

## The shareholders of Holmen Aktiebolag (publ) (corp. reg. no. 556001-3301)

are hereby invited to attend the Annual General Meeting at 15.00 CET on Monday 31 March 2025, in Vinterträdgården, Grand Hôtel (Royal entrance), Stallgatan 6, Stockholm, Sweden

### Registration etc.

Shareholders wishing to exercise their voting rights and participate in the AGM must:

- Be registered as shareholders in the shareholder register generated by Euroclear Sweden AB indicating the situation on Friday 21 March 2025. To exercise their voting rights and participate in the AGM, shareholders whose shares are registered in the name of a trustee must temporarily re-register their shares in their own name (so-called voting right registration) so that the person concerned is included in the shareholder ledger generated on this day. Such re-registration should be requested in advance from the trustee, in accordance with the trustee's procedures, by such time as the trustee deems appropriate. Voting right registrations effected by the trustee by no later than Tuesday 25 March 2025 will be included in the shareholder register generated.
- Register with the Company no later than Tuesday, 25 March 2025 via the company's website, [www.holmen.com](http://www.holmen.com), by e-mail; [proxy@computershare.se](mailto:proxy@computershare.se) or in writing under postal address; Computershare AB, "Årsstämma i Holmen", Box 5267, 102 46 Stockholm. Registration can also be done by phone 0771-24 64 00. When registering, please state name, social security number or organization number, address, telephone number, email address and, where applicable, the number of assistants (maximum two).

### Voting by proxy

Shareholders who are represented by a proxy must issue a written, dated authorisation for the proxy. A proxy form is available at [www.holmen.com](http://www.holmen.com), and is also available by post on request from shareholders. If the shareholder is a legal entity, certificate of registration or other authorisation documents must be enclosed. Copies of the documents should, to facilitate entrance, be sent in advance to the above-mentioned e-mail address or postal address.



## **Proposed agenda**

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Election of officers to verify the minutes
5. Approval of the agenda
6. Resolution concerning the due convening of the Meeting
7. Presentation of the annual accounts and the consolidated accounts, together with the auditors' report on the annual accounts and the consolidated accounts, address by CEO
8. Matters arising from the above reports
9. Resolution concerning the adoption of the parent company's income statement and balance sheet and the consolidated income statement and balance sheet
10. Resolution concerning the appropriation of the Company's earnings as stated in the adopted balance sheet, and date of record for entitlement to dividend
11. Resolution concerning the discharge of the members of the Board and the CEO from personal liability
12. Decision on the number of Board members and auditors to be elected by the Meeting
13. Decision on the fees to be paid to the Board and the auditor
14. Election of the Board and the Chair of the Board
15. Election of auditors
16. Presentation and approval of the Board's report on the remuneration paid, and due to be paid, to senior management
17. Decision on a share savings program for senior executives, including
  - a. Implementation of share savings program
  - b. Hedge measures related to the share savings program
    - i. Transfers to participants in the program of treasury shares series B
    - ii. Share swap agreement with external party, if the annual general meeting does not decide according to item i) above
18. Decision on authorisation to buy back and transfer treasury shares
19. Closure of the Meeting

## **The Nomination Committee's proposals in respect of Items 2 and 12–15 on the agenda**

The Annual General Meeting has previously decided to set up a Nomination Committee to make proposals concerning the election of Board members and the Board's fees and, when relevant, the election of auditors and the auditors' fees. As decided by the AGM, the Nomination Committee shall consist of the Chair of the Board and one representative of each of the three largest shareholders by voting rights on 31 August each year. Prior to the 2025 AGM, the Nomination Committee consisted of Bo Selling, L E Lundbergföretagen; Lars Ericson, Kempestiftelserna; Vegard Torsnes, Norges Bank; and Fredrik Lundberg, Chair of the Board. The Chair of the Nomination Committee is Bo Selling.

The Nomination Committee has submitted the following proposals:

- Item 2            The Nomination Committee proposes that the Company's Chair of the Board, Fredrik Lundberg, be elected as Chair of the AGM, or if he is prevented from attending, the person designated by the Nomination Committee to act in his place.
- Item 12           The Nomination Committee proposes that the Meeting resolve that the Board of Directors consist of nine members elected by the Annual General Meeting. The Nomination Committee further proposes, in accordance with the Audit Committee's recommendation, that the Meeting appoint a registered auditing firm to serve as auditor. It is noted that employee organisations have appointed employee representatives to the Board: three regular members and three deputy members.
- Item 13           The Nomination Committee proposes that fees of 4 095 000 (3 870 000) be paid to the Board, of which 910 000 (860 000) to be paid to the Chair, 455 000 (430 000) to be paid to each of the other members elected by the AGM who are not Company employees. The proposal represents an increase of 5.8 per cent.
- It is proposed that fees be paid to the auditors against approved invoices.
- Item 14           The Nomination Committee proposes the re-election of Fredrik Lundberg, Alice Kempe, Louise Lindh, Ulf Lundahl, Fredrik Persson, Henrik Sjölund, Henriette Zeuchner, and Carina Åkerström, as well as the election of Stefan Widing as a new member, for the period until the end of the next Annual General Meeting.

