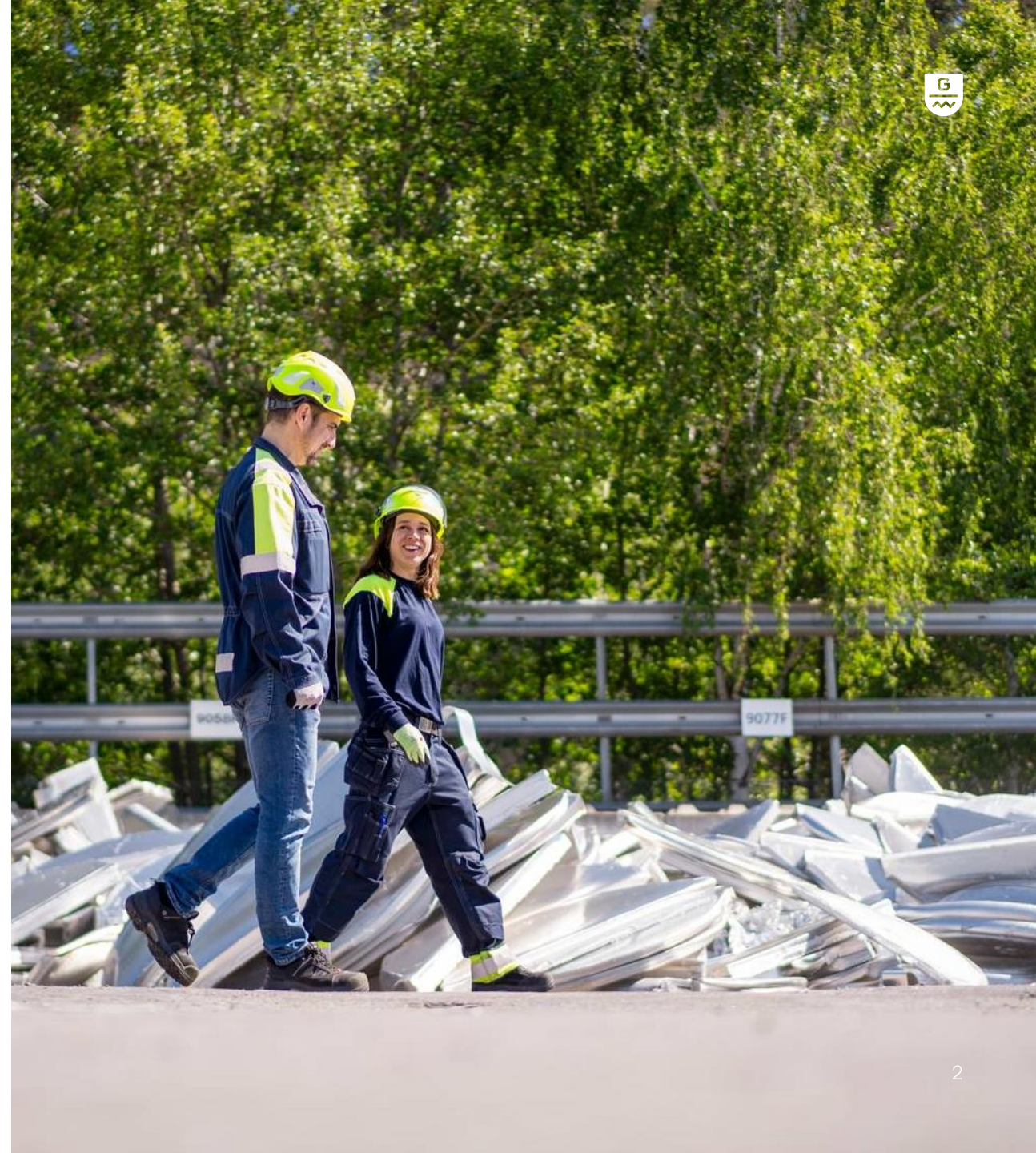


On the Road to CSRD: Our Experience, Insights & Learnings

Sandra Rumélius, Director Sustainability Reporting, Gränges

What I want to share with you today

- We are on the journey towards CSRD compliance, and in March we published our first report.
- We faced several challenges but also gained valuable insights that supported us throughout the reporting process.
- The aim of this session is to share key learnings from our CSRD journey
 - About Gränges
 - Our CSRD journey
 - Key discussions we encountered and how we progressed in three focus areas

