

# SSAB



*A stronger,  
lighter and more  
sustainable world*

*Together with our customers,  
we will go further than anyone  
else in realizing the full potential  
of lighter, stronger and more  
durable steel products.*

The background of the slide features a low-angle, close-up shot of a wind turbine against a clear blue sky. The turbine's blades and nacelle are visible, with a soft blue tint applied to the entire image. A large, white, stylized arrow points from the left edge towards the center, partially overlapping the text area.

# SSAB Sustainability strategy

With the Future in Mind

**SSAB**



# STEEL IS PART OF THE SOLUTION

- Critical for society and new infrastructure
- Unique material and available everywhere
- 100% recyclable without loss of quality

Communication



Energy



Food



Clean water



Infrastructure

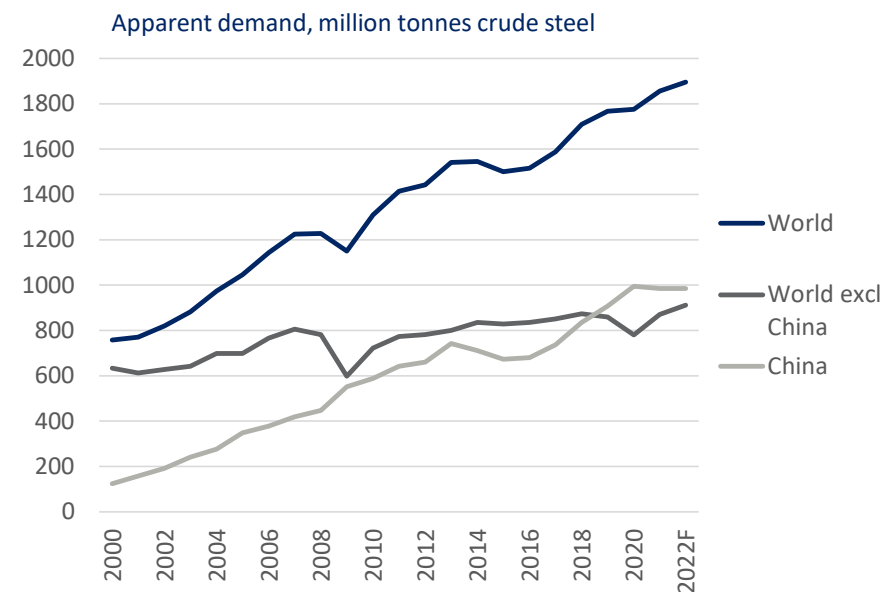


PUBLIC



# STEEL CONSUMPTION INCREASING

- Standard of living
- Urbanization and infrastructure
- Transportation and production

