

Green Financing Report 2025

A close-up, low-angle shot of industrial machinery, likely a large metal component or part of a machine. The image is dominated by dark, metallic surfaces with various textures, including smooth curves and sharp edges. Several thick, threaded rods or bolts are visible, extending diagonally across the frame. The lighting is dramatic, highlighting the metallic sheen and creating deep shadows, giving the scene a sense of scale and industrial precision.

SSAB

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SSAB in brief

SSAB is a global leader in premium steels, shaping a stronger, lighter, and more sustainable world. With high-strength and advanced steels, pioneering decarbonized offerings, and value-add services, we deliver unique customer value and accelerate customer competitiveness worldwide. A steelmaker since 1878, our teams in more than 50 countries set the standard for industry-leading performance. SSAB operates steel mills in Sweden, Finland and the United States and is leading the transformation of the industry – dramatically reducing emissions from our own production. SSAB shares are listed on Nasdaq Stockholm, with a secondary listing on Nasdaq Helsinki.

Green Finance at SSAB

SSAB's sustainability strategy is translated into its financing strategy, notably via its Green & Sustainability-Linked Financing Framework (the Framework), updated in June 2024. The Framework is available on SSAB's website [Debt financing – SSAB](#). This Framework enabled SSAB to structure a Green financing package to support the transformation of the Luleå mill issue and raise its inaugural Green bonds in November 2025 in the form of two tranches.

Through the issuance of green financing instruments, SSAB channels funds toward projects that accelerate the transformation to a low carbon future while supporting our business strategy.

This Green Financing Report outlines how funds have been deployed in alignment with the Framework, details the environmental outcomes achieved to date to the extent possible, and demonstrates SSAB's dedication to transparency, accountability, and continuous progress in advancing sustainable development.

EU Taxonomy

SSAB's steel production is included in category 3.9 Manufacture of iron and steel, which can be found in Annex I to the EU's Taxonomy Regulation EU 2020/852, and thus contributes to the environmental objective Climate change mitigation. These economic activities correspond in principle to 100% of SSAB's direct carbon dioxide emissions (Scope 1).

SSAB's scrap-based steelmaking in electric arc furnaces (refers to Mobile and Montpellier sites in USA) uses more than 90% of recycled steel scrap and thus meets the threshold in the EU's delegated act. The activity is not considered to cause significant harm linked to other objectives besides climate change. SSAB assesses that the minimum safeguards are met for the Group through its work with such topics as business conduct, anti-corruption, health and safety, employees and responsible sourcing.

The new electric arc furnace in Oxelösund and the new integrated steel plant in Luleå are calculated, regardless of raw material, to meet the threshold of 0.209 tonnes of CO₂e/steel tonne. SSAB has received third-party verification certifying potential taxonomy alignment for both projects. Since they are under construction, some measures remain needed to be able to verify full taxonomy alignment, for example, regarding climate adaptation measures.

For more detailed information about the assessment of the EU Taxonomy, refer to SSAB Annual report 2025, page 93-96.

90%

SSAB's scrap-based steelmaking in electric arc furnaces uses more than 90% of recycled steel scrap.

Project categories and description

SSAB has allocated a total of SEK 3,011 million equivalent of Green financing to eligible projects and assets at year-end 2025.

