
Annual Sustainability-Linked Finance Progress Report 2025 (SLB Progress Report)

Contents

1	Introduction	2
2	Selected Key Performance Indicator (KPI)	3
2.1	Greenhouse gas (GHG) emissions reduction – SBTi Verified	3
2.2	Calculation methodology	3
2.3	Strategy to achieve the Sustainability Performance Target (SPT)	3
3	Reporting	5
3.1	Scope of data	5
3.2	Performance of the KPI	5
3.3	SSAB’s target for CO ₂ e emission reduction.....	7
4	References	8

**Auditor’s Limited Assurance Report on SSAB AB (publ) Sustainability-Linked
Finance Progress Report 2025**

Document name	Document No	Document type	First issued	Page
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1 Introduction

In everything we do, we strive to create a stronger, lighter and more sustainable world. Sustainability is a key business driver both for us and our customers. Consequently, we invest great effort into ensuring that we act ethically and environmentally soundly in all our operations and markets.

SSAB strives to integrate sustainability features in its funding. A Sustainability-Linked Finance Framework [1] has been developed in accordance with Sustainability-Linked Bond Principles (SLBP) 2020 [2]. Under this framework, SSAB can issue securities, including, but not limited to, bonds with a sustainability-linkage.

Sustainalytics has provided a Second Party Opinion [3] on this Sustainability-Linked Finance Framework which has been made publicly available on SSAB's website alongside the Framework itself. Sustainalytics is of the opinion that the SSAB Sustainability-Linked Finance Framework aligns with the Sustainability-Linked Bond Principles 2020.

Document name <i>SLB Progress Report</i>	Document No <i>Public</i>	Document type	First issued <i>2022-05-19</i>	Page <i>3(8)</i>
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2 Selected Key Performance Indicator (KPI)

The KPI that has been included for the purpose of this Sustainability-Linked Finance Framework is the reduction in greenhouse gas emissions, which reflects the key environmental sustainability challenge of the steel industry.

2.1 Greenhouse gas (GHG) emissions reduction – SBTi Verified

A reduction in absolute Scope 1 and 2 GHG emissions, which includes CO₂ and other GHG emissions as defined in the GHG Protocol.

GHG emissions need to be radically reduced in order to limit climate warming and meet the targets set in the Paris Agreement. The steel industry accounts for 7-9% of total CO₂ emissions globally. SSAB's climate targets for GHG emissions, have been approved by the Science Based Targets initiative in 2020 and, thereafter updated and approved also in 2024. The climate target at the launch of the financial framework in question for this progress report, stipulated a commitment to reduce our GHG emissions by 35% by 2032 (compared to 2018 and measured as CO₂e). The 2032 target applies both to direct and indirect emissions (Scope 1 and 2 GHG emissions) and is in line with the Paris Agreement of keeping global warming well below 2°C above pre-industrial levels by 2100.

2.2 Calculation methodology

Scope 1 and 2 GHG emissions. Scope 1 are direct GHG emissions from SSAB's own operations, and Scope 2 are indirect GHG emissions from purchased electricity and heat used in our own operations. SSAB's definitions are aligned with the GHG Protocol. These emissions are modeled using the Absolute Contraction Approach [4] (ACA) Well Below 2°C (WB2) scenario. The appendix hereto provides further details on the SBTi commitment and calculation method.

2.3 Strategy to achieve the Sustainability Performance Target (SPT)

Our steelmaking processes have continuously advanced and improved over time and today we are among the most CO₂ efficient steelmakers in the world. We intend to achieve our climate targets by developing a fossil-free steelmaking process for iron ore-based steelmaking based on HYBRIT technology and by melting steel scrap. We will also address other fuel related emissions, which will be reduced by either switching to electricity or biofuels. Where applicable, this also applies to transportation needs.

The SPT Trajectory illustrates the annual SPTs available for securities issued under the Sustainability-Linked Finance Framework.

