paris Agreement and cover both the company's own operations and the value chain:

- Net zero greenhouse gas emissions in Scope 1 and Scope 2 by 2030 at the latest
- A 42 percent reduction in Scope 3 emissions by 2030 compared with the 2021 base year
- A 90 percent reduction in emissions across all scopes by 2040

The targets constitute the governing framework for Sekab's climate-related work and are followed up within the company's overall governance and reporting. In the company's internal KPIs, Scope 3 is measured as an intensity target based on emissions per tonne produced in order to better track the business during a period in which volumes vary due to market conditions.

Actual emissions reductions and measures implemented
In 2025, Sekab achieved near net-zero emissions in Scope 1 and Scope 2[1]. This was achieved through a transition to fully fossil-free energy in its own operations, including fossil-free steam and electricity. These measures resulted from long-term investments and strategic decisions aimed at reducing the company's direct climate impact and exposure to future energy-related risks.

Efforts to reduce Scope 1 and Scope 2 emissions also include ongoing energy-efficiency measures, process optimization, and monitoring of energy use and emissions.

Focus on Scope 3 and the value chain
Looking ahead, Sekab's main climate challenge is to reduce Scope 3 emissions, where raw material purchases account for the largest share of the company's total climate impact. This is particularly evident in a chemical value chain, where much of the emissions arise upstream in the production of input materials.
Sekab's Scope 3 work includes:

- dialogue and collaboration with suppliers on the climate impact of raw materials
- efforts with customers to raise ambition levels and enable purchases of raw materials with lower climate impact
- requirements set through procurement processes and the supplier Code of Conduct
- development of new bio-based products and processes that over time may contribute to further emissions reductions

This work is carried out step by step, taking into account technical maturity, market availability, customer willingness to pay, and suppliers' capabilities.

Climate risks and opportunities
Climate change gives rise to both risks and opportunities for Sekab. The risks are primarily linked to physical climate change that could affect supply chains and raw material supply. At the same time, the transition toward a fossil-free society creates increased business opportunities for Sekab through growing demand for bio-based and certified chemicals.
Sekab's climate targets and transition efforts are intended to reduce the company's long-term exposure to climate-related risks while strengthening competitiveness in a market that increasingly demands solutions with lower climate impact.

Follow-up and continued development
Climate targets and emissions trends are followed up on an ongoing basis within Sekab's sustainability governance. Climate work is regarded as an integrated part of the company's long-term strategy and will continue to develop in line with changing conditions, new knowledge, and technological development.
Sekab's science-based climate targets have been validated by the Science Based Targets initiative. These data are measured against 2021 as the base year.

	2021	2025
Scope 1 (ton CO2eq)	10	2
Scope 2 (ton CO2eq)	3	0
Scope 3 (ton CO2eq)	145 448	42 919

Scope 2 is market-based.
[1] Scope 1 and Scope 2 emissions for 2025 amounted to 2 tonnes, related to deviations in connection with repairs to a heavy vehicle.

Total energianvändning

	2025
Total energy consumption(MWh)	61 642
Share of fossil-free energy(%)	100
Renewable energy(%)	100

2.2 E2 – Pollution

Strategy and overall direction
Sekab operates a chemical process industry in which the control and minimization of emissions to air and water are a core part of operations. Work to prevent and limit pollution is integrated into the company's production processes, investments and environmental management system and is intended to ensure compliance with permit conditions, reduce environmental impact and mitigate risks of negative impacts on people and the environment.

Sekab operates under environmental permits with defined limit values for emissions to air and water. The company monitors emissions through regular measurement and reporting to the relevant authorities. This work is carried out in line with the precautionary principle and with a focus on preventive measures rather than corrective action.

Emissions to air
Sekab's emissions to air consist mainly of nitrogen oxides (NOx), TOC and volatile organic compounds (VOC). Through technical solutions and process design, the company has achieved low emission levels.All major storage tanks are equipped with technical solutions to minimize emissions to air, such as floating roofs and pressure-vacuum valves. These measures are intended to limit diffuse emissions and reduce the risk of unintended emissions during the storage and handling of chemicals.

Emissions to air are monitored through continuous or periodic measurements in accordance with applicable permit conditions. The results are used as a basis for monitoring, improvement measures and dialogue with supervisory authorities.

Per year

	2025
NOx (tonnes/year)	1,65
TOC emissions to air (mg/m³)	0,8
VOC (tonnes/year)	38

Emissions to water
Sekab's process water is treated before discharge and monitored in accordance with established permit conditions. Emissions to water consist of organic material, which is monitored through measurement of total organic carbon (TOC).

The company works systematically to optimize processes and treatment stages in order to minimize the load on the receiving water body. Emissions are followed up through regular sampling and reporting to the supervisory authority, in accordance with applicable requirements.

Per year

	2025
TOC emissions to water (tonnes)	2,2

Sekab

Preventive work and risk management
Preventive work forms the basis of Sekab's management of pollution. This includes:

- technical design of processes and facilities to minimize emissions
- maintenance and inspection of equipment
- procedures for the handling of chemicals and waste
- employee training in environment and safety

Risks related to pollution are identified and managed within the company's environmental management system and operational risk management. When processes or facilities are changed, risk assessments are carried out to ensure that emission levels remain within permitted limits.

Follow-up and legal compliance
Sekab's work on pollution is followed up on an ongoing basis through internal monitoring, regulatory reporting and external audits linked to environmental permits and certifications. Deviations are managed in accordance with established procedures and form the basis for improvement measures. The company assesses that its systematic governance of emissions and pollution helps reduce environmental impact, ensure legal compliance and strengthen trust among authorities, customers and other stakeholders.

2.3 E3 – Water and marine resources

Strategy and overall direction
Sekab operates a process industry in which VOC emissions to air and transport to and from the site are material environmental aspects. Work relating to water and marine resources aims to minimize negative impacts on water environments, ensure compliance with permit conditions and contribute to good water status in nearby watercourses and coastal environments.

Water management and treatment
Most of the water used by Sekab is cooling water for the process. It is taken in, used to cool process equipment and discharged unaffected to the receiving water body. Other flows discharged through the main outlet are wash water and clean process water. Water with higher TOC content from the process is sent to biological treatment, where the organic material is reduced before discharge to the receiving water body. The biological treatment process generates biogas that is used by companies on the site, contributing to resource efficiency and reduced climate impact.
Discharges are controlled and measured in accordance with applicable environmental permits. Flows to the biological treatment plant are measured using magnetic flow meters, both for Sekab's own sub-flow and for the total inflow to the treatment plant from the industrial area. The difference between sub-measurements and total flow is continuously monitored, and deviations normally amount to 1–2 percent. In the event of larger deviations, measurement equipment is checked and calibrated.
In addition to the flow to biological treatment, there are three sampling points: Factory 1 via a separate collection well, and Sekab North and Sekab South. At these points, outgoing water is sampled using time-controlled samplers. At Factory 1, there is also a gas sniffer system that provides alarms in the event of shock discharges.

Emissions to water
Discharges of total organic carbon (TOC) in wastewater are monitored continuously and reported in accordance with permit conditions.
During the year, TOC discharge to biological treatment averaged approximately 1.1 tonnes per day, and applicable guideline values were not exceeded in any individual month. During the year, TOC discharge via the main outlet averaged approximately 6.2 kg per day, meaning that both the annual limit value and monthly guideline values were met with good margin.
Historical studies have shown that Sekab's wastewater contains low levels of nitrogen and phosphorus compounds. On this basis, these parameters are not measured regularly.

