

Sveaskog
in brief

2021



An aerial photograph of a winter forest. The ground is covered in a thick layer of snow, with the dark green needles of evergreen trees visible underneath. A light-colored path or road runs diagonally from the top right towards the bottom left. To the right of the path, there is a simple wooden fence. The overall scene is quiet and serene, representing a typical Swedish forest landscape.

About Sveaskog

Sveaskog is the largest forest owner in Sweden and is owned by the Swedish State. We manage 14 per cent of Sweden's forest land, which corresponds to about 10 per cent of Sweden's area. We operate in around 170 municipalities and have over 800 employees from Skåne to Norrbotten.



Financial performance

6,920 **+ 5%**

Net sales increased by 5 per cent to MSEK 6,920.

The prices of wood raw materials increased by an average of 5 per cent.

1,341

Operating profit increased by 20 per cent to MSEK 1,341.

10,682

The sales of wood raw materials amounted to 10,682 thousand cubic metres.

Condensed income statement

MSEK

Net sales

Operating profit from continuing operations

Capital gains on property disposals

Share of profit/loss of associates

Operating profit before change in value of for

Change in value of forest assets

Operating profit

Net financial income/expense

Profit before tax

Tax

Profit for the year

	2021	2020
	6,920	6,597
	1,341	1,120
	30	163
	667	57
rest assets	2,038	1,340
	-196	12,481
	1,842	13,821
	-133	-153
	1,709	13,668
	-215	-2,801
	1,494	10,867

CEO's comments

” I want Sveaskog to be a leader in sustainable forestry. For me, this means that we have to make an extra effort compared to the rest of the forestry industry. This is especially important in the work on climate issues, biodiversity and coexistence with reindeer husbandry.

Erik Brandsma, President and CEO



Forest: facts and figures

10.7

Sveaskog supplied 10.7 million cubic meters of sawlogs, pulpwood and biofuel to customers in 2021.

3.9

Forest holdings amount to 3.9 million hectares, of which 3 million is productive forest land.

49,000

Sveaskog cleaned 49,000 hectares in 2021.

68 %

In 2021, timber extraction corresponded to 68 per cent of growth on managed land.

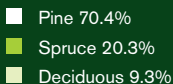
29 %

At present, 29 per cent of all areas are exempt from forestry.

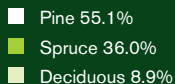
All of the forest is FSC® and PEFC™ certified, providing a guarantee of sustainable forestry.

Breakdown of tree species on Sveaskog's land

Market area North



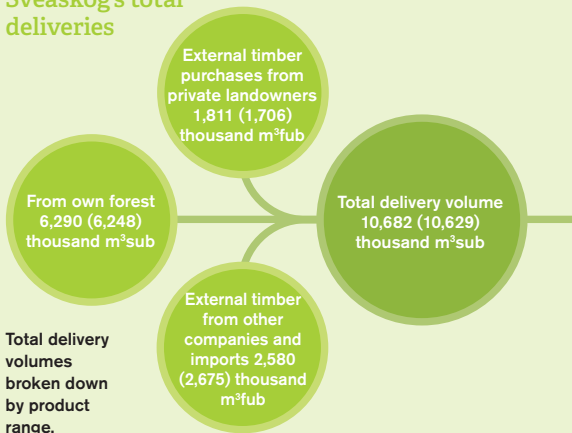
Market area South



Sveaskog's business model

Sveaskog's core business is cultivating the forest, and selling timber and pulpwood, as well as biofuel. The company also conducts lease and land deals. Sveaskog develops the forest as a place for fishing, hunting and other outdoor experiences.

Sveaskog's total deliveries



Customers

Biofuel customers

Sveaskog supplies to around 50 biofuel customers in Sweden, primarily heating plants.

Other forest owners

Approximately 3,500 forest owners buy seedlings and forest management services from Sveaskog.

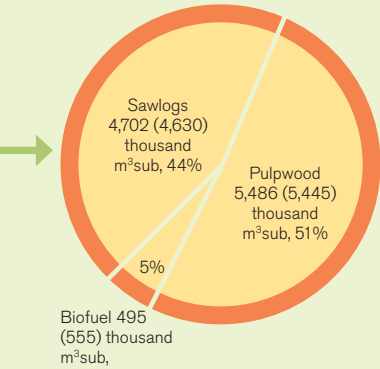


Sawmills

Sveaskog supplies sawlogs to some 70 sawmills in Sweden. The sawlogs are refined and used primarily for buildings and furniture.