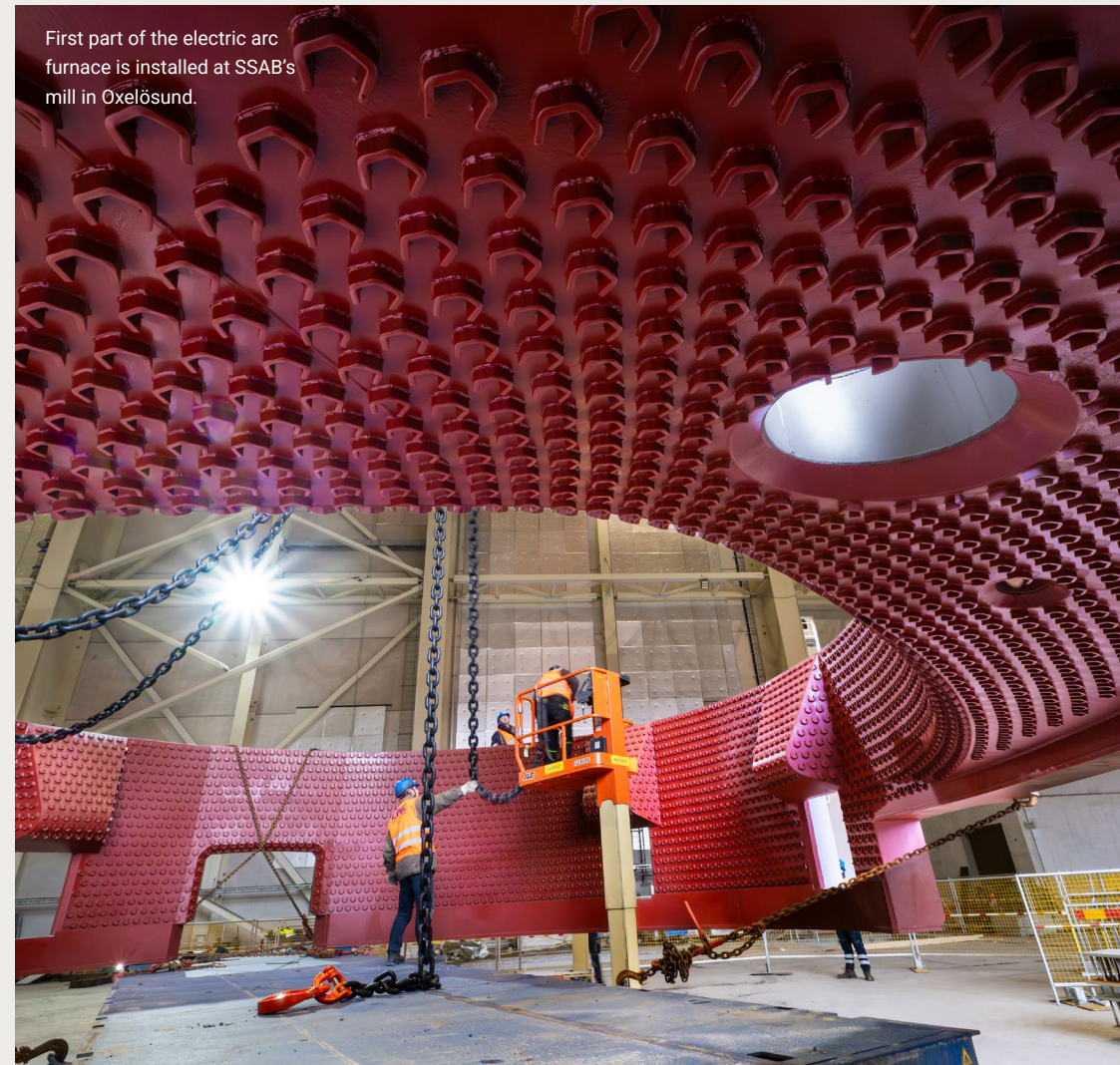
SSAB invests in modern, cost-effective and almost emission free production technology. These investments will enable SSAB to expand the premium offerings, improve the cost position and increase sales of decarbonized steel. The transformation will strengthen SSAB's competitiveness by increasing the capacity for advanced steel, lowering operating costs and not least avoiding costs for CO₂ emissions. SSAB already operates steel production using electric arc furnaces in the United States, providing valuable experience for the transformation in the Nordic region.

A. Conversion to electric arc furnace in Oxelösund

At SSAB's mill in Oxelösund, a new electric arc furnace will replace the existing two blast furnaces. The highly competitive rolling mill and various processes for downstream processing, including four quenching lines, will remain as they are. SSAB Oxelösund will continue to produce high-strength special steels but with improved production and raw material flexibility as well as an exceptionally low carbon footprint.

can use recycled steel scrap and fossil-free sponge iron as raw material and is calculated to meet the EU Taxonomy climate criteria of 0.209 tonnes of CO₂e/steel tonne regardless of raw material. The existing blast furnaces and coke plant will be discontinued when the new system is up and running, thereby reducing SSAB's carbon dioxide emissions (Scope 1) by up to 1.5 million tonnes.