Receiving water body monitoring and impact on the water environment
Annual receiving water body monitoring is carried out in cooperation with the other operators in the industrial area. The results show that all monitored stations have good or high oxygenation and are therefore classified as having good ecological status. Water transparency varies from poor to good status, where humic inflow from the Moälven river is a contributing factor to reduced transparency. The status of water transparency is therefore due to natural causes.
The status of nutrients is in principle unchanged compared with previous years and is therefore exactly between the class boundaries for high and good.
In Veckefjärden and Moälven, none of the analyzed specific pollutants or priority substances exceed the assessment criteria. In coastal waters, annual average values for priority substances are below the respective assessment criteria.
During 2025, phytoplankton were sampled in a measurement campaign, and status is calculated as good at all stations except Örnsköldsviksfjärden, where status is calculated as moderate.
Sekab assesses that its operations, within the framework of applicable permits and follow-up, do not give rise to significant negative impacts on water environments or marine resources.

Follow-up and legal compliance
Work relating to water and discharges is followed up through continuous measurement, sampling, regulatory reporting and receiving water body monitoring. The results are used to ensure compliance with permit conditions and to identify improvement measures where needed.

- Data points for E3 – Water and marine resources
- Total water use: 6,472,574 m^3/year
- TOC emissions to water: 2.2 tonnes/year
- Receiving water body affected: Moälven
- Number of sampling points: 5
- Deviations or shock discharges: 0
- Biogas recovery: Sekab's steam boiler regularly combusts biogas from adjacent industry

2.4 E4 – Biodiversity and ecosystems

Sekab's production is located in an established industrial area and is assessed not to have any direct impact on protected natural areas or areas with high biodiversity. The company's operations do not include its own land use affecting natural habitats or protected ecosystems. However, Sekab's operations are indirectly linked to biodiversity through the use of bio-based feedstocks, primarily ethanol. The production of these feedstocks takes place in the supply chain and may, depending on geographic origin and agricultural practices, entail biodiversity risks through, for example, land-use change, monocultures, nutrient leakage and impacts on water resources.

Risk identification in the supply chain
Sekab has conducted an initial risk analysis of the supply chain focusing on the origin of feedstocks and production methods, in order to identify potential negative impacts on biodiversity. The analysis shows that the greatest identified risk is linked to corn-based ethanol from the United States. In such cases, large-scale monoculture may entail risks such as habitat loss, reduced species richness and impacts on water quality through nutrient leakage. Potential risks also exist within Europe in relation to agricultural intensification, but these are generally assessed as lower, partly due to common EU legislation, environmental requirements and established certification systems.

Governance and preventive measures
To reduce risks of negative impacts on biodiversity, Sekab imposes requirements for certification and traceability in the supply chain. Feedstocks must be certified in accordance with recognized sustainability standards, such as ISCC+, and must be traceable to specific cultivation areas. Feedstocks from protected areas or sensitive ecosystems are not accepted.
During 2025, Sekab initiated a mapping of its largest feedstock suppliers with regard to biodiversity-related risks. The mapping includes, among other things, geographic origin, type of feedstock and applied production methods.

Continued development
As a next step, Sekab intends to further develop its work on biodiversity in the supply chain. Planned activities include:

- further development of the biodiversity risk assessment related to feedstock sourcing
- inclusion of biodiversity aspects in the structured supplier assessment
- follow-up with a particular focus on suppliers in geographic areas assessed as having higher risk of negative impacts on biodiversity

Through this work, Sekab aims to reduce risks of negative impacts on ecosystems and species while ensuring a long-term sustainable and traceable supply chain for its fossil-free products.

Sekab

Sekab uses exclusively bio-based ethanol as feedstock. All suppliers comply with Sekab's Supplier Code of Conduct, which is based on the UN Global Compact, and undergo Sekab's internal supplier qualification process. Sekab purchases all volumes from third-party-certified suppliers, although not all volumes are accompanied by certificates, as this is not required in all cases by downstream customers.

Data points for E4 – Biodiversity and ecosystems
- Share of certified feedstock (%): 52%
- Number of suppliers covered by biodiversity assessment: 2

2.5 E5 – Resource use and circular economy

Overall direction and business rationale
Sekab's operations are based on the use of 100 percent bio-based feedstocks and renewable energy. Resource efficiency and circular solutions are therefore closely linked to the company's business model and long-term competitiveness. By optimizing the use of feedstocks, energy and materials in production, Sekab aims to minimize waste, utilize residual streams and reduce the need for virgin resources.
Work on resource use and circular economy is integrated into operational governance and includes both ongoing process optimization and targeted investments in energy efficiency and recycling.

Feedstocks, materials and energy use
Sekab works continuously to use feedstocks and energy efficiently through process optimization, monitoring of consumption indicators and technical improvements at the facility. All electricity used in operations comes from renewable energy sources, and all steam used in the processes is generated from biofuel.
During 2025, Sekab also prepared for and tested the combustion of biogas produced by a neighboring operator in the industrial area. This contributes to increased local circularity of resources by using a residual product from another operation as an energy source in Sekab's own production.

Energy efficiency and investments
As part of its continuous improvement work, Sekab carries out investments and modifications aimed at reducing energy and resource consumption.

Waste, residual products and circular flows
Sekab has established systems for source sorting of waste. A large share of the waste generated in operations is recycled, and process residues are used for energy recovery where possible instead of being sent for destruction. In this way, the energy content of residual streams is utilized and contributes to more circular resource use.
Work on waste management and recycling is followed up on an ongoing basis and forms part of the company's environmental management. The objective is to reduce the amount of waste sent to landfill and destruction and to increase the share of materials and energy that is recovered.

Continued development in the circular economy
Sekab assesses that there is further potential to strengthen circularity in its operations, both through additional process efficiencies and through increased cooperation within the industrial area. The focus going forward is on further improving material and energy efficiency in production.

Data points for E5 – Resource use and circular economy
- Use of raw materials: 100% bio-based
- Hazardous waste: 3 tonnes
- Non-hazardous waste: 20.4 tonnes
- Waste recycled: 7.8 tonnes
- Waste recovered for energy: 15.7 tonnes
- Material efficiency: 0.42 kg waste/tonne of product produced
- Share of energy from renewable sources: 100%

3. Social matters (ESRS S1–S4)

3.1 S1 – Own workforce

General description of the workforce
In 2025, Sekab had a total of 70 employees. The company strives for an equal and inclusive workplace and regularly follows up on gender distribution and pay conditions. The most recent pay survey identified no unjustified pay differences between women and men.Sekab works systematically with the work environment, health and safety, including organizational and social work environment matters (OSA), and regards employee well-being as a prerequisite for safe and efficient operations.

Working conditions
At Sekab, safety, the work environment and employee well-being are high priorities. This work is carried out within a systematic work environment and safety framework with clear objectives, where health and safety are always given priority in day-to-day operations.

Work environment and safety
Sekab's HSM policy forms the basis of the company's work on the work environment and safety. The company has a zero vision for workplace accidents and works continuously to reduce the risk of uncontrolled incidents. The focus is on preventive work through risk analyses, safety reviews, training and increased reporting of incidents and near misses.
Employees regularly participate in safety and work environment training, including during 2025 in:
- fire training and first aid
- hot work
- Särskilt instruerad person (electrical safety)
- Statutory medical checks and noise measurements are carried out regularly.

Systematic work environment management is conducted in cooperation with safety representatives and the safety committee and covers the physical as well as the organizational and social work environment (OSA). OSA reviews are carried out by department and follow up on workload, cooperation, respect and the occurrence of victimization. In 2025, particular focus was placed on workload and working hours.