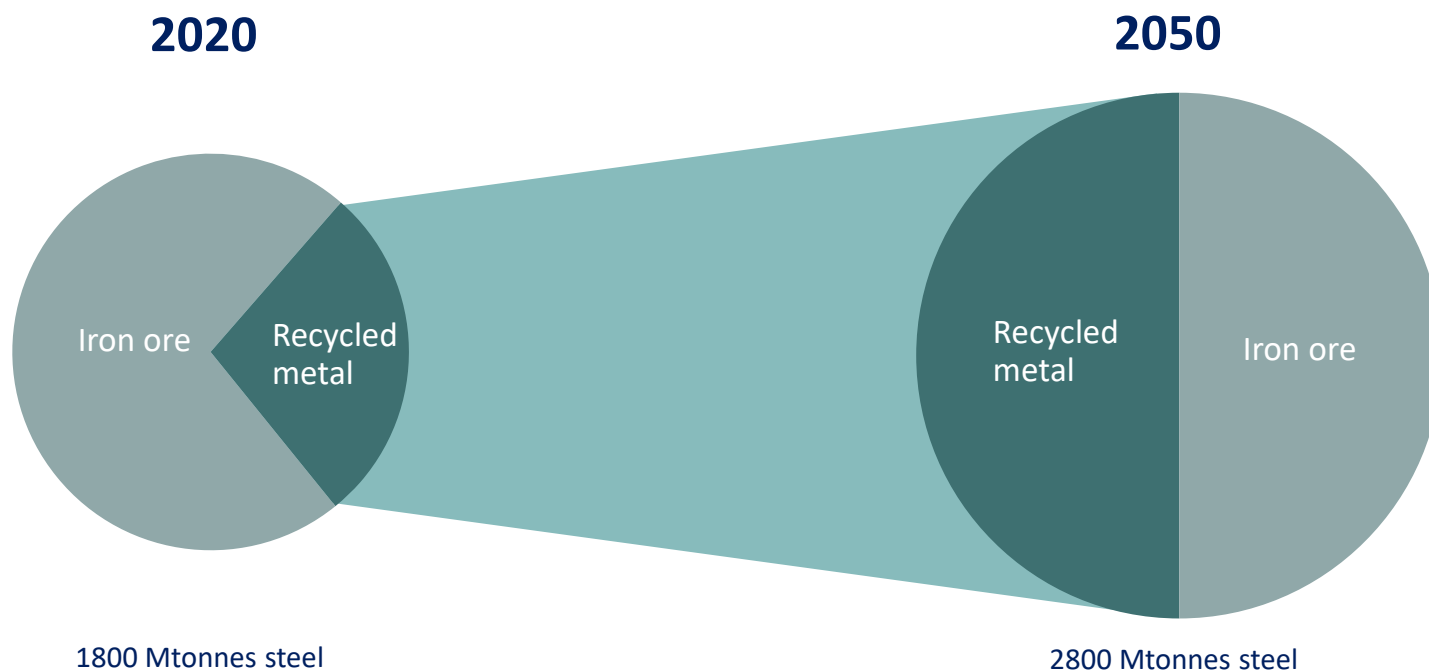


Source: worldsteel Short Range Outlook

SSAB

# Recycling will not be enough

– 50% iron ore-based steel will still be needed by 2050



PUBLIC

**SSAB**

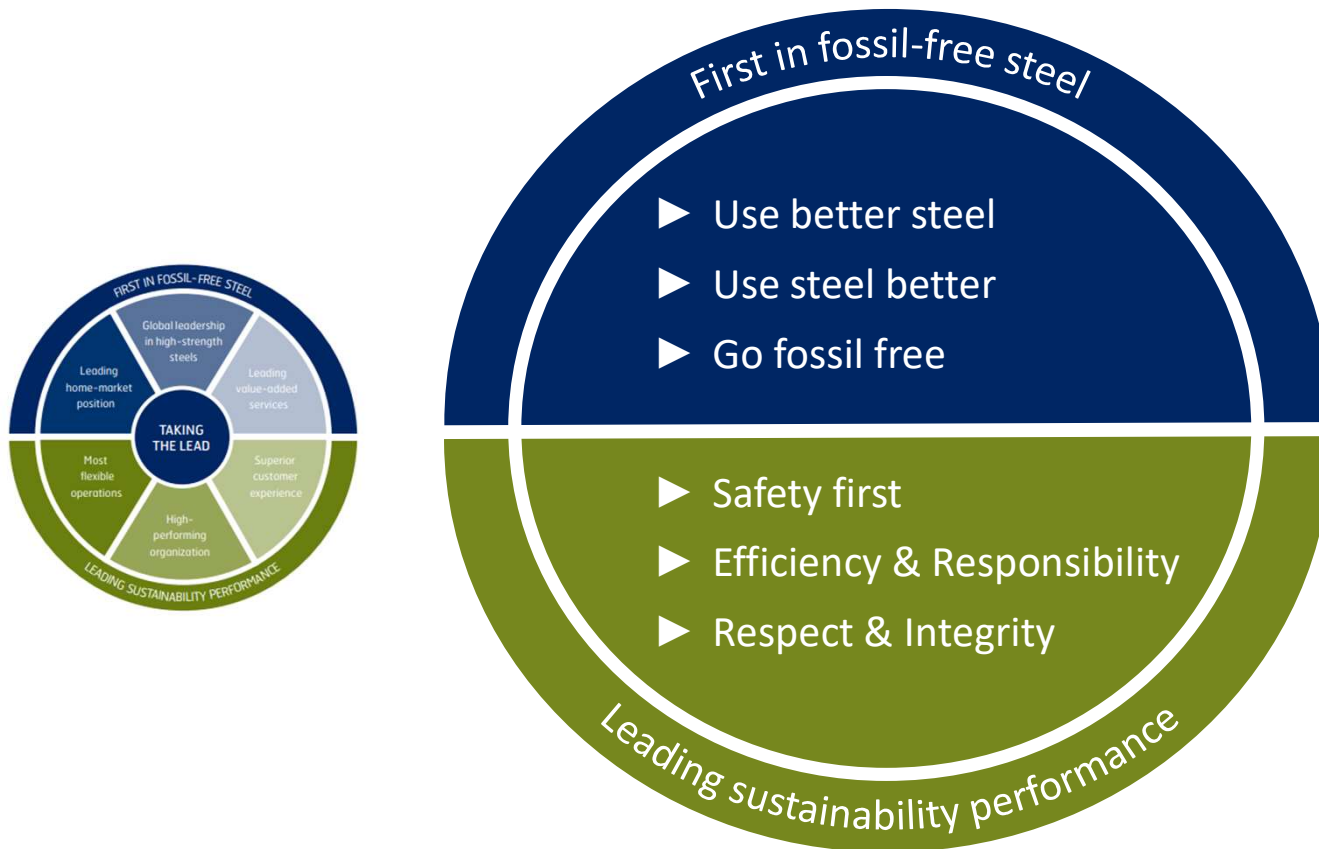
## Nevertheless:

