

## ENVIRONMENT AND ENERGY POLICY

As a leading steel manufacturer, Ovako takes responsibility for conducting its business in a sustainable and profitable manner, in all aspects. This is achieved by active efforts and continuous improvement of environmental protection and energy efficiency.

We manufacture steel with low climate impact without compromising the quality of the steel and work actively with customers, suppliers and other stakeholders to reduce the total environmental impact over the product life cycle. Our aim is to decarbonize our processes by substituting fossil-based and other non-renewable energy and materials in all operations to achieve zero carbon emissions.

We take this policy into account in connection with strategic decisions in daily operations, in development of practices and processes, and in evaluating and setting targets.

### Commitment and Principles

- All employees must consider the environment in their daily work and will receive continuous training.
- Compliance with laws and other regulations is a minimum requirement.
- All units shall operate in such a manner that the environment is protected, such as soil quality, biodiversity, land use and deforestation, and that energy and other natural resources are conserved.
- We follow national and international legislation regarding animal welfare. All potential parties handling animals should adhere to their Five Freedoms defined by the EU Farm Animal Welfare Council/World Organisation for Animal Health (OIE). This applies to all operations and complies to our owned and rented land and to suppliers and contractors.
- In operational development and investment decisions, best practices and innovative technology will be assessed with consideration to environmental protection.
- We are committed to improving energy efficiency and increasing the share of renewable energy.
- Environmental issues are considered when buying products and services, so the essence of this policy is observed toward suppliers and other related parties.
- Our managers and employees work together to eliminate hazards and reduce the risk of environmental incidents.
- We are committed to minimizing negative environmental impact related to all emissions, including water, air and greenhouse gases (GHG), noise and chemical management.
- We counterbalance remaining emissions with carbon offset for a carbon neutral operation, continue to develop our processes and take measures to lower our emissions.
- The circular economy principles of recycling, reusing and minimizing the use of non-renewable resources are a basis for our operations and achieved by efficient waste reduction, water management and sustainable sourcing.

### Responsibility

- We shall all maintain a high level of environmental awareness, comply with all applicable rules and work instructions, and promptly report all accidents, incidents and unsafe conditions.
- All managers are responsible for implementing this policy by training, communicating, ensuring compliance and leading by example. They establish goals, measure results and ensure the implementation of improvement plans.

### Communication

- Ovako strives for open and fact-based communication with employees, authorities and other interested parties.

This policy and its principles also apply to suppliers working on Ovako's premises. Compliance with this policy will be evaluated in regular audits.

This policy was approved by the Board of Directors of Ovako on February 22, 2023.



Marcus Hedblom  
President & CEO