Equality and diversity
Sekab has an equality and diversity policy based on the principles of equal treatment and non-discrimination in accordance with applicable legislation. This work is carried out in cooperation between the employer and trade union organizations and is followed up through an equality and diversity plan with established objectives and activities.
Each year, a pay equity review and analysis of potential pay differences between women and men are carried out. The 2025 survey identified no deviations. Sekab views diversity as an asset that contributes different perspectives and strengthens the organization's long-term development.

Continued development
Sekab intends to continue developing its work on workers in the value chain by:
- strengthening risk assessment related to working conditions in the supply chain
- integrating social criteria more clearly into supplier assessments and audits
- following up suppliers in identified risk areas more systematically

This work is regarded as an ongoing process that is adapted as the supplier base and external conditions change.

Data points for S2 – Workers in the value chain
- Number of supplier audits carried out: 3
- Number of supplier qualifications carried out: 4
- Share of suppliers in risk countries: 0%
- Share of suppliers that have signed the Code of Conduct: 100% of significant suppliers
- Training initiatives aimed at procurement or suppliers: one major training initiative covering 25% of employees (all employees involved in procurement)

3.3 S3 – Affected communities

General description of community impacts
Sekab's operations affect communities both through its own operations and indirectly through the value chain. The direct impact is primarily linked to the company's local presence in northern Sweden, while indirect impacts may arise in the supply chain, particularly in the production of the bio-based feedstock.
Sekab has no operations located in or in direct proximity to communities with known conflicts or particularly vulnerable groups. The company assesses its direct impact on local communities as predominantly positive.

Sekab

Local community impacts in own operations
Sekab contributes to local and regional development through employment and long-term industrial operations in northern Sweden. The company is a significant local employer and thereby contributes to economic stability, competence supply and tax revenues.
Sekab collaborates with schools, universities and educational initiatives to increase interest in chemistry, technology and sustainable industry. This takes place through, for example, internships, thesis projects, study visits and cooperation with educational providers. The company also participates in industry associations and national and international initiatives related to climate and the sustainable transition, thereby contributing to knowledge-sharing and societal dialogue.

Indirect impacts in the value chain
Sekab's main indirect impact on communities is linked to the production of bio-based ethanol in the supply chain. Production takes place primarily in North and South America. In these cases, potential community impacts may relate to land use, agricultural practices, and local environmental and labor conditions.
Sekab has carried out an overall risk assessment of the supply chain and assesses the risk of significant negative impacts on local communities as limited. Identified risks are managed through requirements for certification, traceability and compliance with the Code of Conduct, rather than through direct local presence or the company's own community projects in supplier countries.

Governance, risk management and preventive measures
Sekab's work on affected communities is integrated into the company's overall sustainability governance and value chain responsibility. Potential risks of negative community impacts are identified through supplier assessments and due diligence processes.
The company identified no incidents in 2025 relating to negative impacts on local communities linked to its own operations or the supply chain.

Continued development
Sekab intends to further develop its work on community-related matters by:

- continuing to strengthen dialogue with the local community where the company operates
- integrating community impacts more clearly into supply chain risk assessments
- monitoring developments in relevant regulation and international guidelines

3.4 S4 – Consumers and end users

General description of impacts
Sekab's products are sold exclusively to industrial customers and are used as intermediate inputs in other companies' manufacturing processes. Sekab therefore has no direct relationship with consumers, but its products may indirectly affect end-users by being included in finished products such as paints, pharmaceuticals, food, cosmetics, plastics and packaging.
The company's impacts on consumers and end-users are assessed as mainly indirect and linked to product safety, product information and the ability to contribute to reduced climate impact in customers' value chains.

Product safety and information
Sekab works systematically to ensure that products placed on the market meet applicable requirements relating to health, safety and chemicals legislation. All products are delivered with safety data sheets (SDS) in accordance with applicable regulation, providing customers with the information needed for safe handling, use and storage.
Product safety is followed up through internal routines for quality assurance, documentation and the handling of any deviations. Sekab has established processes for managing customer complaints and product-related incidents, including reporting, investigation and corrective actions where needed..

Indirect positive impact through fossil-free products
Sekab's business model is based on replacing fossil-based chemicals with bio-based alternatives. Through this, the company's products help customers and their end-users reduce the climate impact of finished products compared with corresponding solutions based on fossil feedstocks.
This indirect impact means that consumers and end-users gain access to products with a lower climate footprint while maintaining function, quality and safety. Sekab's role is to provide intermediate inputs that enable this transition, rather than to directly influence the design or use of the final product.

Certifications and customer requirements
In addition to the company's overall ISO and ISCC certifications, Sekab's products are certified according to Halal and Kosher standards, enabling use in products with specific cultural and religious requirements. These certifications help meet customer and end-user requirements for transparency and traceability.
Ongoing dialogue is maintained with customers to ensure that product information, documentation and certifications meet applicable requirements and expectations.

Follow-up and incident management
Sekab follows up matters relating to product safety and customer impacts through the registration and follow-up of customer complaints and any product incidents. A customer survey is carried out each year. During 2025, no material incidents affecting the health or safety of consumers or end-users were identified.

4. Governance (ESRS G1)

4.1 Business conduct

Overall direction and governance
Sekab conducts its business with high standards of business conduct, transparency and compliance. A sound business culture is regarded as a prerequisite for long-term value creation and for maintaining trust among customers, suppliers, owners and other stakeholders.
The company's work on business conduct and anti-corruption is integrated into governance, internal processes and value chain management and covers both its own operations and relationships with business partners.

Code of Conduct and ethical guidelines
Sekab's Code of Conduct forms the basis of the company's work on business conduct. It is based on the principles of the UN Global Compact and includes, among other things:

- anti-corruption and bribery
- compliance with competition law
- business integrity and conflicts of interest
- respect for human rights
- responsible supplier governance

The Code of Conduct applies to all employees and also governs relevant business partners and suppliers. Compliance with the Code is a prerequisite for business relations with Sekab.

Training and internal implementation
To ensure compliance with the Code of Conduct and related guidelines, Sekab carries out training in business conduct and anti-corruption. The training is directed particularly at employees in roles with greater exposure to business risks, such as procurement, sales and senior positions.
During 2025, all relevant procurement processes were updated to integrate requirements on business conduct, transparency and compliance more clearly. All managers and relevant employees were trained in the updated processes and in the application of the company's ethical guidelines.

Whistleblowing and incident management
Sekab has a whistleblowing system that allows employees and external parties to report suspected irregularities, breaches of the Code of Conduct or other non-compliance anonymously.
The whistleblowing function is an important tool for the early identification and management of potential risks related to business conduct and corruption.
During 2025, no reported incidents relating to corruption, bribery or other serious breaches of the Code of Conduct were recorded, either in the internal or external whistleblowing system.

Supplier governance and compliance in the value chain
Sekab's requirements relating to business conduct and anti-corruption also cover the supply chain. During 2025, procedures for supplier assessment and compliance follow-up were strengthened, including through updated qualification processes and clearer requirements for compliance with the Code of Conduct. Identified deviations are handled through dialogue and requirements for corrective action. In the event of serious or repeated violations, the business relationship may be reconsidered.

Continued development
In 2026, Sekab intends to further develop its work on business conduct and anti-corruption by strengthening risk assessment and developing control mechanisms to ensure a continued sound and transparent business culture throughout the value chain.

Data points for G1 – Governance
- Share of suppliers covered by the Code of Conduct: 100% of significant suppliers

4.2 Risk management

Sekab works systematically to identify, analyze and manage risks that may affect operations, sustainability work and the company's stakeholders. Risk management is integrated into the governance of the business and covers financial, operational and strategic risks, including sustainability-related risks.
Risks are identified and followed up through an annual strategic risk process and on an ongoing basis in connection with investments, projects, changes in operations and changes in the external environment. Risk assessments provide an important basis for strategic decisions, prioritizations and resource allocation.