- The steel industry accounts for 7% of global CO<sub>2</sub> emissions
- SSAB accounts for 10% of CO<sub>2</sub> emissions in Sweden and 7% in Finland





# With the Future in Mind





# SSAB to become fossil free: 2 clear objectives

1

## SSAB to bring fossil-free steel to the market in 2026

- Launch of a premium product with no fossil CO<sub>2</sub> footprint
- This means no fossil CO<sub>2</sub> emissions when producing this product, and a requirement to use fossil-free sponge iron

2

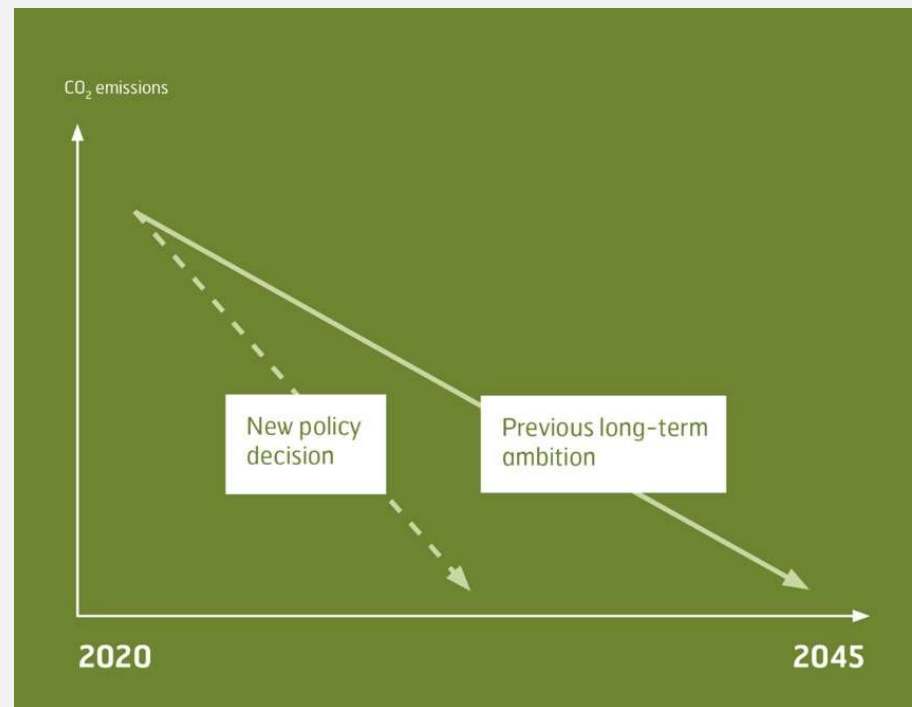
## SSAB to have leading sustainability performance; largely fossil-free around 2030

- Largely eliminate CO<sub>2</sub> emissions from our own operations in around 2030
- This means almost no CO<sub>2</sub> emissions from our own operations and purchased energy



# Eliminate CO<sub>2</sub> emissions 15 years earlier than planned

- ▶ **Policy decision to accelerate the green transition**
  - Strongly growing demand for fossil-free steel
- ▶ **Mitigating climate change**
  - Major contribution to climate targets in Sweden and Finland – around 8 million tonnes reduced CO<sub>2</sub> emissions per year
- ▶ **Potential of CO<sub>2</sub> cost avoidance of ~SEK 7bn/year in the beginning of next decade**
  - Assuming removal of free allocations and an emission allowance price of EUR 90/t



# SSAB's climate target is science based

- ▶ **SSAB's climate goal is approved by the Science Based Targets initiative**
  - This means that the target is scientifically based
  - In line with the Paris Agreement (well below 2 degrees Celsius)
- ▶ **Reduce CO<sub>2</sub> emissions by 35% by 2032**
  - Absolute Scope 1 & 2 CO<sub>2</sub> emissions, base year 2018
- ▶ **Part of the overall SSAB roadmap**