Lars Josefsson has declined re-election.

It is proposed that Fredrik Lundberg be re-elected Chair of the Board of Directors.

- Item 15 The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, the re-election of auditing firm PricewaterhouseCoopers AB as the Company's auditor until the end of the next Annual General Meeting. They have communicated that authorised public accountant Magnus Svensson Henryson will be main responsible auditor if re-elected.

### **The Board's proposal concerning Item 10 on the agenda**

The Board proposes that a dividend of SEK 12.00 per share be paid. The Board proposes that the dividend date of record be Wednesday 2 April 2025. Provided the Annual General Meeting resolves in favour of the proposal, the dividend should be distributed by Euroclear Sweden on Monday 7 April 2025.

### **The Board's proposal regarding item 17 on the agenda concerning (A) the introduction of a long-term share savings program and (B) hedging measures thereof.**

The Board of Directors proposes that the Annual General Meeting resolve on a new long-term share savings program ("the Program" or "LTIP 2025"). The Program is aimed at the Group Executive Management and Business Area Management teams and will be implemented after the Annual General Meeting.

The Annual General Meetings in 2022 and 2024 resolved on long-term share savings programs (LTIP 2022 and LTIP 2024, respectively), which will expire in connection with the publication of Holmen's interim report for the first quarter of 2025 and 2027, respectively. The programs are similar, but LTIP 2022 includes a broader group of key individuals, whereas LTIP 2024 includes only the Group Executive Management. Additionally, LTIP 2024 introduced a climate-related target for the allocation of Performance Shares II.

The Board considers the programs to be appropriately designed and proposes that the 2025 Annual General Meeting adopt a long-term share savings program with terms that are, in all material respects, equivalent to those of LTIP 2024. Since LTIP 2022, which includes business area management



teams, expires in 2025, the Board proposes that LTIP 2025 should include not only the Group management but also the business area management teams.

The overall purpose of the Program is to maintain a strong alignment of interests between key individuals within the Group and the shareholders and to continue fostering a long-term commitment to Holmen. The Program is intended to attract and retain employees who are crucial to Holmen's continued success. It should be achievable, easy to understand, cost-effective to administer, and simple to communicate.

#### **A. Implementation of a long term share savings program**

The board proposes that the implementation of the Program shall be according to the main terms outlined below.

- a. The Program is proposed to be directed at a maximum of 45 permanently employed individuals within the Holmen Group, who are divided into the following four categories: the CEO of Holmen ("**Group 1**"), the Deputy CEO of Holmen ("**Group 2**"), other members of the Group Executive Management ("**Group 3**"), and the Business Area Management teams ("**Group 4**"). The participants in Groups 1–4 is collectively referred to as "**the Participants.**"
- b. To participate in the Program, it is required that the Participants personally invest in class B shares in Holmen and that these shares are allocated to the Program ("**Savings Shares**")
- c. For each Savings Share, the Participants can be allotted one half (0.5) class B shares in Holmen, free of charge, either by Holmen, by another company in the Holmen group, or by a designated third party ("**Performance Share I**"). Performance Shares I are allotted on the condition that the total shareholder return on class B shares in the company exceeds 10 percent during 2025–2027 ("**TSR condition**")
- d. Participants will also have the opportunity, depending on the fulfillment of certain performance conditions, to be allotted additional class B shares in Holmen, free of charge, either by Holmen, by another company in the Holmen group, or by a designated third party ("**Performance Shares II**"). For each Savings Share, the Participant may be allotted Performance Shares II in accordance with the following:



- Participants in Group 1 may be allotted up to six (6) Performance Shares II;
- Participants in Group 2 may be allotted up to five (5) Performance Shares II; and
- Participants in Group 3 may be allotted up to four (4) Performance Shares II.
- Participants in Group 4 may be allotted up to three (3) Performance Shares II.