Priority risk areas

Financial risks
Sekab is exposed to financial risks linked to price developments for raw materials and end products, changes in tariffs, and currency risks, primarily in EUR and USD. Interest rate, credit, financing and liquidity risks are also managed on an ongoing basis through established financial routines and follow-up.

Operational risks

IT-risks
Operations depend on stable and secure IT systems. Risks related to cyberattacks, system disruptions or inadequate maintenance may lead to operational disturbances. Sekab therefore conducts systematic IT security work covering risk mapping, monitoring of the external environment, preventive measures and continuous maintenance. During 2025, Sekab adapted this work to the upcoming NIS2 directive.

Work environment risks
The handling of large volumes of flammable and chemical products entails a risk of serious accidents. These risks are managed through comprehensive work on the work environment, safety and fire protection, including risk analyses, training and preventive safety measures. The company has a zero-accident vision.

Environmental risks
Sekab's operations involve the handling of large volumes of chemicals, which entails a risk of emissions, fire or explosion with potentially serious consequences for health, the environment and property. Preventive work in process and environmental safety is therefore a central part of risk management and is carried out in accordance with applicable permits and regulation.

Strategic risks
Sekab is affected by changes in the external environment that may have long-term consequences for operations. These include economic fluctuations, changes in tariffs, changed market conditions for bio-based feedstocks, regulatory changes and competition from fossil-based alternatives. Strategic risks are considered in the company's long-term planning and business development.

Risk management process and responsibilities
Risk management is an integrated part of Sekab's governance. The Board and management are responsible for the overall risk assessment and for ensuring that material risks are identified and managed in a structured way. Risk analyses are carried out at both strategic and operational levels and are conducted in cooperation with employees, the safety organization and, where relevant, external parties.
Through this structured risk management, Sekab aims to reduce vulnerability, strengthen organizational resilience and ensure that risk management contributes to both business stability and the company's sustainability targets.

4.3 Transparency and external assessments

Transparency is a fundamental pillar of our strategy for sustainability and responsible reporting. Sekab seeks not only to meet legal requirements and standards, but also to exceed the expectations of customers, stakeholders and society through openness and verifiability in all sustainability communication.

Open disclosure of product carbon footprints
To provide the highest possible credibility for our climate claims, we calculate the life cycle carbon footprints of our products in accordance with ISO 14067, enabling a science-based and comparable presentation of cradle-to-gate emissions.
Through these calculations, we have verified that our bio-based chemicals are carbon-negative, as the biomass binds more carbon dioxide than is emitted across the production chain.
We publish supporting data and methodological choices openly on our website so that customers, industry experts and other stakeholders can review calculations, data and results. This transparency supports our ambition to avoid unsubstantiated climate claims and ensures comparability and credibility.

Clarity in methodology and system boundaries
In our reporting, we describe system boundaries, emission factors, assumptions and uncertainties, making it possible for stakeholders to understand both the strengths and the limitations of the results. We also describe how our products affect customers' Scope 3 emissions and contribute to reduced climate footprints in their value chains.

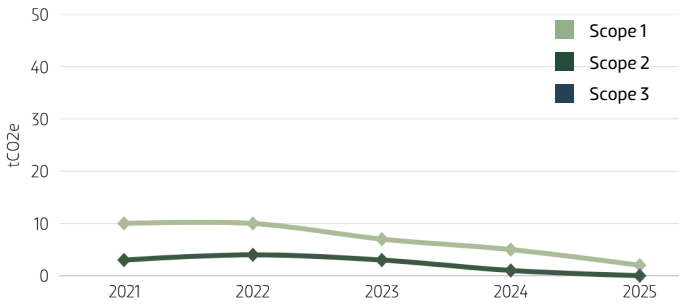
Certifications and independent verification
Sekab's management system is certified in accordance with ISO 14001 (environment) and ISO 9001 (quality). Our product footprints are certified in accordance with ISO 14067. We are also certified under ISCC+ and ISCC EU. Our methods and results are reviewed annually by external parties. In addition, we have science-based climate targets validated by the Science Based Targets initiative.
In 2025, Sekab received an EcoVadis Gold rating, placing the company among the leading companies globally in sustainability work and transparency. In 2025, Sekab also received the Swedish Environmental Strategy Award. In 2024 and 2025, Sekab was named one of Europe's Climate Leaders by the Financial Times..

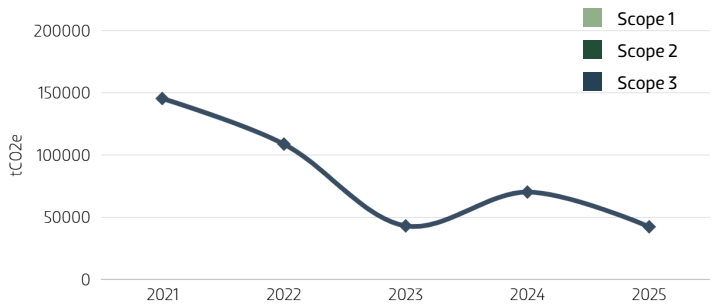
Future development
We will continue to promote increased transparency in the chemical industry in close cooperation with our customers. Through joint initiatives, we aim to set a higher standard for openness, traceability and climate reporting throughout the value chain.

5. Assurance and reporting framework

This report has been prepared in accordance with CSRD and ESRS, but in the current year is not subject to external assurance requirements. The purpose is to ensure reliability, comparability and transparency.

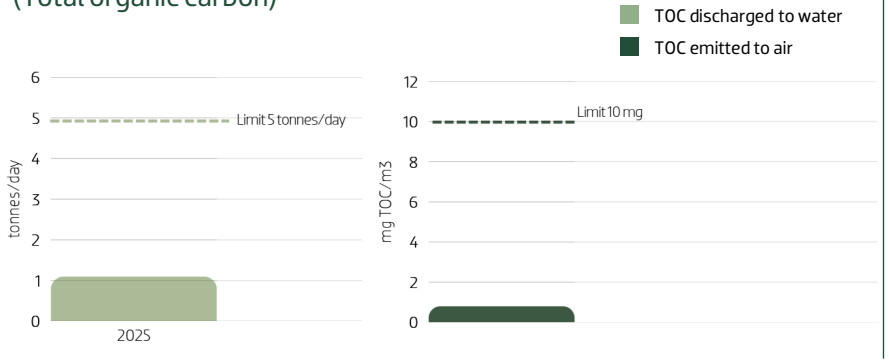
Path to net zero – emissions 2021–2025





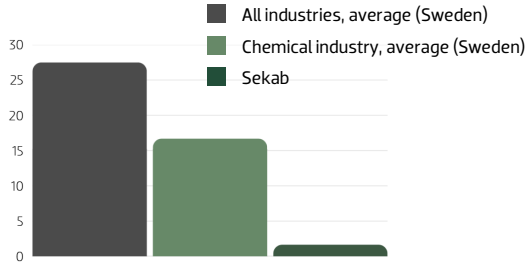
TOC – emissions

(Total organic carbon)



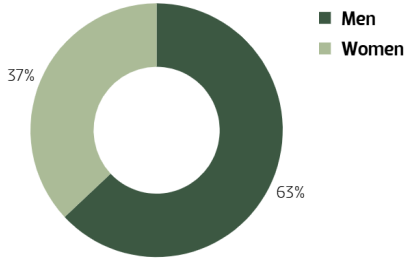
NOx emissions

(nitrogen oxides)



rage for facilities subject to the Swedish Environmental Protection Agency's NOx charge

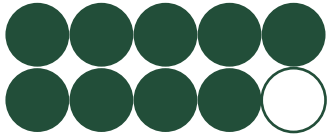
Gender distribution



Number of **employees**

70

Employee survey **results**

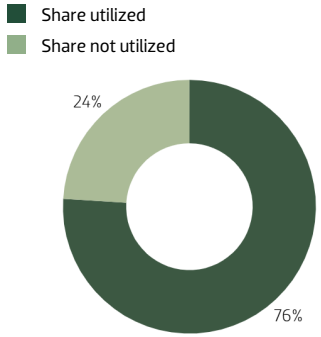


9,08 out of 10

Average length of **employment,years**

14,5

Wellness allowance



Employee- turnover

2,9%

Sekab

3

Financial report and notes

Part three contains Sekab's financial statements, the Board of Directors' report and notes for the 2025 financial year.