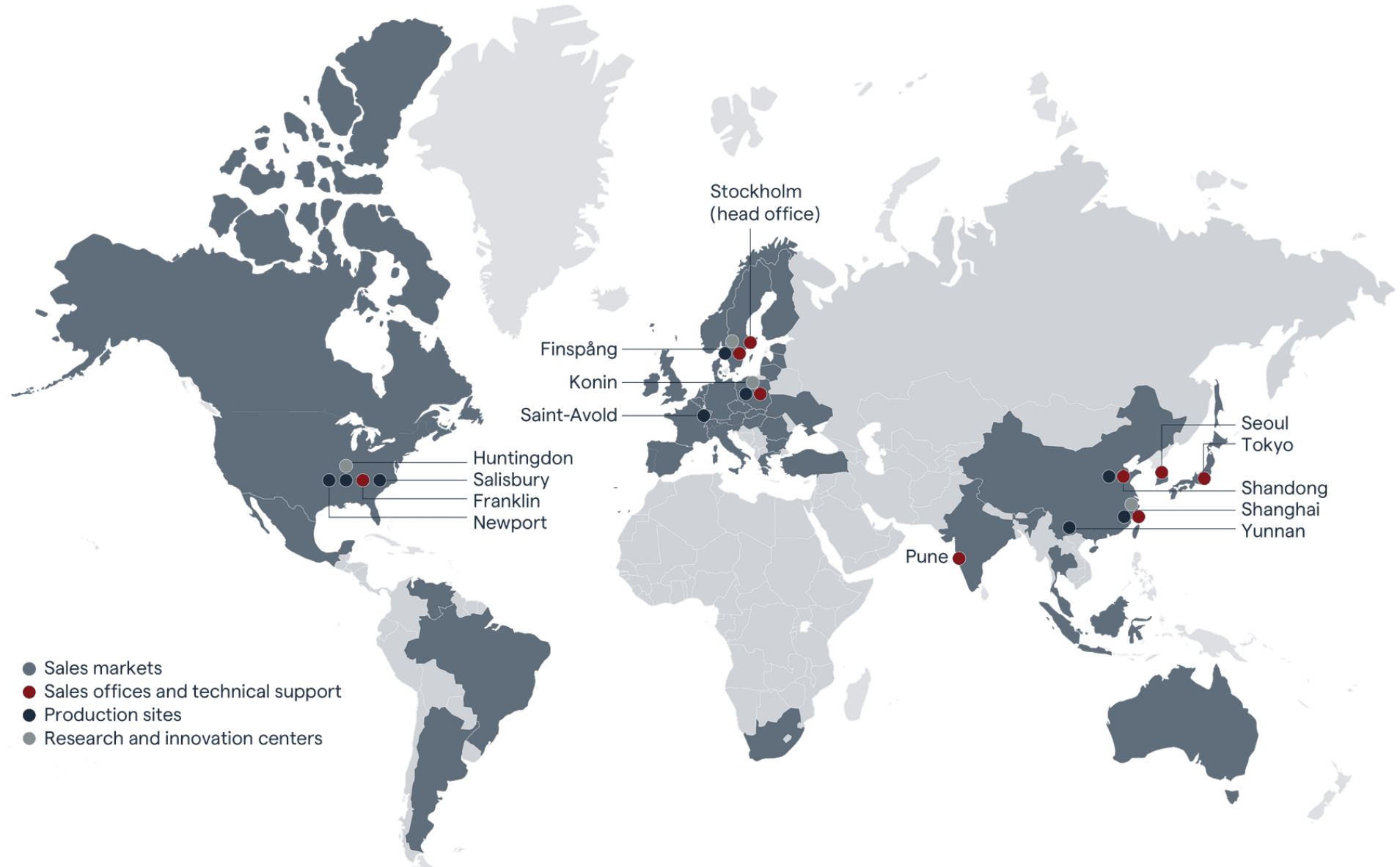




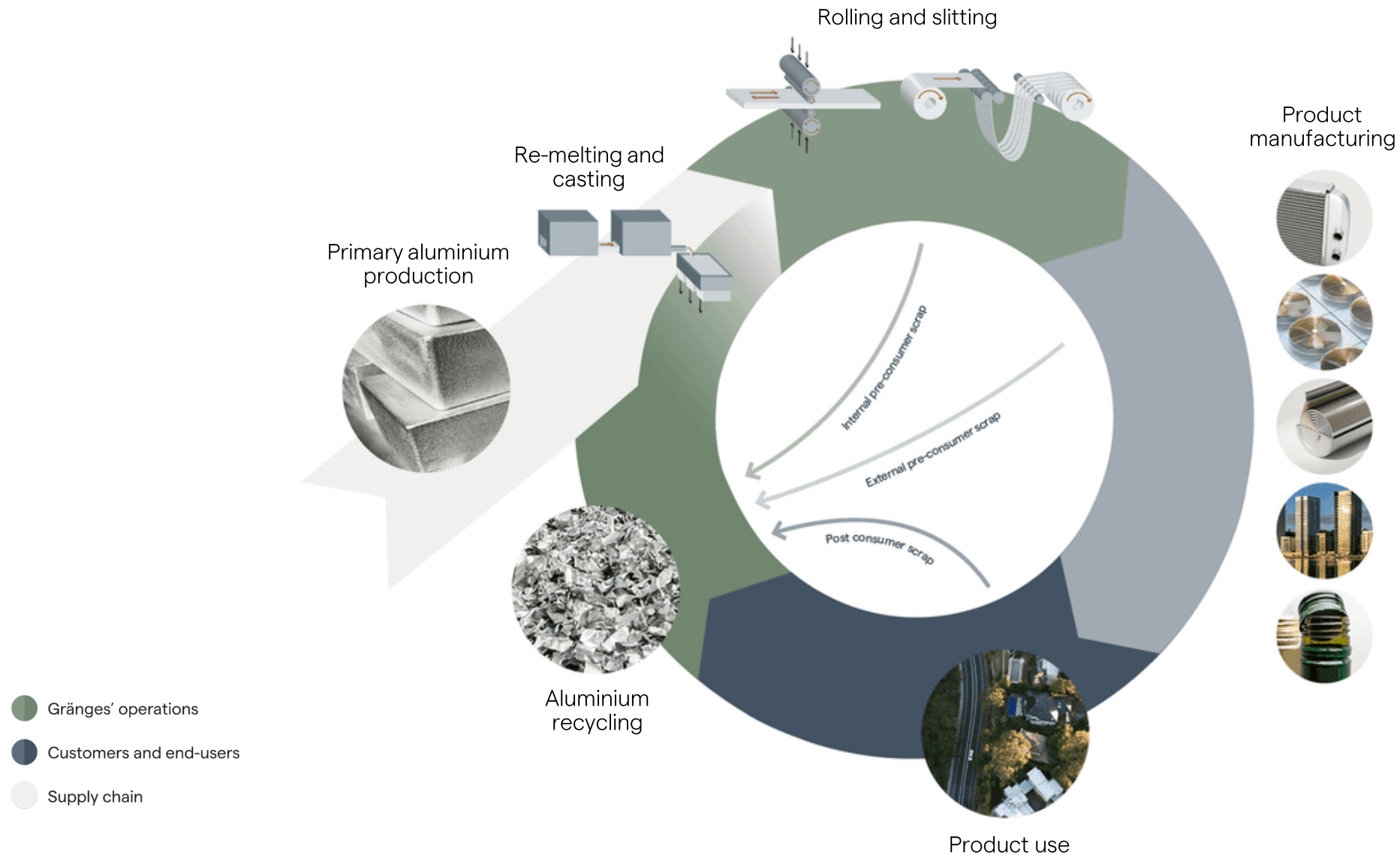
We're creating circular
and sustainable
aluminium solutions
in partnership with our
customers and suppliers
– for a better future.