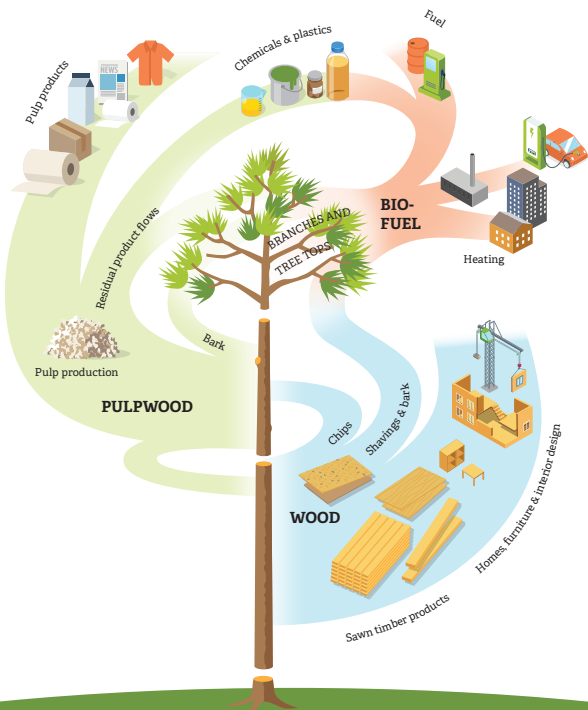
Paper and pulp mills

Sveaskog supplies pulpwood to some 20 paper and pulp mill customers that manufacture packaging paper and other paper products.



The forest as raw material

The renewable raw material from the forest is processed by our customers. This comprises primarily sawlogs, which are the most valuable part of the tree. Other parts of the tree are used in the pulp and paper industry, while residues from forestry and from the forest industry are further processed into biofuels, chemicals and new innovative materials and areas of use. The whole tree is thus made use of for various purposes.



Sveaskog

Sustainable forestry programme

Sveaskog's new long-term focus continues to combine high-volume and reliable timber delivery with intense efforts to increase biodiversity. Sveaskog climate adapts its forestry and actively contributes to achieving the Swedish environmental quality objectives, the Paris Agreement and the EU's climate goals. To succeed in this, Sveaskog has developed a sustainable forestry programme until 2026 that focuses on three overall areas in the forest landscape.



The managed forests



The water in the forest



**High conservation
value forests**



The managed forests

Sveaskog works systematically for increased consideration and investigates how a limitation of the size of clearings can be done to contribute to the establishment of a green infrastructure. With active consideration for nature and efforts to accelerate the recovery of the natural value of forest land, the living conditions for exposed and vulnerable species will be enhanced.

Examples of what we do:

- Selective-felling forestry in the managed parts of the most visited ecoparks.
- New programme for functional ecology considerations.



The reindeer industry

The reindeer industry is an integral element of Northern Sweden. Sveaskog works to ensure that the reindeer industry and forestry can coexist and develop, including by establishing an in-depth dialogue with the reindeer industry and expanding cleaning and thinning in reindeer husbandry areas.



The water in the forest

Access to water in the forest land has become increasingly critical with a changing climate. Sveaskog restores

wetlands and continuous running watercourses. This has a major impact on species that need running water and contribute to strengthening the forest land's ecosystems, while helping to bind carbon into the ground and combat the effects of climate change. Examples of what we do.

Examples of programme points:

- Wetland programme with 100 new wetlands.
- Restore ten running watercourses.



High conservation value forests

Sveaskog promotes deciduous and hardwood forests, of which there is currently a major shortage, and is

redoubling its efforts to restore good ecological structures and living conditions. Among other things, the thinning of conifers will increase and forests will be flooded or burned to create more dead wood.

Examples of what we do:

- Extended nature conservation programme.
- Increased investment in deciduous forests.

A photograph of a forest. In the foreground, there are trees with yellow and orange autumn foliage. In the background, several tall evergreen trees stand against a sky filled with soft, grey clouds. The overall scene is a natural, outdoor setting.

The forest's climate impact

The forest plays an important role in the climate transition, as the forest absorbs carbon dioxide and binds carbon, which counteracts the human climate impact. Sveaskog's climate benefit consists of net storage of carbon dioxide, partly in the forest, and partly in the long-lived products made using timber from Sveaskog's land. In addition, wood-based products contribute to reducing the need for fossil energy and cement, which in turn reduces society's climate impact.

A background image of a forest with green and yellow trees under a cloudy sky. Two white circular callouts are overlaid on the image, containing text about CO2 emissions.

8 million tonnes of CO²e

are bound into the standing forest and in long-lived products from Sveaskog's lands.

0.1 million tonnes of CO²e

are what the annual emissions from Sveaskog's operations amount to. Most of the emissions come from felling and transport.