Sekab

Annual report

for SEKAB BioFuels & Chemicals AB

The Board of Directors and the Chief Executive Officer of SEKAB BioFuels & Chemicals AB hereby submit the annual report for the financial year 2025-01-01 to 2025-12-31. The annual report has been prepared in Swedish kronor (TSEK), unless otherwise stated.

Contents

Sekab

Directors' report

Information about the operations
Sekab BioFuels & Chemicals AB (Sekab) is a Swedish producer of fossil-free chemicals. The company produces acetaldehyde, ethyl acetate and acetic acid using bio-based ethanol as its main feedstock. Sekab also sells refined ethanol primarily to the European low-blend market. The company's head office and production are located in Örnsköldsvik, where the facility at High Coast Innovation Park forms the base of its operations. A strong focus is placed on developing the production and market for bioethanol-based and renewable chemicals. This is described in more detail in this combined annual and sustainability report. The company is domiciled in Örnsköldsvik.

Significant events during the financial year
2025 was a year affected by a general European downturn and global economic tightening, which also impacted the pace of the industrial green transition. Market conditions for the European chemical industry continued to be characterized by a weak economic climate, which affected demand for parts of Sekab's bio-based chemical products. Challenging market conditions in Germany in particular had a negative effect on demand. Demand for Sekab's refined ethanol products remained strong. At the same time, market supply increased, not least due to more European and Brazilian producers scaling up production of second-generation ethanol. This increased competition put downward pressure on prices in the market.

Despite low demand for some of Sekab's chemical products, interest in Sekab's bio-based alternatives has increased in a market still dominated by fossil-based products. During the year, Sekab focused on continuing to promote the benefits of bio-based chemicals and preparing for an industrial green transition when the market turns. Beyond the current downturn, we see a strong shift toward sustainable solutions that is increasing demand and willingness to pay for our green alternatives to fossil-based chemicals. During the year, Sekab initiated and deepened several promising collaborations and held a number of positive customer dialogues. Today, we work with world-leading companies across a range of industries.

Bioethanol is a key feedstock in Sekab's chemical products, and developments in the global ethanol market therefore remain an important factor for our competitiveness. During the year, the market price of imported ethanol to Europe was relatively stable. A price increase was noted at the end of the third quarter and the beginning of the fourth, but prices then fell back to levels in line with earlier in the year. Brazil experienced strong domestic demand, partly as a result of higher national blending mandates for gasoline. This led to lower export volumes and rising prices for Brazilian ethanol.

At the same time, the country continues to increase its production of both second-generation ethanol and corn-based ethanol, which may over time alter global trade flows. During the year, the United States continued to export significant volumes of ethanol, both to Brazil and to several Asian markets, and is also the largest exporter of first-generation ethanol to Europe.

The weak market conditions clearly affected the year's result, primarily due to low revenue for the year. For 2025, Sekab reports operating profit of SEK -11 million (SEK 54 million) on revenue of SEK 615 million (SEK 693 million).

The company's equity ratio remains strong.

Risks

Under normal circumstances, the company's main risk exposure is raw material price risk. To the greatest extent possible, this risk is minimized through back-to-back agreements with customers. Where raw material prices cannot be locked in, the company is exposed to price fluctuations, primarily in ethanol and ethyl acetate. The company is also affected by exchange rate fluctuations, mainly in EUR and USD.

Future development

Industry still accounts for one-third of emissions and at the same time represents a major opportunity in the transition to fossil-free solutions. Demand for sustainable industrial products is increasing, and the market outlook for Sekab's offering in bio-based chemicals and fuels is considered very favorable, despite the continued downturn at the beginning of 2026.

Work of the Board of Directors

The work of the Board is governed by the Swedish Companies Act, the Articles of Association, the owner directives and the Board's rules of procedure. During the 2025 calendar year, the Board held seven meetings, including the statutory board meeting. The Board's work is conducted in parallel with the work of the Board of the parent company, Sekab BioFuel Industries AB.

At each meeting, the CEO reported on the company's current situation, financial position, cash flow and quality status. In addition, the following areas were addressed: company policies, internal control, risk assessment and insurance matters, product and process development, follow-up of investments, personnel development and GDPR, as well as strategy review and the company's budget and business plan. All of these areas were prepared and documented by executive management, and the Board's considerations were recorded in the minutes.

Ownership structure

The company is wholly owned by Sekab Holding AB (556670-2527), which in turn is 90.1 percent owned by Sekab BioFuel Industries AB (556666-7654). The ultimate parent company of the Group is Norrlands Etanolkraft AB (556303-6986).

Research and development

During the year, Sekab continued its work on developing green chemistry, with part of this work building on Sekab's existing product portfolio. During the year, the company also carried out collaborations with other parties to develop new bio-based products with positive results, with research institutes, the Swedish Energy Agency and Vinnova also participating in the project.

Sustainability disclosure

SEKAB BioFuels & Chemicals AB is subject to the requirement to prepare a sustainability report and does so in this combined annual and sustainability report.

Operations

Multi-year overview

	2025	2024	2023	2022	2021
Net sales	615 499	692 661	785 785	1 094 503	844 286
Profit/loss after financial items	-26 785	28 685	-9 206	46 359	95 727
Total assets	419 234	448 149	473 364	471 964	471 546
Equity ratio (%)	80,65	80,80	78,80	80,90	81,60
Return on equity (%)	-7,92	7,90	-2,50	12,10	24,90

Definitions of key ratios, see notes

Changes in equity

	Share capital	Development expenditure fund	Statutory reserve	Retained earnings including profit/loss for the year	Total equity
Amount at beginning of year	2 000	21 700	18 000	320 518	362 218
Capitalization of development expenditure		216		-216	0
Profit/loss for the year				-24 079	-24 079
Amount at end of year	**2 000**	**21 916**	**18 000**	**296 223**	**338 139**

Appropriation of profit (SEK)

Proposed appropriation of the company's profit	
At the disposal of the Annual General Meeting	
Retained earnings	320 301 883
Loss for the year	-24 079 477
	296 222 406
The Board of Directors proposes that	
be carried forward	296 222 406
	296 222 406

For further information regarding the company's results and financial position, reference is made to the following income statements and balance sheets, together with the related notes.