Table 1: SPT Trajectory

Scope 1+2 emissions	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Absolute emissions target, million tonnes of CO ₂ e	11.8	11.3	11.3	11.3	10.6	10.0	10.0	10.0	10.0	8.7	7.8	7.7
CO ₂ e change, million tonnes vs. base year	-0.0	-0.5	-0.5	-0.5	-1.2	-1.8	-1.8	-1.8	-1.8	-3.1	-4.0	-4.1
Reduction as a %	0%	4%	4%	4%	10%	15%	15%	15%	15%	26%	34%	35%

Document name <i>SLB Progress Report</i>	Document No <i>Public</i>	Document type	First issued <i>2022-05-19</i>	Page <i>5(8)</i>
Document owner <i>Jonas Larsson, Director of Environmental Affairs</i>	Approved by <i>Sara Arvidson, VP and Head of Environmental and Energy Affairs</i>	Last revision date <i>2026-05-26</i>		

3 Reporting

In order to provide investors and other stakeholders with adequate information about SSAB's implementation of its sustainability strategy in general, SSAB will provide relevant reporting on the progress made in respect of the KPI, and (in relation to any Reference Years only) the achievement or not of the applicable SPT.

Such reporting will be made publicly available on an annual basis in a Sustainability-Linked Finance Progress Report (SLB Progress Report) and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the financial and/or structural characteristics of securities issued hereunder. The SLB Progress Report will be published on SSAB's website no later than on the Reporting End Date after the end of the year under review.

SSAB's external auditors have performed a limited review of the Scope 1 and Scope 2 emissions presented in this SLB Progress Report, see page 9 for the assurance report.

3.1 Scope of data

The following production sites are included in the progress reporting scope in 2025, which form the material scope for reporting:

- SSAB Special Steels: Oxelösund in Sweden, Mobile in Alabama, USA
- SSAB Europe: Luleå, Borlänge and Finspång in Sweden; Raahe, Hämeenlinna, Kankaanpää, Oulainen, Pulkkila, Toijala in Finland
- SSAB Americas: Montpelier in Iowa, USA
- Ruukki Construction: Järnforsen in Sweden and Oborniki in Poland
- Tibnor: Köping in Sweden

These sites cover the following operations: all steel mills, all rolling mills, all coating lines and all tube mills as well cut-to-length (CtL) lines if located at the sites mentioned above.

3.2 Performance of the KPI

The target level 2025 was not exceeded by the end of 2025. The SPT Trajectory stated a 10% reduction in 2025 and the actual outcome is -9.0%. That is a 9.0% reduction, or a reduction of 1.1 million tonnes, in SSAB Group's greenhouse gas emissions (compared to 2018 and measured as CO₂e). In other words, we did not meet the 2025 target level of -10%, falling short by 1 percentage point.

The major improvement of relevance to reporting for 2025 is the increased use of non-emitting electricity (affecting Scope 2 emissions) at the SSAB steel mill in Iowa, USA, (100% non-emitting electricity for Iowa in 2025 reporting).

Despite increased use of non-emitting energy and also lower production levels compared with 2018, SSAB did not achieve the targeted 10% reduction. The deviation in 2025 is solely attributable to timing effects related to the delay of the Oxelösund project. The delay is primarily due to externally managed power grid access constraints relative to the timeline set when the trajectory was established. This does not indicate any decline in SSAB's underlying emissions performance.