Allocation of Performance Shares II shall be based 90 percent on an average return on capital employed<sup>1</sup> for the two business areas, Cardboard & Paper and Wood Products, during the fiscal years 2025, 2026 and 2027 ("**Financial Target**"). For Performance Shares II to be awarded in relation to the Financial Target, a minimum level of 10 percent ROCE must be exceeded, and for maximum allocation, a maximum level of 20 percent ROCE must be achieved. If a level between the minimum and maximum levels is reached, Participants will receive a linear allocation of Performance Shares II in relation to the Financial Target.

The allocation of Performance Shares II shall be based 10 percent on Holmen's climate benefit ("Sustainability Target"). Holmen's climate benefit is described and defined in more detail in the annual report for the financial year 2024 on page 36.

For allocation related to the Sustainability Target, the reported climate benefit, measured as an average over the financial years 2025–2027, must have increased compared to the reported climate benefit in the reference year 2024 (adjusted for any extraordinary events, such as major acquisitions, divestments, or equivalent, as well as adjusted for any changes in definitions and methodology for calculating climate benefit). If the climate benefit decreases or remains unchanged during the measurement period, no allocation of Performance Shares II related to the Sustainability Target will take place.

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<sup>1</sup> Operating result (excluding comparability-distorting items) expressed as a percentage of average employed capital, as defined in the annual report for each year.

e. Performance Shares I and II will be allotted after the end of an earning period, which runs from May 31, 2025, until the day of the publication of Holmen's interim report for the first quarter of 2028 ("**Earning Period**").

The maximum value of the right to receive a Performance Share I or a Performance Share II shall be limited to 200 percent of the volume-weighted average price of Holmen's class B share during the five trading days immediately following the day of the publication of Holmen's interim report for the first quarter of 2025 ("**Cap**"). If the value of such a right (calculated based on the volume-weighted average price of Holmen's class B share during the five trading days immediately following the day of the publication of the interim report for the first quarter of 2028, less any dividend resolved by the annual general meeting that has not yet been separated from the share) exceeds the Cap, a proportional reduction of the number of Performance Shares I and Performance Shares II to be allotted shall occur to the extent necessary to not exceed the Cap. This limitation enables control and creates predictability over the maximum scope and cost of the Program.

f. Each Participant may invest in Savings Shares up to an amount equal to a maximum of 10 percent of their respective annual individual gross base salary for 2025.

g. Participants shall invest in Savings Shares during the period from May 9 – May 30, 2025, with the right for the board to extend (or postpone) the investment period for individual Participants if there are special reasons.

h. Performance Shares I and Performance Shares II are normally to be allotted only after the end of the Earning Period.

i. A condition for a Participant, where applicable, to be allotted Performance Shares I or Performance Shares II is that they, with certain exceptions, have been employed within the Holmen group throughout the Earning Period and that the Participant, until the end of the Earning Period, has retained the Savings Shares invested within the Program. Savings Shares that have been disposed of before the end of the Earning Period shall not be included in the calculation to determine the allotment of Performance Shares I or Performance Shares II.

j. If significant changes occur within the Holmen group or in the market that, in the board's assessment, would render the conditions for the allotment of Performance Shares I or Performance Shares II under the Program no longer reasonable, the board shall have the right to make adjustments to the

Program, including, but not limited to, the right to decide on reduced allotment of Performance Shares I or Performance Shares II, or that no allotment of Performance Shares I or Performance Shares II shall occur at all.

k. The board shall have the right to decide on the detailed terms of the Program. In this regard, the board shall have the right to make necessary adjustments to these terms to comply with specific rules or market conditions outside of Sweden.

l. Participation in the Program is subject to such participation being legally permissible in the relevant jurisdictions. If Participants outside of Sweden, in the board's assessment, cannot be allotted Performance Shares I or Performance Shares II at a reasonable cost or with reasonable administrative efforts, the board shall have the right to decide on cash settlement for such Participants.

m. The Program shall encompass a maximum of 100 000 class B shares in Holmen (including Performance Shares I and Performance Shares II).

n. The number of Performance Shares I and Performance Shares II shall be adjusted as a result of subsequent bonus issue, share split, rights issue, dividend exceeding 5 percent of the equity in the Holmen group for a specific fiscal year, and/or other similar corporate events.

#### *Cost of the Program*

The costs of the Program, as reported in the income statement, are calculated according to the accounting standard IFRS 2 and accrued over the vesting period. The calculation has been performed based on the noted closing price of the Class B shares in Holmen as of February 20, 2025, i.e., 424 SEK per share, and with the following assumptions: (i) an annual dividend yield of approximately 3 percent, (ii) an annual employee turnover of 5 percent, (iii) that the TSR condition is met, (iv) an average fulfillment of the Financial Target of 50 percent and fulfillment of the Sustainability Target, and (v) the total maximum number of shares available for allocation as per section A.m above. In addition to the above, the costs of the Program have been based on the assumption that the Program includes 45 Participants and that each Participant makes a maximum investment.