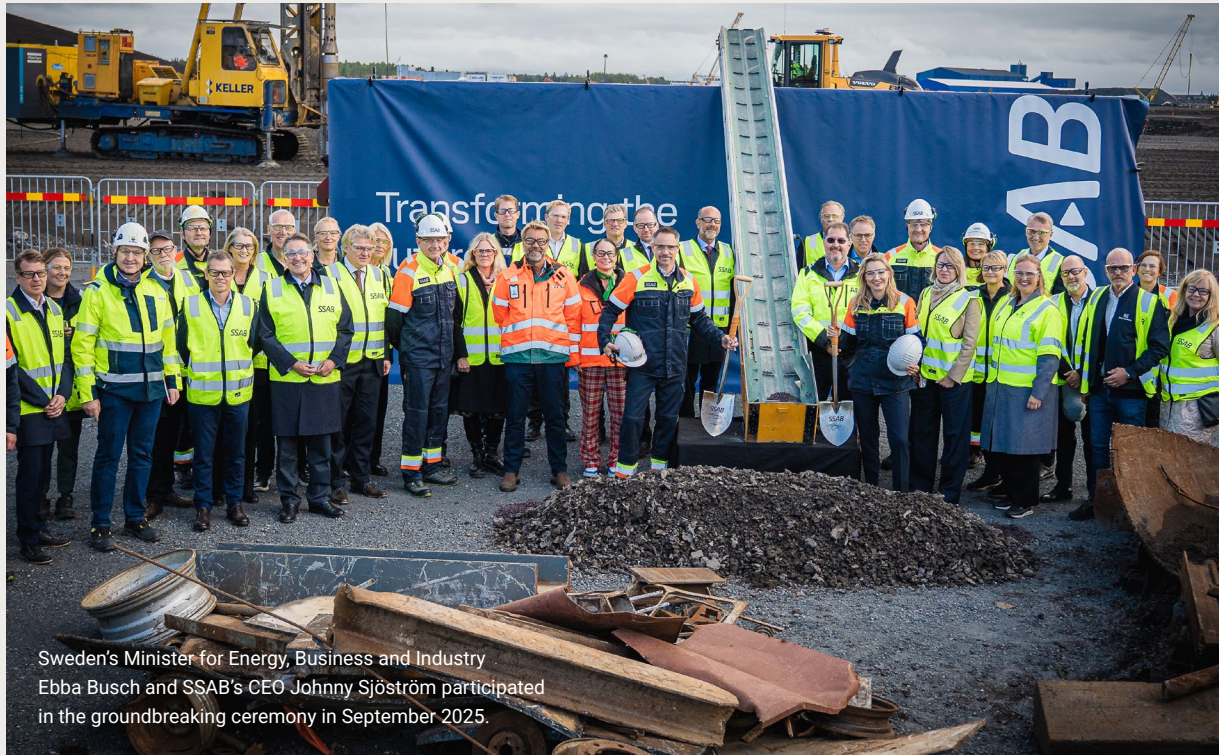
The project is well underway and the production start for the new electric arc furnace is planned for early 2027. The new electric arc furnace



B. Construction of a new, modern steel mill in Luleå

At the site in Luleå, SSAB is constructing an integrated mini-mill with two electric arc furnaces, a hot rolling mill and cold rolling complex with galvanizing and high-strength steel capacity. The new mini-mill will bring higher efficiency, lower fixed costs and drastically reduced CO₂ emissions, and have an annual capacity of 2.5 million tonnes. The investment will increase SSAB's advanced high-strength steel capacity and thereby improve the product mix. Raw materials can include fossil-free sponge iron and recycled scrap, contributing to significant climate benefits.

The new steel mill has been designated as a strategic net-zero project within the EU, which means that the project is considered crucial for the EU's future competitiveness and for the Union's ability to achieve its climate and energy targets. Start-up is projected to be in late 2029. SSAB will close the existing blast furnace-based production system in Luleå, which will reduce SSAB's carbon dioxide emissions (Scope 1) by up to 3 million tonnes. The new electric arc furnaces are calculated to meet the EU Taxonomy climate criteria of 0.209 tonnes of CO₂e/steel tonne regardless of raw material.



Sweden's Minister for Energy, Business and Industry Ebba Busch and SSAB's CEO Johnny Sjöström participated in the groundbreaking ceremony in September 2025.



C. Expansion of heat treat (Q&T) capacity in Alabama

At the Mobile mill in Alabama, SSAB is investing in a new building equipped with a state-of-the-art tempering furnace, and improvements to the infrastructure. The new facility will substantially enhance SSAB's ability to serve its customers in the U.S. market with most advanced high-strength steels. The strategic initiative is expected to be completed in 2027. SSAB's steel production in Mobile is based on almost 100% recycled steel and is aligned with the EU Taxonomy criteria.