SCIENCE  
BASED  
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

**SSAB**

# First in fossil-free steel



## ► Use better steel

- Reduce your footprint with low CO<sub>2</sub> steel



## ► Use steel better

- SSAB steel makes products lighter and stronger
- Reduce CO<sub>2</sub> emissions in the use phase



## ► Go fossil free

- Be part of a fossil-free value chain
- Be the first to offer fossil-free products



# Use better steel

## Reduce your footprint with low CO<sub>2</sub> steel



- SSAB's blast furnace-based production is among the most CO<sub>2</sub> efficient in the world. This gives a competitive advantage to SSAB and its customers

Compared to Chinese steel mills, SSAB steel saves an average of

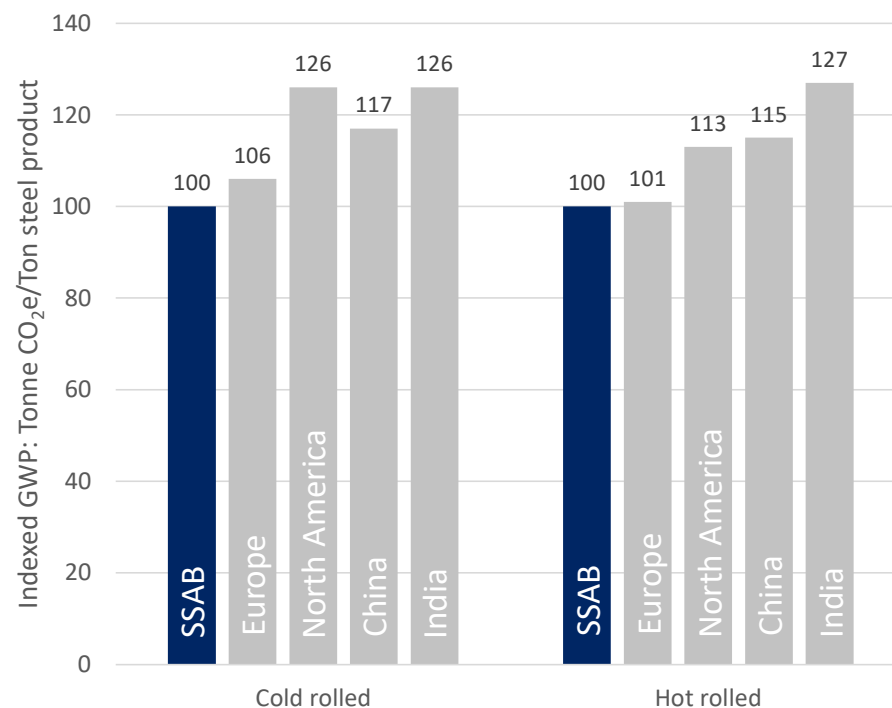
**1,600,000 tonnes**

of CO<sub>2</sub> each year

This means that a German customer would generate

**21%**

higher CO<sub>2</sub> emissions, including transportation, when using steel from an average Chinese steel mill



Source: thinkstep, BF GWP benchmarking, 2019, and SSAB EPD data

**SSAB**

# Use better steel

Reduce your footprint with low CO<sub>2</sub> steel



## ► Environmental Product Declarations validate sustainable production

- For all SSAB products
- Supporting Life Cycle Analyses



## ► EcoSmart communicates sustainability

- Emphasizing both key product and process attributes to steel
- Steel made from 97% recycled materials



## ► Innovative technology, e. g. GreenCoat Bio-based coatings

- A unique, patented sustainable building product
- Using Bio-based Technology (BT) coating made with rapeseed oil

**SSAB**

# Use steel better

SSAB steel makes products stronger, lighter and increases productivity



High-strength steels make the world's highest aerial platform possible



*A 112-meter high aerial platform needs be strong and light-weight. In the top section Bronto uses steel just 3 mm thick, making the platform light enough to be mounted on a regular truck.*

High-strength steels move the roof of Friends' Arena



*The retractable roof of the Swedish national arena needs be light and strong. High-strength steels reduced the weight by 21% and CO<sub>2</sub> emissions by 900 tonnes.*

