Sandvik provides an update on changes in the reporting

Sandvik will make the following accounting and reporting changes as of 2022:

**Treatment of Sandvik Materials Technology in financial statements:**

Today, Sandvik announced that the Sandvik Board of Directors has decided to propose the distribution and listing of Sandvik Materials Technology (SMT) to the Annual General Meeting, which takes place on April 27, 2022. As a consequence, Sandvik will from the first quarter 2022 report SMT as discontinued operations and as assets and liabilities held for distribution in accordance with IFRS 5.

**Adjusted EBITA and currency definition:**

In line with our shift to growth strategy, Sandvik has accelerated the pace of acquisitions. To enhance clarity on the underlying operating performance of the Group, Sandvik introduced adjusted EBITA as an alternative performance measure in the third quarter interim report 2021. As of 2022, the adjusted EBITA will replace adjusted EBIT as the key operating profit metric. Furthermore, M&A transaction costs will from 2022 be reported as items affecting comparability (IAC).

In addition, Sandvik will as of the first quarter 2022 report the effects arising from revaluations of financial balance sheet items and hedges as organic effects, which previously were accounted for as currency effects.

Stockholm, March 23, 2022

Sandvik AB

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**Sandvik Group**

Sandvik is a global high-tech engineering group offering solutions that enhance productivity, profitability and sustainability for the manufacturing, mining and infrastructure industries. We are at the forefront of digitalization and focus on optimizing our customers’ processes. Our world-leading offering includes equipment, tools, services and digital solutions for machining, mining, rock excavation, rock processing and advanced materials. In 2021 the Group had approximately 44,000 employees and revenues of about 99 billion SEK in about 150 countries.