Green financing allocation

Green financing instruments

As at December 31, 2025, SSAB's portfolio of Green financing instruments are as below:

Green bond #	1	2
Issuance / date of signing	14-Nov-2025	14-Nov-2025
Maturity	14-Nov-2030	14-Nov-2030
ISIN	XS3229496347	XS3229493757
Issuing entity	SSAB AB (Publ)	SSAB AB (Publ)
Programme	EMTN	EMTN
Status	Senior, unsecured	Senior, unsecured
Form	RegS, Bearer, Green	RegS, Bearer, Green
Notional amount outstanding (in millions)	SEK 2,250	SEK 550
Principal amount outstanding (in millions)	SEK 2,250	SEK 550
Coupon	3 month Stibor+112 bps	3.565%
Listing	Euronext Dublin	Euronext Dublin
Green & Sustainability-Linked Financing Framework	20-Jun-2024	20-Jun-2024
Second Party Opinion	Sustainalytics	Sustainalytics

Moreover, in 2025, SSAB has secured a funding package consisting of four Green loan facilities, across EUR and SEK, for a total of circa EUR 2,7 billion equivalent, to support the transformation of new, modern steel mill in Luleå. At year-end 2025, a single drawdown has been made under those facilities.

Green loans #	1
Programme	Luleå mini-mill financing package
Issuance / date of signing	April & June 2025
Borrower	SSAB AB (Publ)
Lender	4 facilities, of which 3 syndicated and 1 bilateral
Total amount of Green loan secured	c. EUR 2,7 billion
Principal EUR amount cumulatively borrowed (in millions) in EUR	EUR 20
Principal EUR amount cumulatively borrowed (in millions) in SEK equivalent	SEK 211
Principal SEK amount cumulatively borrowed (in millions)	SEK 211
Total amount cumulatively borrowed (in millions) in SEK equivalent	SEK 211
Green & Sustainability-Linked Financing Framework	Jun-2024
Second Party Opinion	Sustainalytics

Green financing allocation

As at December 31, 2025, SSAB has allocated the outstanding Green financing instruments as below:

Green eligible assets and projects category	Green eligible assets and projects	Green instrument	Allocated proceeds of raised debt (%)	Allocated amounts (SEK millions)	Outstanding proceeds as at 31 December 2025 (in SEK millions eq.)
Eco-efficient products, production technologies and processes	A. Conversion to electric arc furnace in Oxelösund	Green bond 1	100%	2,250	0
	A. Conversion to electric arc furnace in Oxelösund	Green bond 2	64%	350	0
	B. Construction of a new, modern steel mill in Luleå	Green loans 1	100%	211	0
	C. Expansion of heat treat (Q&T) capacity in Alabama	Green bond 2	36%	200	0

Green bond impact report

SSAB's carbon dioxide emissions

Most of SSAB's direct emissions (Scope 1) are generated from Nordic iron ore-based steel production and originate in the use of coke and coal as reducing agents. There are limited possibilities to reduce emissions from existing processes and emissions are expected to vary with the amount of steel produced until the planned transformation has been completed.

Indirect emissions (Scope 2) come primarily from the electricity used to power the electric arc furnaces in the USA, but also from the use of electricity for rolling steel both in the USA and Nordics. SSAB purchases electricity and heating based primarily on the energy mix available in each local market, except for the plant in Montpelier USA, where the electricity supplier gives local industry priority for renewable, mainly wind power and electricity. In Sweden and Finland, SSAB purchases some fossil-free electricity verified by guarantees of origin.

Other indirect emissions (Scope 3) mainly include emissions from raw materials and products purchased, transport and freight from suppliers and to customers and from the processing of products sold.



Reduction of greenhouse gas emissions

The main technical actions included in SSAB's transformation plan include transformation from the blast furnaces at the Nordic sites to electric arc furnaces. Around 90% of SSAB's direct carbon dioxide emissions derive from the Nordic steelmaking. The decommissioning, both of blast furnaces and coke plants, are the main actions to reach the Group's climate targets. The remaining 10% of direct emissions originate from fossil fuels and will be reduced through process electrification and by using fossil-free fuels like biogas.

It is expected that indirect emissions from purchased energy (Scope 2), mostly electricity, will be relatively unchanged after

the transformation compared to existing levels. While the phase out of fossil fuels through electrification will increase electricity consumption, the emission intensity of the electricity used will reduce through the transition to a fossil-free electricity mix.

Regarding Scope 3, a large part of the emissions arises from the extraction and transport of coal and coking coal. These emissions will cease in conjunction with SSAB's transformation to electric arc furnaces in the Nordics. For the remaining Scope 3 emissions, work is still ongoing to identify the potential of different types of action.