High-strength steels saves 30 tonnes of CO<sub>2</sub> for Mantella



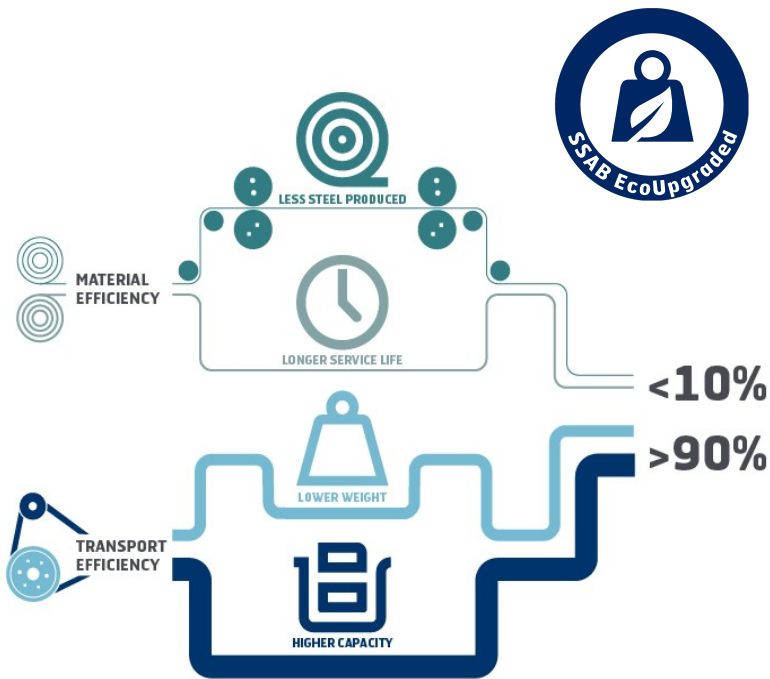
*High-strength steels made this trailer shed over half a tonne of weight. Increased productivity saves 12.000 liters of fuel and 30 tonnes of CO<sub>2</sub> during 12 years of operation.*

**SSAB**



# Use steel better

Reduce CO<sub>2</sub> emissions in the use phase



## ► High-strength steels generate customer CO<sub>2</sub> savings

- Steel is used in equipment with significant fuel consumption
- SSAB steels make products lighter and more productive
- The SSAB EcoUpgraded concept quantifies CO<sub>2</sub> and financial savings

## ► High-strength steels are key in reducing vehicle weight and energy consumption

- Without compromising safety

## ► In emission-free vehicles, materials have the greatest environmental impact

- High-strength steels have a lower environmental footprint than magnesium, carbon fiber or aluminum

**SSAB**

# Go fossil free

## Be part of a fossil-free value chain



### Fossil-free mining

LKAB will reduce energy consumption and CO<sub>2</sub> emissions to reach a positive CO<sub>2</sub> balance by 2030

+

### Fossil-free electricity

Vattenfall's goal is that both the company and its customers will be completely fossil free within one generation

+

### Fossil-free steel

Reduce CO<sub>2</sub> emissions by closing blast furnaces and use the HYBRIT technology, largely eliminating CO<sub>2</sub> around 2030