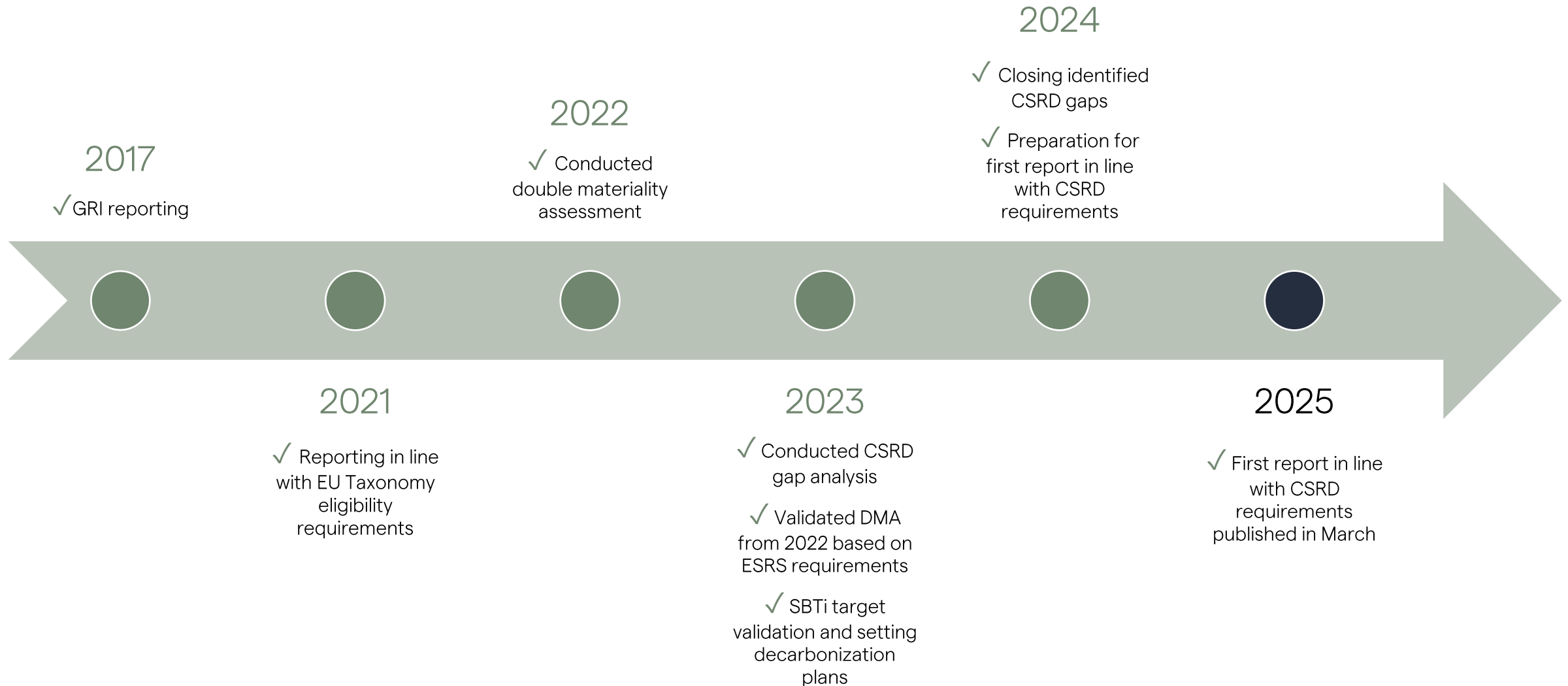
Strong presence on the global market



A strong position in the value chain



The journey towards CSRD



1. Gap assessment

Considerations

- What does CSRD mean to us — is it just about compliance, or can it be a useful tool to improve our sustainability performance?
- How can we make the gap assessment meaningful, beyond simply identifying disclosure gaps?