Reduction of direct (Scope 1) emissions

SSAB in Luleå

Start-up of the new steel mill consisting of two electric arc furnaces and advanced secondary metallurgy is projected to be in late 2029. SSAB will close the existing blast furnace-based production system in Luleå, which will reduce SSAB's annual carbon dioxide emissions (Scope 1) by up to 3 million tonnes.

SSAB in Oxelösund

Work continued during the year on building the electric arc furnace in Oxelösund, which is expected to start operating in early 2027. The existing blast furnaces and coke plant will be discontinued when the new system is up and running, thereby reducing SSAB's annual carbon dioxide emissions (Scope 1) by up to 1.5 million tonnes.

Calculation methodology

The above-mentioned emission reductions are extracted from the basis for SSAB's climate targets and also follow the same methodology regarding follow-up, etc. The climate targets are approved by the Science Based Targets initiative (SBTi) and follow SBTi's steel sector guidance and include targets for absolute emission levels.

The process for SBTi approval included an assessment of the relevance and representation of the base year (2018) both for SSAB's entire operations and also for the indirect emissions generated upstream and downstream in the value chain. The process also included ensuring compliance with the greenhouse gas emission inventory boundaries in accordance with the GHG Protocol.



48%

reduction in absolute greenhouse gas emissions by 2033 (Scope 1, 2 and Scope 3), compared to 2018

93%

reduction in absolute greenhouse gas emissions by 2045 (Scope 1, 2 and Scope 3), compared to 2018

Net zero

Net zero greenhouse gas emissions throughout the value chain by 2045

Governance

SSAB published its first Sustainability-Linked Finance Framework in 2021. Linking sustainability targets to financing has strengthened sustainability integration across the organization and within SSAB's relationships with investors and other stakeholders.

With the updated Green and Sustainability-Linked Finance Framework released in June 2024, SSAB aspires to continue the discussion with investors and other participants on sustainability commitments, work, and in a dedicated and frequent manner.

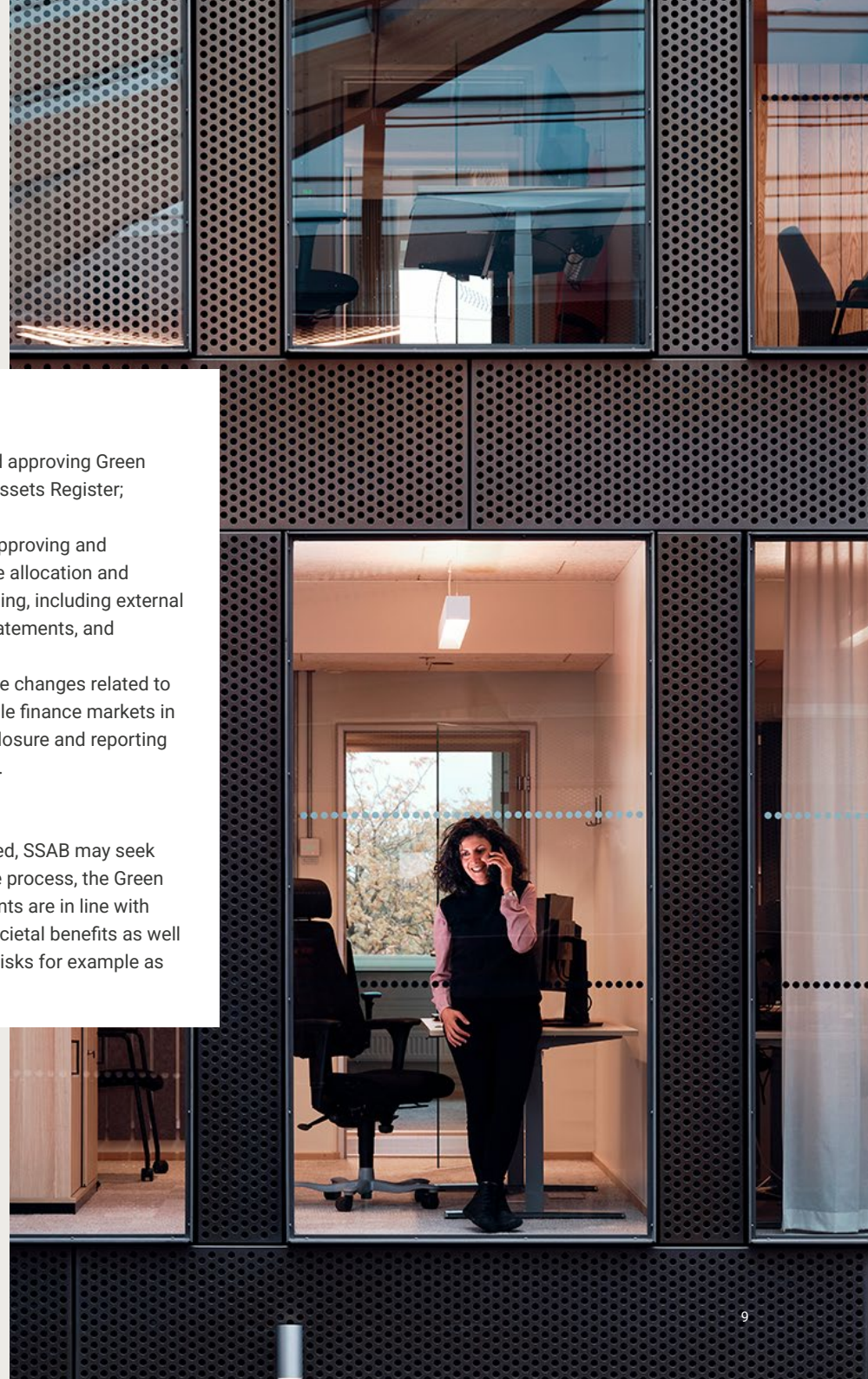
At SSAB, all investments are approved by either the Board of Directors or the President and CEO. Investments are followed up at least quarterly. Project evaluation and selection is a key process in ensuring that the Projects and Assets financed by Green Finance Instruments meet the Eligibility Criteria set out in the Eligible Green Categories section.