Stakeholder dialogue

With its large forest holdings, Sveaskog has an operation that concerns many people and we regularly communicate with various stakeholder groups, for example through consultations with local communities in the planning of our operating activities. We also have a dialogue with environmental organisations about our conservation work and knowledge-enhancing discussions with the field of research and academia. Stakeholders' views help us to develop our business and identify our most important sustainability issues.





Sveaskog's operations

Sveaskog utilises the forest with an ambition to balance economic, environmental and social interests. The company's forests are certified according to both FSC and PEFC standards, and we require FSC Controlled wood for all timber that we buy from other forest owners. This means that Sveaskog's customers can be guaranteed a sustainable raw material.



Sawlogs

Sveaskog is an independent operator in the timber market and offers a wide range of timber to meet customers' needs for different volumes, tree species, qualities and dimensions. Timber from our own forests is supplemented by volumes purchased externally. Sveaskog supplies sawlogs to many of Sweden's biggest sawmills. They, in turn, supply mainly the construction and furniture industry.







Pulpwood

Pulpwood is a product from the parts of the tree that are not used by the sawmills. The largest volumes of Sveaskog's pulpwood come from thinning and regeneration felling. Sveaskog supplies to around 20 pulpwood and wood chip customers, which manufacture pulp that is used in hygiene products and packaging, among other things.



Seedlings

The Svenska Skogsplanter business area is Sweden's biggest producer of forest plants and grows approximately 140 million forest plants every year. In addition to forest seed and cultivated seedlings, rejuvenation services such as planting, ground preparation, protective treatments and growth inspections are also offered.



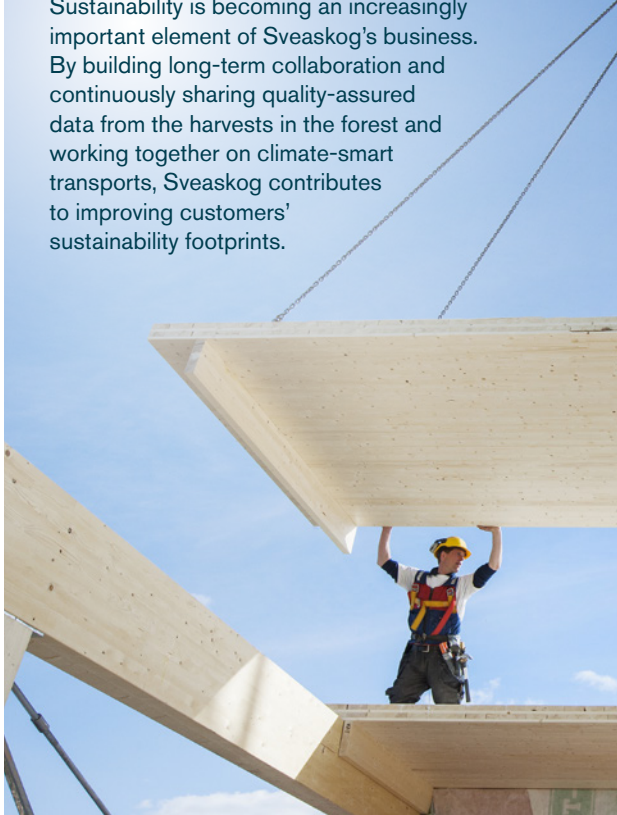


Biofuel

Sveaskog's biofuel is a product from felling and consists of branches and tree tops. Biofuel is good from an environmental perspective because the carbon dioxide emitted during combustion is the same amount that is stored in the branches and tree tops while the tree is growing. Sveaskog supplies biofuel, among other things, to heating plants and paper and pulp mills.

Customers

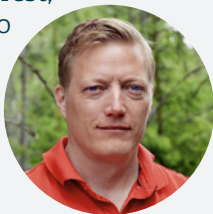
Sustainability is becoming an increasingly important element of Sveaskog's business. By building long-term collaboration and continuously sharing quality-assured data from the harvests in the forest and working together on climate-smart transports, Sveaskog contributes to improving customers' sustainability footprints.





” It is not sufficient that the raw material comes from a sustainably managed forest, the entire chain needs to be sustainable – all the way to the customer.

**Roger Johansson, Market Manager
in Sveaskog's Market Area South.**



Employees

Sveaskog has the ambition to be a secure, inclusive and stimulating employer, who gives the employees the conditions to succeed. Sveaskog has more than 800 employees and around 100 different occupational roles.



” I was attracted by the fact that Sveaskog has a lot of its own forest, but is also a role model in the industry, for example regarding nature conservation, and gender equality.

**Anna Stridsman, Forestry Manager,
Market Area South**



” At Sveaskog, there’s a strong focus on making employees feel comfortable and develop.

**Johanna Leijon, Site Manager,
Vibytorp nursery**

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