The total estimated costs of the Program according to IFRS 2 amount to approximately 17 MSEK, excluding social security contributions (30 MSEK if the TSR condition, the Financial Target, and the Sustainability Target are fulfilled at 100 percent). The costs for social fees are estimated to approximately 8 MSEK, based on



the assumptions above, and on the assumption of an annual share price increase of 10 percent during the Program period, as well as a social fee tax rate of 31.42 percent (14 MSEK upon fulfillment of the TSR condition, the Financial target, and the Sustainability target at 100 percent). The costs for social security contributions are estimated to amount to approximately 8 MSEK, based on the above assumptions, and assuming an annual share price increase of 10 percent during the Program's duration and a social security tax rate of 31.42 percent (14 MSEK upon fulfillment of the TSR condition, the Financial target, and the Sustainability target at 100 percent).

The expected annual costs of 9 MSEK, including social security contributions, correspond to approximately 0.3 percent of the Holmen Group's total personnel costs for the financial year 2024 (0.4 percent upon fulfillment of the TSR condition, the Financial target, and the Sustainability target at 100 percent).

Assuming that the Cap is reached (for this purpose calculated based on the closing price of series B shares in Holmen as of February 20, 2025, i.e., 424 SEK per share) and that all Participants are entitled to the allocation of the maximum number of Performance Shares I and Performance Shares II in the Program and remain in the Program until the end of the Vesting Period, the maximum costs for Holmen under IFRS 2 will amount to 35 MSEK, and the maximum costs for social security contributions to 24 MSEK.

#### *Dilution*

The allocation of repurchased Series B shares to fulfill the commitments under the Program would result in the following dilution effects (under the assumptions specified below). In the event of the maximum allocation of Performance Shares I and Performance Shares II, and provided that no recalculation takes place pursuant to section A.n above, the number of shares to be allocated free of charge under the Program amounts to 100,000 Series B shares in Holmen, which corresponds to approximately 0.06 percent of the share capital and approximately 0.02 percent of the votes (calculated based on the number of outstanding shares in Holmen as of February 20, 2025). The effects on key financial ratios and earnings per share are marginal.

#### *Hedging measures*

The board proposes that the annual general meeting, as a primary option, decides on gratuitous transfers of treasury shares of class B to the Participants, and that gratuitous transfers of treasury shares of class B can be made to subsidiaries of Holmen to ensure Holmen's commitments to deliver class B shares to the

Participants. The company currently holds 4 844 832 treasury shares of class B. The detailed terms of the board's primary option are set out in item 17.B.1 below.

In the event that the required majority for item 17.B.1 below is not achieved, the board proposes that Holmen be able to enter into share swap agreements with third parties, in accordance with item 17.B.2 below.

#### *Preparation of the proposal*

The proposed Program has been prepared, according to guidelines issued by Holmen's board, by Holmen's Compensation Committee, with the assistance of external advisors. The Compensation Committee has presented the work to the board, after which the board has decided to propose the adoption of the Program at the 2025 annual general meeting.

### **B. Hedging Measures in Relation to the Program**

#### *1. Decision on transfers to Participants of treasury shares of class B*

The board proposes that the annual general meeting, as a primary option, decides that transfers of Holmen's treasury shares of class B may occur under the following condition.

- a) Transfers may only occur of class B shares in Holmen, whereby a maximum of 100 000 class B shares in Holmen may be transferred free of charge to the Participants.
- b) The right to acquire class B shares in Holmen free of charge shall, with deviation from the shareholders' preferential rights, belong to the Participants. Furthermore, with deviation from the shareholders' preferential rights, subsidiaries of Holmen shall have the right to acquire class B shares in Holmen free of charge, whereby such subsidiary shall be obliged, according to the terms of the Program, to immediately transfer the shares to the Participants.
- c) Transfers of class B shares in Holmen shall be made free of charge at the time and on the other terms that the Participants are entitled to acquire shares.
- d) The number of class B shares in Holmen that may be transferred within the framework of the Program shall be adjusted due to interim bonus issues, splits, preferential issues, dividends exceeding 5 percent of the equity of the Holmen Group for a certain fiscal year, and/or other similar corporate events.