=

### Fossil-free value chain

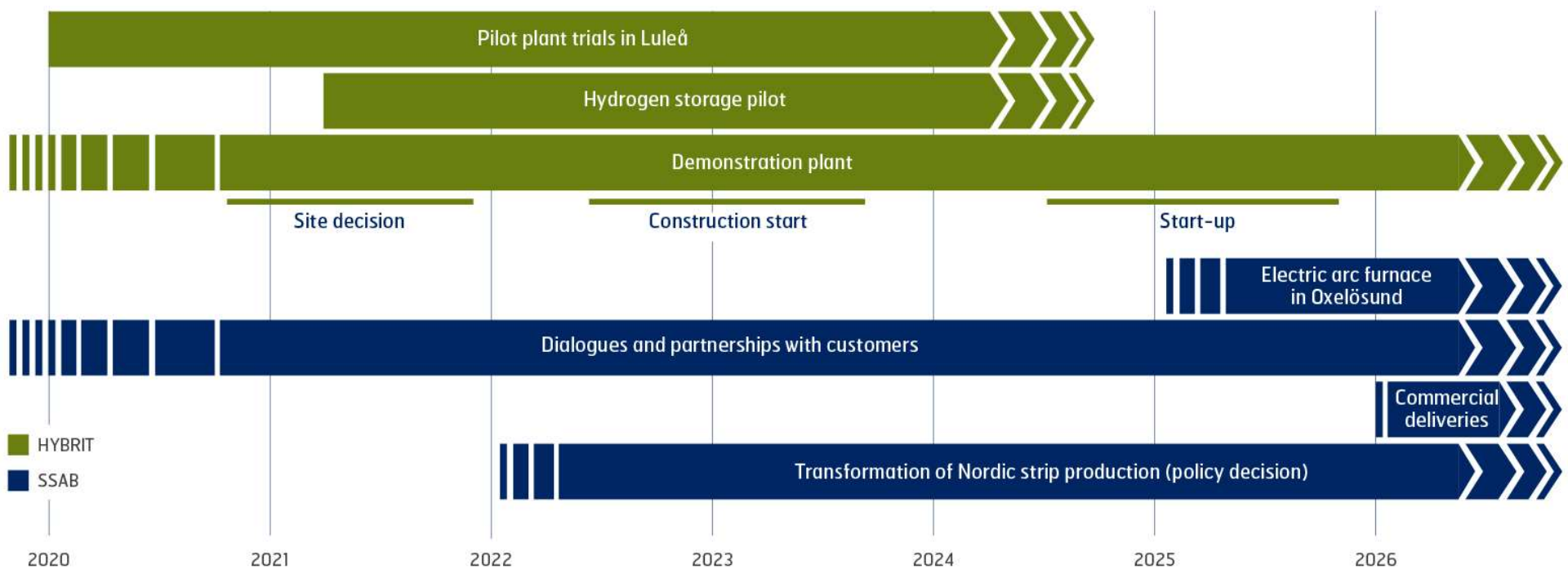
SSAB customers using fossil-free steel, aiming for CO<sub>2</sub> neutrality, starting 2026



**SSAB**

# Go fossil free

Be the first to offer fossil-free products



SSAB



# Better and fossil-free steel



Target	KPI	Actual 2021	Target 2022	Target 2024	Target 2026	Target 2030
Lower energy consumption /Higher productivity for customers	Mtonne customer CO <sub>2</sub> savings	12				
	Resource efficiency (ktonnes steel saved**)		1,000	1,095	1,165	1,290
First in fossil-free steel	Fossil-free steel milestones	First fossil-free sponge iron produced and delivered			First commercial deliveries of fossil-free steel	SSAB largely fossil free

\*\*Tonnes steel saved = Weight reduction through upgrading, based on volumes of high-strength steels delivered. Considering industry standard and using formula  $(W_1/W_2)=(R_{e2}/R_{e1})^{0.5}$  or similar

**SSAB**

# Leading sustainability performance



## ► Safety first

- The world's safest steel company
- We care for each other



## ► Efficiency & Responsibility

- Resource efficient operations
- Responsible sourcing



## ► Respect & integrity

- Zero tolerance for bribery and corruption
- We are diverse and inclusive

**SSAB**

# Safety first

Becoming the world's safest steel company



## FOUR BUILDING BLOCKS OF SAFETY

Safety culture and leadership

Process safety  
management

Occupational safety  
management

Occupational health  
management

**SSAB**

# Safety first

Becoming the world's safest steel company



## Zero accidents, work-related injuries or illnesses

### ► Focus on preventive work

- Learn from each other and share best practices
- Required training for all
- Risk identification, assessment, evaluation and removal processes

### ► Never walk by

- Personal responsibility to work safely every day
- Managers lead by example
- All work is performed safely or otherwise discontinued

### ► World class process safety

- Find out what can go wrong
- Find out what protects us from anything going wrong
- Ensure measures are effective, implemented and working properly

**SSAB**



# Safety first

Becoming the world's safest steel company



Targets	KPI	Actual 2021	Target 2022	Target 2025
Eliminate fatalities and serious incidents	Number of fatalities	0	0	0
	Number of serious incidents	309	166	115
	LTIF	1.8	1.63	< 1.5
Reduce injuries and their severity	TRIF	9.2	7.7	< 5.0
	LTI severity rate	11	10	8
Eliminate major process safety incidents	Number of major process safety incidents	44	37	20
Safety leadership	Number of safety rounds	40,720	55,000	68,600