SSAB has established a decision-making process where Eligible Green Projects and Assets will be assessed by the Green Finance Committee, made up of members from Treasury, Sustainability reporting, Environmental affairs and Accounting.

The **Green Finance Committee** is responsible for:

- evaluating and defining the Eligible Green Projects and Assets in line with the Eligibility Criteria as set out in the Framework;
- reviewing and approving Green Project and Assets Register;
- monitoring on a regular basis the Green Financing Instruments to which Eligible Green Projects and Assets are allocated;
- overseeing, approving and publishing the allocation and impact reporting, including external assurance statements, and
- assessing all new investment proposals against the criteria in the EU Taxonomy;
- monitoring the changes related to the sustainable finance markets in terms of disclosure and reporting requirements.

These assessments are done at least quarterly. When needed, SSAB may seek consultation from other internal stakeholders. As part of the process, the Green Finance Committee will also evaluate whether the investments are in line with SSAB sustainability strategy, promote environmental and societal benefits as well as identify and manage potential social and environmental risks for example as determined in the SSAB Code of Conduct.



Auditor's Limited Assurance Report on SSAB AB's (publ) 2025 Green Financing Report

To SSAB AB (publ), corporate identity number 556016-3429



Conclusion

We have been engaged by the Management of SSAB AB (publ) to conduct a limited assurance engagement of allocation of proceeds in the 2025 Green Financing Report. The reporting criteria against which this information was assessed are relevant parts of the SSAB Green and Sustainability Linked Finance Framework 2024, available on the SSAB website.

Our assurance does not extend to any other information in the 2025 Green Financing Report. We have not reviewed and do not provide any assurance over any individual project information reported, including estimates of sustainability impacts.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the selected information disclosed in the 2025 Green Financing Report has not been prepared, in all material respects, in accordance with the reporting criteria defined above.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. Our responsibility under this standard is further described in the section Auditor's responsibility.

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

Responsibilities of the Management

The Management of SSAB AB (publ) is responsible for the preparation of the 2025 Green Financing Report in accordance with the applicable criteria. The applicable criteria consist of the SSAB Green and Sustainability Linked Finance Framework 2024, as well as the company's own accounting and calculation principles. The responsibility also includes the internal control relevant to the preparation of a 2025 Green Financing Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the selected information in the 2025 Green Financing Report based on our review. The limited assurance engagement has been conducted in accordance with ISAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our procedures to obtain limited assurance that the 2025 Green Financing Report is prepared in accordance with the criteria described in the section Responsibilities of the Management.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for

us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of SSAB AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance engagement involves performing procedures to obtain evidence to support the 2025 Green Financing Report. The auditor selects the procedures to be performed, including assessing the risks of material



misstatements in the 2025 Green Financing Report, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Management prepares the 2025 Green Financing Report, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the 2025 Green Financing Report, performing analytical review, and conducting other review procedures.

Stockholm 21 May, 2026
Ernst & Young AB

Henrik Jonzén
Authorized Public
Accountant

Outi Alestalo
Expert Member of FAR