## *2. Share swap agreement with external party*

The board proposes that the annual general meeting, in the event that the required majority for item B.1 above cannot be achieved, decides that the financial exposure expected to result from the Program may be hedged by Holmen on market terms by entering into a share swap agreement with an external party, whereby the external party, for a fee and in its own name, may acquire and transfer class B shares in Holmen to the Participants, in accordance with the terms of the Program.

### *Conditions*

The decision to implement the Program in accordance with section A above is conditional upon the Annual General Meeting deciding either in accordance with the proposal for transfers to the Participants of treasury shares series B in accordance with section B.1 above or in accordance with the proposal to enter into share swap agreements with an external party in accordance with section B.2 above.

### *Majority rules*

For a valid decision on the introduction of the Program according to item A above, a majority of more than half of the votes cast at the meeting is required. For a valid decision on the transfer of treasury shares of class B to the Participants according to item B.1 above, the decision must be supported by shareholders representing at least nine-tenths of both the votes cast and the shares represented at the meeting. For a valid decision to enter into a share swap agreement with an external party according to item B.2 above, a majority of more than half of the votes cast at the meeting is required.

### *Previous incentive programs in Holmen*

In addition to what has been stated above, LTIP 2022 and LTIP 2024 are described in more detail in note 4 of Holmen's annual report for the financial year 2024.

## **Board proposal concerning Item 18 on the agenda**

The Board proposes that the Annual General Meeting approve the authorisation of the Board to, until the next Annual General Meeting, take decisions on the acquisition of treasury shares as follows.

1. Acquisitions may take place until the next Annual General Meeting, on one or more occasions.
2. Acquisitions may be made of up to as many class "B" shares that the company's holding of treasury shares after the acquisitions does not at any time exceed 10 per cent of all the shares in the company.

3. The share purchases shall be transacted via Nasdaq Stockholm within the prevailing applicable range of prices (spread).

The Board further proposes that it be mandated by the Annual General Meeting to make decisions up until the next Annual General Meeting to use the company's holding of treasury shares as payment in connection with the acquisition of companies or enterprises or to finance such acquisitions, in which case the shares may also be sold via Nasdaq Stockholm. The following conditions shall apply:

1. Such mandate may be used on one or more occasions before the Annual General Meeting of next year.
2. All treasury shares class B held by the company at the point of the Board's decision may be transferred.
3. The mandate includes the right to decide to depart from shareholders' preferential rights.
4. The transfer of shares on Nasdaq Stockholm shall take place within the prevailing applicable range of prices (spread). For share transfers outside Nasdaq Stockholm, payment will be possible in cash, with payment in kind or through offset, and the price shall correspond to an assessed market value at the time of such transfer.

The purpose of the mandates for repurchases and transfers of own shares, and the reason for deviation from shareholders' preferential rights, is to give the company opportunity to use treasury shares to finance or pay for, without delay and in a flexible, cost-effective manner, acquisitions of companies or business operations and to ensure future transfers of shares under the long-term share savings programs. The purpose of the mandate to repurchase shares in the company is also to enable the Board to adjust the capital structure, thereby generating a higher value for shareholders.

Approval of the proposal requires shareholders representing a minimum of two-thirds of both votes cast and shares represented at the Annual General Meeting to support the resolution.

### **Information at the meeting**

If a shareholder so requests, and the Board deems that it can meet the request without causing material damage to the Company, the Board and the CEO shall provide information about any circumstances that might affect the assessment of an item on the agenda and any circumstances that might affect the assessment of the Company's or its subsidiaries' financial position, or the Company's relationship with another Group company.



## Documents

Accounting records, the auditor's report, and other documents that must be made available to shareholders in accordance with the Swedish Companies Act will be available at the company as well as on the company's website [www.holmen.com](http://www.holmen.com) no later than Monday, March 10, 2025. The documents will be sent to shareholders upon request and will be available at the annual general meeting.

When the notice of the Annual General Meeting was issued, Holmen AB had a total of 162,512,324 shares in issue, of which 45,246,468 Class A shares and 117,265,856 Class B shares. The A-share carries ten votes, while the B-share carries one vote. Following previous repurchases, the company holds 4,844,132 B-shares, corresponding to approximately 3 percent of all shares, which are not represented at the Annual General Meeting. The total number of votes in the company at the mentioned time thus amounts to 569,730,536 (564,886,404 excluding the company's own holdings).

## Processing of personal data

For information about how personal data is processed, please visit <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>. If you have any questions concerning our processing of personal data, please contact us via email at [GDPR@holmen.com](mailto:GDPR@holmen.com). Holmen Aktiebolag (publ)'s organisation number is 556001-3301 and has its seat in Stockholm.

Stockholm, February 2025

The Board of Directors