# Efficiency & Responsibility

## Circularity



### ► Internal recirculation

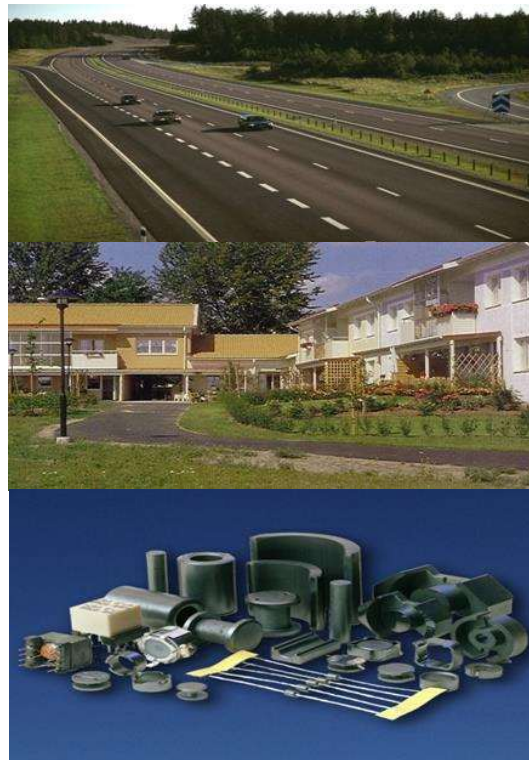
- Materials are recycled back into the steelmaking process, which reduces the need for virgin raw materials
- Landfill waste minimization

### ► Utilizing by-products

- Steel production gives rise to a range of by-products, which can be sold to or used by other industries

### ► Energy recovery

- Used for district heating on all major sites



### Our materials are used in:

- Iron- and steelmaking
- Road construction
- Cement industry
- Car batteries
- Freezer doors closing systems
- Cars (permanent magnets)
- Water purification chemicals
- Insulations
- Car tires
- Farmland
- Building bricks
- Paper making

# Efficiency & Responsibility

## Minimizing environmental impact



- ▶ **Efficient use of raw materials and energy**  
Improving energy efficiency to reduce the amount of energy needed  
Optimizing logistics and improved fuel economy, driving routes, load carrier capacity
- ▶ **Air emissions reductions (other than CO<sub>2</sub>)**  
Nitrogen oxides, sulfur oxides, particulate matter, etc.
- ▶ **Water effluents**  
Preventing the risk of contaminating water resources and reducing effluent discharge



**SSAB**

# Efficiency & Responsibility

## Resource efficient operations



### ► Our climate target: Reduction of greenhouse gas emissions (CO<sub>2</sub>e)

- SSAB commits to reducing absolute Scope 1&2 emissions by 35% by 2032 compared to the 2018 base-year
- Science Based Target initiative (SBTi) approved CO<sub>2</sub> reduction target for the target year 2032
- New policy decision of accelerating the green transition. The CO<sub>2</sub> reduction target will be reviewed going forward

Target KPI (Scope 1 and 2)	Actual 2021	2022	2025	2026	2030	2031	2032
CO <sub>2</sub> e reduction, million tonnes	0.2	0.5	1.2	1.8	3.1	4.0	4.1
CO <sub>2</sub> e reduction, %	1.6%	4%	10%	15%	26%	34%	35%
		lowa 100% green electricity	50% use of EAF in Oxelösund	100% use of EAF in Oxelösund	25% use of EAF in Raahe	50% use of EAF in Raahe	



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION  
© Science Based Targets. All Rights Reserved

PARTNER ORGANIZATIONS



IN COLLABORATION WITH



# Efficiency & Responsibility

## Resource efficient operations



### ► Circularity (Nordic production system)

- Use of scrap/H-DRI (home scrap, purchased scrap and H-DRI replacing BF route iron ore pellets)
- Slag utilization (BF, BOF and EAF slag)

Targets	Actual 2021	2022	2025	2026	2030	2031	2032
Use of scrap/H-DRI	18%	20%	29%	39%	46%	54%	54%
Slag utilization	81%	82%	100%	100%	105%	107%	107%
		lowa 100% green electricity	50% use of EAF in Oxelösund	100% use of EAF in Oxelösund	25% use of EAF in Raahe	50% use of EAF in Raahe	



# Efficiency & Responsibility

## Responsible sourcing



To ensure that we collaborate with suppliers who share the sustainability values described in SSAB's Supplier Sustainability Policy