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INCOME STATEMENT	Note	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Operating income, etc.			
Net sales	3, 4	615 499	692 661
Change in inventories of work in progress, finished goods, and work performed for others		20 859	23 978
Capitalized work for own account	13	216	9 100
Other operating income	5	7 356	16 122
		643 930	**741 861**
Operating expenses			
Raw materials and consumables		-430 714	-456 806
Other external costs	6, 7	-127 171	-136 210
Personnel costs	8	-74 301	-69 422
Depreciation, amortization, and impairment of tangible and intangible fixed assets		-18 806	-19 075
Other operating expenses		-3 730	-6 239
		-654 722	**-687 752**
Operating profit (loss)		**-10 792**	**54 109**
Financial items			
Interest income	9	-340	-1 886
Interest expenses	10	-15 653	-23 538
		-15 993	**-25 424**
Profit (loss) after financial items		**-26 785**	**28 685**
Appropriations			
Group contributions made	11	0	-38 869
		0	**-38 869**
Profit (loss) before tax		**-26 785**	**-10 184**
Income tax expense	12	2 706	-719
NET PROFIT (LOSS) FOR THE YEAR		**-24 079**	**-10 903**

Sekab

BALANCE SHEET	Note	2025-12-31	2024-12-31
ASSETS			
Non-current assets			
Intangible assets			
Capitalized development expenditures and similar assets	13	21 916	21 700
		21 916	**21 700**
Tangible assets			
Buildings and land	14	25 157	26 076
Machinery and other technical installations	15	131 366	141 679
Equipment, tools, and installations	16	1 345	1 855
Ongoing construction in progress and advance payments for tangible assets	17	5 203	3 103
		163 071	**172 713**
Financial assets			
Receivables from group companies	18	762	23 580
Deferred tax asset	20	2 706	-
		3 468	**23 580**
Total non-current assets		**188 455**	**217 993**

BALANCE SHEET	Note	2025-12-31	2024-12-31
Current assets			
Inventories	19		
Raw materials and consumables		69 743	94 458
Finished goods and goods for resale		116 635	95 777
		186 378	**190 235**
Current receivables			
Accounts receivable		40 546	35 120
Receivables from group companies		42	491
Current tax asset		0	87
Other receivables		571	504
Prepaid expenses and accrued income	21	3 242	3 720
		44 401	**39 922**
Cash and bank			
Cash and bank	23	0	0
Total cash and bank		0	0
Total current assets		**230 779**	**230 157**
TOTAL ASSETS		**419 234**	**448 149**

Sekab

BALANCE SHEET	Note	2025-12-31	2024-12-31
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	25	2 000	2 000
Development expenditure fund		21 916	21 700
Statutory reserve		18 000	18 000
		41 916	**41 700**
Unrestricted equity			
Retained earnings		320 302	331 421
Net profit/loss for the year		-24 079	-10 903
		296 223	**320 518**
Total equity		**338 139**	**362 218**
Provisions			
Other provisions		1 231	0
Total provisions		**1 231**	**0**

BALANCE SHEET	Note	2025-12-31	2024-12-31
Non-current liabilities	22		
Other liabilities		293	460
Total non-current liabilities		**293**	**460**
Current liabilities			
Liabilities to credit institutions	23	13 707	47 577
Accounts payable		51 616	24 349
Current tax liabilities		46	0
Other liabilities		5 200	3 749
Accrued expenses and deferred income	24	9 002	9 796
Total current liabilities		**79 571**	**85 471**
TOTAL EQUITY AND LIABILITIES		**419 234**	**448 149**

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CASH FLOW STATEMENT	Note	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Operating activities			
Operating profit		-10 792	54 109
Adjustments for non-cash items, etc.	26	20 037	19 075
Interest received, etc.		-340	-1 886
Interest paid		-15 653	-23 538
Income tax paid		132	121
Cash flow from operating activities before changes in working capital		**-6 616**	**47 881**
Cash flow from changes in working capital			
Decrease(+)/increase(-) in inventories/work in progress		3 858	-55 334
Decrease(+)/increase(-) in accounts receivable		-4 977	10 086
Decrease(+)/increase(-) in other receivables		410	-257
Decrease(-)/increase(+) in accounts payable		27 267	-52 956
Decrease(-)/increase(+) in current liabilities		657	-8 766
Cash flow from operating activities		**20 599**	**-59 346**

CASH FLOW STATEMENT	Note	2025-01-01 2025-12-31	2024-01-01 2024-12-31
Investing activities			
Acquisition of capitalized development expenditures and similar assets	13	-216	-9 100
Acquisition of machinery and other technical installations	15	-5 454	0
Acquisition of equipment, tools, and installations	16	0	-368
Acquisition of construction in progress and advance payments for tangible assets	17	-3 710	-2 978
Changes in receivables/liabilities to group companies	18	22 818	36 890
Cash flow from investing activities		**13 438**	**24 444**
Financing activities			
Group contributions		0	-38 869
Change in short-term financial liabilities		-33 870	47 577
Repayment of long-term loans		-167	-167
Cash flow from financing activities		**-34 037**	**8 542**
Change in cash and cash equivalents		**0**	**-26 360**
Cash and cash equivalents at beginning of year		0	26 360
CASH AND CASH EQUIVALENTS AT END OF YEAR		**0**	**0**

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Notes

Note 1
Accounting and valuation principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Accounting Standards Board's general recommendation BFNAR 2012:1 Annual and Consolidated Accounts (K3).

Receivables and liabilities in foreign currencies have been translated at the exchange rate on the balance sheet date. Exchange gains and losses on operating receivables and liabilities are reported in operating profit, while gains and losses on financial receivables and liabilities are reported as financial items.

Forward exchange contracts are used to hedge assets or liabilities against currency risk.

The principles are unchanged from the previous year.

Financial instruments

Financial instruments are measured at acquisition cost. An instrument is recognized in the balance sheet when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized from the balance sheet when the right to receive cash flows has expired or been transferred and the company has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognized when the obligations have been settled or otherwise ceased.

Receivables

Accounts receivable and other short-term receivables are recognized as current assets at the amount expected to be received, less individually assessed doubtful receivables.

Borrowings and accounts payable

Borrowings and accounts payable are initially recognized at acquisition cost net of transaction costs. If the recognized amount differs from the amount to be repaid at maturity, the difference is allocated as interest expense over the term of the loan using the effective interest method. This ensures that, at maturity, the recognized amount corresponds to the amount to be repaid.

Revenue recognition

Revenue is recognized at the fair value of the consideration received or expected to be received and is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably.

In the sale of goods, revenue is normally recognized when the significant risks and rewards of ownership have been transferred from the company to the buyer.

Interest or dividends are recognized as income when it is probable that the economic benefits will flow to the company and the income can be measured reliably.

Interest income is recognized using the effective interest method. Dividends are recognized as income when the company's right to payment is established.

Government grants intended to cover part of the costs in specific projects are recognized in the same period as the related costs are reported.

Group contributions

Group contributions received and paid are recognized as appropriations.

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Tangible fixed assets
Tangible fixed assets are recognized at acquisition cost less accumulated depreciation and any impairment losses. Depreciation is applied on a straight-line basis over the estimated useful life of the asset. The following useful lives are applied:

	Years
Buildings	20-100
Machinery and other technical equipment	5-20
Equipment, tools, and installations	3-10

Component depreciation
Tangible fixed assets are divided into components when the components are significant and have substantially different useful lives. When a component is replaced, the remaining book value of the old component is derecognized and the acquisition cost of the new component is capitalized. Expenditures for ongoing repairs and maintenance are recognized as expenses.

Intangible fixed assets
Intangible fixed assets are recognized at acquisition cost less accumulated amortization and any impairment losses. Amortization is applied on a straight-line basis over the asset's estimated useful life. Ongoing projects are not amortized but are tested annually for impairment.

The following useful lives are applied:

	Years
Capitalized development expenditures and similar assets	5

The company applies the capitalization model for internally generated intangible assets. This means that all expenses related to the development of an internally generated intangible asset are capitalized and amortized over the estimated useful life of the asset, provided that the criteria in BFNAR 2012:1 are met.

Leasing
The company classifies all lease agreements, both finance and operating leases, as operating leases. Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

Inventories
Inventories are measured at the lower of acquisition cost and net realizable value at the balance sheet date. Net realizable value refers to the estimated selling price less selling expenses.