Table 2: KPI Performance

		Production Crude steel	CO ₂ e emissions		
			Scope 1	Scope 2	Scope 1&2
SSAB US steel mills	2018 baseline ktonnes	2534	765	1031	1796
	2024 actual ktonnes	2277	713	622	1335
	2025 actual ktonnes	2398	777	382	1159
	Change 2025 vs. 2018 ktonnes	-136	+12	-649	-637
	Change 2025 vs. 2018 %	-5.4	+1.6	-62.9	-35.5
SSAB Nordic steel mills	2018 baseline ktonnes	5494	9235	370	9604
	2024 actual ktonnes	5072	8462	497	8959
	2025 actual ktonnes	5138	8777	396	9173
	Change 2025 vs. 2018 ktonnes	-356	-458	+26	-431
	Change 2025 vs. 2018 %	-6.5	-5.0	+7.0	-4.5
Rest of SSAB	2018 baseline ktonnes	N/A	332	86	418
	2024 actual ktonnes	N/A	301	141	442
	2025 actual ktonnes	N/A	302	118	420
	Change 2025 vs. 2018 ktonnes	N/A	-30	+32	+2
	Change 2025 vs. 2018 %	N/A	-9.0	+37.2	+0.5
Total	2018 baseline ktonnes	8028	10332	1486	11818
	2024 actual ktonnes	7349	9476	1260	10737
	2025 actual ktonnes	7536	9856	896	10752
	Change 2025 vs. 2018 ktonnes	-492	-476	-590	-1066
	Change 2025 vs. 2018 %	-6.1	-4.6	-39.7	-9.0

Regarding mergers and acquisitions, there is nothing to report that is expected to impact on the KPI and SPT(s). Ruukki Construction completed the divestment of its Building Systems business in Finland and Lithuania and also its business operations in Russia after 2018. However, the contributions from these businesses have been deducted from the 2018 baseline and have not been part of any follow-ups thereafter. Therefore, these activities are to be seen as neutral in the evolution of the performance on the KPI on an annual basis. In addition, SSAB Special Steels' business in Virsbo was sold end of 2024 and is no longer in scope of reporting. This change is deemed to be negligible since the total contribution from Virsbo was accounted for less than 0.01% of total baseline emissions.

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3.3 SSAB's target for CO₂e emission reduction

At the time the financial framework in question was issued in 2020, SSAB's greenhouse gas emission reduction target had been approved by the Science Based Targets initiative (SBTi) and was aligned with a "well below 2°C" ambition level. The target covered Scope 1 and Scope 2 emissions and aimed for a 35% total reduction, with the target year of 2032.

Since then, SSAB has adopted new, more ambitious SBTi-approved targets, with formal approval received in 2024. This updated commitment includes Scope 1, Scope 2, and Scope 3 emissions, with the target year of 2033.

This clarification is provided to avoid any confusion when comparing with SSAB's current SBTi-approved targets. Specifically, the sustainability performance target (SPT) and the corresponding KPI reported in this document are based on SSAB's earlier SBTi target approved in 2020, and not the current targets approved in 2024.

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4 References

- [1] SSAB Sustainability-Linked Finance Framework “With the Future in Mind”. SSAB, May 20, 2021.
- [2] The Sustainability Linked Bond Principles (SLBP) established by the International Capital Markets Association (ICMA) and published in June 2020.
- [3] Second-Party Opinion – SSAB Sustainability-Linked Finance Framework. Sustainalytics, May 28, 2021.
- [4] <https://sciencebasedtargets.org/news/understand-science-based-targets-methods-climate-action>

Auditor's Limited Assurance Report on SSAB AB (publ) Sustainability-Linked Finance Progress Report 2025

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 the of the Scope 1 and Scope 2 emissions presented on page 6 in SSAB AB (publ)'s Sustainability-Linked Finance Progress Report for 2025 (the "selected information"). 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 Sustainability-Linked Finance Progress Report 2025. 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 Sustainability-Linked Finance Progress Report 2025 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 3410 *Assurance Engagements on Greenhouse Gas Statements*. 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 Sustainability-Linked Finance Progress Report 2025 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 Sustainability-Linked Finance Progress 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 Sustainability-Linked Finance Progress Report 2025 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 Sustainability-Linked Finance Progress Report 2025 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 Sustainability-Linked Finance Progress Report 2025. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the Sustainability-Linked Finance Progress Report 2025, 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 Sustainability-Linked Finance Progress 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 Sustainability-Linked Finance Progress Report 2025, performing analytical review, and conducting other review procedures.

Stockholm 26 May, 2026

Ernst & Young AB

Henrik Jonzén
Authorized Public Accountant

Outi Alestalo
Expert Member of FAR

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