### ► Risk assessment

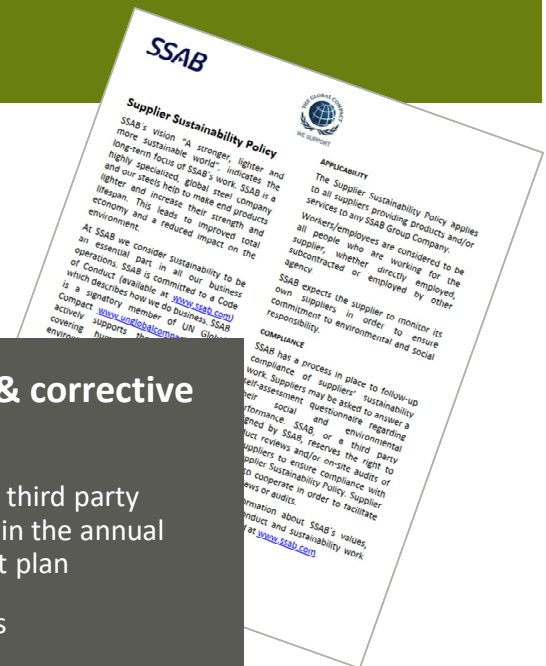
- Commodity managers trained in responsible sourcing
- Assessments based on risk indices for human rights, political and environmental risks
- Identified suppliers complete a self-assessment questionnaire on their commitment to labor and human rights, health and safety, anti-corruption and the environment

### ► Supplier on-boarding

- Contracts and purchase orders refer to the Supplier Sustainability Policy

### ► Follow-up & corrective actions

- On site visits and third party audits as outlined in the annual sustainability audit plan
- Follow up on KPIs



# Efficiency & Responsibility

## Responsible sourcing



Targets	KPI	Actual 2021	Target 2025	Target 2030	Target 2045
Sustainable supplier base	Share of new suppliers sustainability assessed	82%	100%	100%	100%
	Share of total purchase value sustainability assessed	96%	96%	98%	98%

# Respect & Integrity

Zero tolerance for bribery and corruption



## Code of conduct

- The Code of Conduct is the way we act. It forms the basis for our ethical, environmental and social responsibility
- The tone from the top is clearly communicated. All employees must complete e-learning in business ethics



## Anti-corruption

- SSAB has zero tolerance for bribery and corruption
- Clear instructions guide us in our daily operations and how we act in relation to business partners



## Ethics line

- Global whistleblower (Ethics Line) available online or by calling a global hotline, open 24/7
- Allowing employees to raise concerns anonymously

# Respect & Integrity

## Zero tolerance for bribery and corruption



Targets	KPI	Actual 2021	Target 2025	Target 2030	Target 2045
Ensure ethical conduct in line with SSAB's corporate culture and increase knowledge about the Code of Conduct and Ethics Line	All employees have completed the e-learning in business ethics; including training on our Code of Conduct	96%	100%	100 %	100%
	Share of new employees covered by the on-boarding process; including signing the Code of Conduct statement and e-learning in business ethics	84%	100%	100%	100%
	Share of employees who have access to the Ethics Line* *	89%	95%	95%	95%

\*Employees that do not have access to the Ethics Line have other local reporting channels

# Respect & Integrity

## Inclusion and diversity



For us, a **diverse** workforce provides a wide range of abilities, competences and experience. Diversity means heterogeneity of our workforce including age, gender, race, ethnicity, physical abilities, political and religious beliefs, and other attributes.



We strive for **inclusion** to ensure the full and equal participation of everyone across the full spectrum of diversity within the organization.

At SSAB, we expect our leaders to continuously strive to **create an inclusive workplace and build a diverse workforce** – for the good of our **culture, increased engagement** and to **drive our overall performance and results** as a **high-performing organization**.

**SSAB**



# Respect & Integrity

## Inclusion and diversity



### WORKFORCE

- **Attract, hire and promote a diverse workforce for the future**
- Focus areas
  - Equal career opportunities
  - Hiring practices with broader outreach for searching candidates
  - Transparent internal recruiting processes



### WORKPLACE

- **Develop an inclusive and innovative workplace**
- Focus areas
  - Working with SSAB One to create involvement and engagement
  - Trainings on inclusion, diversity and bias
  - Mentoring programs and networks



### COMMUNITY

- **Be a responsible partner and enhance our reputation as a company and employer**
- Focus areas
  - Partnerships with key schools
  - Employer branding
  - Relevant I&D initiatives locally

# Respect & Integrity

## Inclusion and diversity



Target	KPI	Target 2023	Target 2024	Target 2025
Diversity & Inclusion	Share of women (line managers), %	21	22	23

The background of the slide is a blurred landscape of dark, rounded rocks and a body of water under a soft, hazy sky. In the center, there is a semi-transparent graphic element consisting of a large circle with a triangular cutout. Inside the triangle is a sharp image of a narrow water channel between rocks, with a bright sun reflecting on the water's surface.

**SSAB**

*A stronger,  
lighter and more  
sustainable world*