Income tax
Total tax comprises current and deferred tax. Taxes are recognized in the income statement, except when the underlying transaction is recognized directly in equity, in which case the related tax effects are recognized in equity.

Current tax
Current tax refers to income tax for the current financial year and the part of previous financial years' income tax that has not yet been recognized. Current tax is measured using the tax rate applicable at the balance sheet date.

Deferred tax
Deferred tax is income tax relating to future financial years as a result of past events. It is recognized using the balance sheet method. Under this method, deferred tax liabilities and deferred tax assets are recognized on temporary differences arising between the carrying amounts and tax values of assets and liabilities, as well as on other tax deductions or tax loss carryforwards.

Deferred tax assets are offset against deferred tax liabilities only when they can be settled on a net basis. Deferred tax is measured using the tax rate applicable at the balance sheet date. Effects of changes in applicable tax rates are recognized in profit or loss in the period in which the change is enacted. Deferred tax assets are recognized as financial fixed assets and deferred tax liabilities as provisions.

Deferred tax assets relating to tax loss carryforwards or other future tax deductions are recognized to the extent that it is probable that the deductions can be offset against future taxable profits.

Due to the connection between accounting and taxation, the deferred tax liability attributable to untaxed reserves is not recognized separately.

Provisions
Provisions are recognized when there is a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Provisions for restructuring are recognized only when a detailed formal restructuring plan has been prepared and implemented, or when the main features of the plan have at least been announced to those affected. No provision is recognized for expenditure relating to future operations.

A provision is recognized at the best estimate of the amount required to settle the obligation at the balance sheet date. Provisions are used only for the expenditures for which the provision was originally intended. Provisions are discounted to present value where the time value of money is material.

Employee benefits
Employee benefits refer to all forms of consideration provided by the company to employees. The company's employee benefits include, among other things, salaries, paid vacation, paid absence, bonuses and post-employment benefits (pensions). Recognition is made as the benefits are earned. Post-employment benefits refer to defined contribution or defined benefit pension plans. Plans under which fixed contributions are paid and where there is no obligation, legal or constructive, to pay anything further in addition to those contributions are classified as defined contribution plans. Other plans are classified as defined benefit pension plans. The company has no other long-term employee benefits.

Receivables and liabilities in foreign currency
Receivables and liabilities in foreign currencies have been translated at the exchange rate on the balance sheet date. Exchange gains and losses on operating receivables and liabilities are reported in operating profit, while gains and losses on financial receivables and liabilities are reported as financial items.

Cash flow statement
The cash flow statement is prepared using the indirect method. Reported cash flow includes only transactions involving cash receipts or cash payments.In addition to cash on hand, the company classifies as cash and cash equivalents available balances with banks and other credit institutions, as well as short-term liquid investments quoted on a marketplace and having a maturity of less than three months from the date of acquisition. Changes in restricted funds are reported in investing activities.

Note 2
Estimates and judgements
The preparation of the financial statements and the application of accounting principles often require management to make judgements, estimates and assumptions that are considered reasonable at the time they are made. Estimates and judgements are based on historical experience and a number of other factors that are considered reasonable under the prevailing circumstances. The results of these are used to assess the carrying amounts of assets and liabilities that are not otherwise clearly evident from other sources. Actual outcomes may differ from these estimates and judgements. Estimates and assumptions are reviewed regularly.

Note 3
Net revenue

	2025	2024
Net revenue by business segment		
Chemicals	394 948	432 969
Refined ethanol	220 551	259 692
	615 499	**692 661**
Net revenue by geographical region		
Sweden	256 546	264 304
Other Nordic countries	0	3 457
Other European countries	358 435	424 900
Countries outside Europe	518	0
	615 499	**692 661**

Note 4
Purchases and sales within the Group

	2025	2024
Share of sales to group companies	0,1%	0,2%
Share of purchases from group companies	0,1%	0,0%

Note 5
Other operating income

	2025	2024
Accrued income from public grants	1 702	4 523
Other public grants	68	67

Part of the company's operations receives support in the form of public grants. These grants are intended to cover part of the costs in various projects and are accrued on an ongoing basis in line with reported project costs.
Grants received are recognized in the income statement under "Other operating income". If a grant is received in advance, only the portion corresponding to the costs incurred is recognized as income. The remaining amount is recorded as a liability in the balance sheet until the corresponding costs have been incurred and the grant can be recognized as income. Any receivable from the funding body for unpaid grants is reported as a receivable in the balance sheet under "Prepaid expenses and accrued income".

Note 6
Lease agreements – operating leases (lessee)

	2025	2024
During the year, the company's lease payments amounted to	13 395	13 906
Future minimum lease payments for non-cancellable lease agreements fall due as follows:		
Within 1 year	5 180	10 399
Between 2 and 5 years	1 909	5 732
	7 089	**16 131**

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Note 7
Auditor's fees

Firm: Ernst & Young	2025	2024
Statutory audit	235	222
	235	**222**

Statutory audit refers to the auditor's work on the legally required audit. Audit-related services refer to various types of assurance services. Other services refer to assignments not included in the statutory audit, audit-related services, or tax advisory.

Note 8
Employees

	2025	2024
Average number of employees, total	70	69
of which women	26	26
of which men	44	43

Salaries, remuneration, etc.		
Salaries, remuneration, social security contributions and pension costs were as follows:		
Board of Directors and CEO:		
Salaries and remuneration	3 397	2 599
Pension costs	632	596
	4 029	**3 195**

	2025	2024
Other employees:		
Salaries and remuneration	45 011	42 730
Pension costs	6 051	5 634
	51 062	**48 364**
Social security contributions	**16 599**	**15 613**
Total Board of Directors and other employees	**71 690**	**67 172**

Note 9
Other interest income and similar profit/loss items

	2025	2024
Interest income	82	493
Exchange rate difference	-423	-2 379
	-341	**-1 886**

Note 10
Interest expenses and similar profit/loss items

	2025	2024
Interest expenses to group companies	-14 625	-22 409
Other interest expenses	-1 028	-1 129
	-15 653	**-23 538**

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Note 11
Appropriations

	2025-12-31	2024-12-31
Group contribution paid	0	-38 869

Note 12
Tax on profit for the year

	2025	2024
Current tax	0	0
Deferred tax	2 706	-719
Tax on profit for the year	**2 706**	**-719**
Reconciliation of effective tax		
Profit before tax	-26 785	-10 184
Tax expense 20.60% (20.60%)	5 518	2 098
Tax effect of:		
Non-deductible expenses	-2 823	-2 831
Non-taxable income	2	4
Tax adjustments	9	9
Rounding difference	0	1
Total recognized tax	**2 706**	**-719**

Note 13
Capitalised expenditure for development work and similar work

	2025-12-31	2024-12-31
Opening acquisition value	21 700	12 600
Capitalised development work	216	9 100
Capitalised development work	**21 916**	**21 700**
Closing carrying amount	**21 916**	**21 700**

Note 14
Buildings and land

	2025-12-31	2024-12-31
Opening acquisition value	38 915	13 057
Sales/disposals	0	-645
Reclassifications	0	26 503
Closing accumulated acquisition values	**38 915**	**38 915**
Opening depreciation	-12 839	-12 562
Sales/disposals	0	642
Depreciation for the year	-919	-919
Closing accumulated depreciation	**-13 758**	**-12 839**
Closing carrying amount	**25 157**	**26 076**
Carrying amount buildings	24 859	25 757
Carrying amount land improvements	133	154
Carrying amount land	165	165
	25 157	**26 076**

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Note 15
Machinery and other technical installations

	2025-12-31	2024-12-31
Opening acquisition value	346 882	369 690
Purchases	5 454	0
Sales/disposals	0	-179
Reclassifications	1 610	-22 629
Closing accumulated acquisition values	**353 946**	**346 882**
Opening depreciation	-197 592	-180 153
Sales/disposals	0	180
Reclassifications	0	2
Depreciation for the year	-17 377	-17 621
Closing accumulated depreciation	**-214 969**	**-197 592**
Opening impairments	-7 611	-7 611
Closing accumulated impairments	**-7 611**	**-7 611**
Closing carrying amount	**131 366**	**141 679**

Note 16
Equipment, tools, and installations

	2025-12-31	2024-12-31
Opening acquisition value	15 589	15 463
Purchases	0	368
Sales/disposals	-33	-65
Reclassifications	0	-177
Closing accumulated acquisition values	**15 556**	**15 589**

	2025-12-31	2024-12-31
Opening depreciation	-13 734	-13 264
Sales/disposals	32	66
Depreciation for the year	-510	-536
Closing accumulated depreciation	**-14 212**	**-13 734**
Closing carrying amount	**1 344**	**1 855**

Note 17
Ongoing new construction and advance payments for tangible assets

	2025-12-31	2024-12-31
Opening acquisition value	3 103	3 825
Purchases	3 710	5 105
Sales/disposals	0	-2 131
Reclassifications	-1 610	-3 696
Closing accumulated acquisition values	**5 203**	**3 103**
Closing carrying amount	**5 203**	**3 103**

Note 18
Receivables from group companies

	2025-12-31	2024-12-31
Opening acquisition value	23 580	60 470
Settlements	-22 818	-36 890
Closing accumulated acquisition values	**762**	**23 580**
Closing carrying amount	**762**	**23 580**

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Note 19
Inventories

	2025-12-31	2024-12-31
Raw materials and consumables		
Carrying amount	69 743	94 458
Finished goods and goods for resale		
Carrying amount	116 635	95 777

Note 20
Deferred tax asset

	2025-12-31	2024-12-31
Opening balance	0	719
New deferred tax assets	2 706	0
Reversed deferred tax assets	0	-719
	2 706	**0**

Note 21
Prepaid expenses and accrued income

	2025-12-31	2024-12-31
Accrued freight support income	377	450
Prepaid rents and subscriptions	1 956	2 641
Prepaid insurance premiums	909	629
	3 242	**3 720**

Note 22
Non-current liabilities

	2025-12-31	2024-12-31
Amortization within 1 to 5 years	293	460

Note 23
Overdraft facility

	2025-12-31	2024-12-31
Approved overdraft facility amounts to:	90 000	90 000
Utilized facility amounts to 13,707 (47,577).		

Note 24
Accrued expenses and deferred income

	2025-12-31	2024-12-31
Accrued salaries	929	892
Accrued holiday pay	5 665	5 887
Accrued social security contributions	2 072	2 130
Other accrued expenses	336	887
	9 002	**9 796**

Note 25
Number of shares and quota value

	2025-12-31	2024-12-31
Number of A-shares, quota value SEK 100	20 000	20 000

Note 26
Adjustment for items not included in cash flow

	2025-12-31	2024-12-31
Depreciation	18 806	19 075
Provisions	1 231	0
	20 037	**19 075**

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Note 27
Pledged assets

	2025-12-31	2024-12-31
Company mortgages	210 000	175 000

Note 28
Contingent liabilities

	2025-12-31	2024-12-31
Grants received as project prepayments from Vinnova	1 357	1 077
Grants received as project prepayments from the Swedish Energy Agency	1 133	0

Note 29
Information on parent company

The company is a subsidiary of Sekab Holding AB, reg. no. 556670-2527, based in Örnsköldsvik.

The ultimate parent company of the Group is Norrlands Etanolkraft AB, reg. no. 556303-6986, based in Skellefteå.

Norrlands Etanolkraft AB is the only entity that prepares consolidated financial statements in which the company is included.

Note 30
Definition of key performance indicators

Equity ratio
Adjusted equity as a percentage of total assets.

Return on equity
Profit after financial items as a percentage of average adjusted equity.

Net sales
The company's core revenues, invoiced costs, secondary revenues, and revenue adjustments.

Total assets
The company's total assets.

Profit after financial items
Profit after financial income and expenses but before appropriations and tax.

The annual report was approved on February 25, 2026

Örnsköldsvik

Gunnar Olofsson

Stefan Skarp

Emil Källström
CEO

Our auditor's report was submitted on
March 1, 2026

Ernst & Young AB

Rikard Grundin
Authorized Auditor

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Audit report

To the general meeting of SEKAB BioFuels & Chemicals AB, org. no. 556263-4088

Report on the annual report

Opinions

We have audited the annual report of SEKAB BioFuels & Chemicals AB for the financial year 1 January 2025 – 31 December 2025. The company's annual report is included on pages 22–40 in this document.

In our opinion, the annual report has been prepared in accordance with the Swedish Annual Accounts Act and presents fairly, in all material respects, the financial position of SEKAB BioFuels & Chemicals AB as of 31 December 2025 and its financial performance and cash flow for the year in accordance with the Swedish Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual report.

We therefore recommend that the general meeting adopt 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 SEKAB BioFuels & Chemicals AB in accordance with generally accepted auditing standards 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

This document also contains other information than the annual report, which is presented on pages 2–21. The Board of Directors and the Managing Director are responsible for this other information.

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

In connection with our audit of the annual report, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual report. In this review we also consider the knowledge we have otherwise obtained during the audit and assess whether the information otherwise appears to be materially misstated. If, based on the work we have performed concerning this information, we 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 report and that it gives a fair presentation in accordance with the Swedish Annual Accounts Act. They are also responsible for such internal control as they determine is necessary to enable the preparation of an annual report that is free from material misstatement, whether due to fraud or error.

In preparing the annual report, the Board of Directors and the Managing Director are responsible for assessing 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 not applied if the Board of Directors and the Managing Director intend to liquidate the company, cease operations, or have no realistic alternative but to do so.

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Auditor's Responsibilities
Our objectives are to obtain reasonable assurance about whether the annual report as a whole is 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 ISA 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 the annual report.

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

- Identify and assess the risks of material misstatement of the annual report, 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, misrepresentation, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's 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 report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual report, including the disclosures, and whether the annual report represents 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, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinions
In addition to our audit of the annual report, we have also audited the administration of the Board of Directors and the Managing Director of SEKAB BioFuels & Chemicals AB for the financial year 1 January 2025 – 31 December 2025 and the proposed appropriations of the company's profit or loss.
We recommend that the general meeting appropriate the profit in accordance with the proposal in the statutory administration report and discharge the members of the Board of Directors and the Managing Director 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 SEKAB BioFuels & Chemicals AB in accordance with generally accepted auditing standards 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. In connection with a proposed 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 financial position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes ongoing 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 are controlled in a satisfactory manner. The Managing Director shall manage the ongoing administration in accordance with the Board's guidelines and instructions and take the measures necessary to ensure that the company's accounting complies with the law and that asset management is conducted in a satisfactory manner.

Auditor's Responsibilities
Our objective concerning the audit of the administration, and thereby our opinion on 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 has in any material respect:

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

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

Reasonable assurance is a high level of assurance, but 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 primarily based on the audit of the accounts. Additional audit procedures are based on our professional judgment and are determined with regard to risk and materiality. This means 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 made, decision-supporting documentation, actions taken, and other circumstances that are relevant to our opinion on discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss, we examined whether the proposal is in accordance with the Companies Act.

Örnsköldsvik, March 1, 2026
Ernst & Young AB

Rikard Grundin
Authorized Auditor

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