What we did

- Conducted a gap assessment covering both **strategic** and **disclosure-specific** gaps.
 - Strategic: Related to improvements in existing processes or the need for new processes to be implemented across the Group.
 - Disclosure specific: Related to the information we need to disclose to comply with the ESRS standards.
 - By communicating the strategic gaps to internal stakeholders, we created a better understanding of CSRD and increased engagement.

“CSRD is not just about producing an annual report – it’s about building a systematic approach to seize new opportunities, develop sustainability performance and strengthen the business.”

Gränges' CSRD readiness plan (in short)



Materiality assessment	Governance and risk	Third-party assurance	Climate strategy	Sustainability Reporting
<ul style="list-style-type: none"> ○ Quantitative analysis of sustainability impact ○ Quantitative analysis of financial impact ○ >> Validation of 2022 materiality assessment ○ >> Argumentation for selected material topics 	<ul style="list-style-type: none"> ○ ERM process alignment ○ Internal audit alignment ○ Sustainability policy review ○ Sustainability Due Diligence implementation 	<ul style="list-style-type: none"> ○ Limited assurance of 6 KPIS (2023) ○ Limited assurance on all sustainability KPIs (2024) 	<ul style="list-style-type: none"> ○ Net-zero transition plan ○ Quantitative scenario analysis ○ Resilience analysis and plan 	<ul style="list-style-type: none"> ○ Data tagging ○ Go-live with sustainability reporting system (Position Green) ○ Detailed reporting KPI preparations

Success factors and learnings from gap assessment

1. Engaged a third party to conduct the CSRD gap assessment
 - Provided an objective view of CSRD-related gaps
 - Brought expertise in interpreting the ESRS standards
2. Established a CSRD steering group
 - Enabled efficient cross-functional engagement
 - Maintained momentum to close identified gaps
 - Served as a forum for decision making
3. Communication and engagement
 - Communication of strategic value of CSRD and key improvement areas
 - Helped shift the perception of CSRD from a reporting burden to a business opportunity




2. Double materiality assessment

Considerations

- How can we efficiently incorporate ESRS assessment requirements into our already completed Double Materiality Assessment (DMA)?
- Should we maintain a broad agenda, or narrow the reporting scope?

What we did

- Established a clear process from the start, building upon the previous assessment work
- Kept the core team small to ensure focus and agility
- Used a workshop format with validation meetings to streamline the process and ensure quality outcomes



“The DMA is not just about compliance – it’s a strategic tool to future-proof the business”

2023 review and validation process



Step 1: Material topic review

- Identification of potential new topics for Gränges addressed in CSRD

Step 2: Impact assessment

- Quantitative assessment of sustainability impact
- Quantitative assessment of financial impact

Step 3: Feedback on impact assessment

- Feedback on assessments conducted in step 2

Step 4: Final validation

- Final validation of impact assessments
- Final groupings of sub-topics into material topics

Step 5: Prepare for reporting

- Prepare for reporting against CSRD based on the identified material topics

Who:

- | | | | | |
|--|--|---|--|--|
| <ul style="list-style-type: none">• Group Sustainability | <ul style="list-style-type: none">• Group Sustainability• VP Business Control & Risk Management | <ul style="list-style-type: none">• Sustainability GCT (sust. Impact)• Risk Board (financial impact) | <ul style="list-style-type: none">• CFO• SVP Sustainability | <ul style="list-style-type: none">• Group Sustainability |
|--|--|---|--|--|

Success factors and learnings from DMA

1. DMA assessment - foundation for strategic sustainability

- Served as a solid foundation and useful tool to for defining our strategic sustainability direction
- Provided a strong basis for discussion with key stakeholders

2. Involvement of key internal stakeholders

- Engaging a selected group of key stakeholders in the assessment led to a more efficient process with improved outcomes

1. Setting thresholds aligned with our sustainability agenda

- Made it transparent to both internal and external stakeholders why certain sustainability topics fall outside the scope of Gränges' sustainability agenda



3. Reporting and layout

Considerations

- Interpretation of the ESRS disclosure requirements and determining the level of details needed
- Structuring the Annual and Sustainability Report to include the new requirement for a Sustainability Statement

What we did


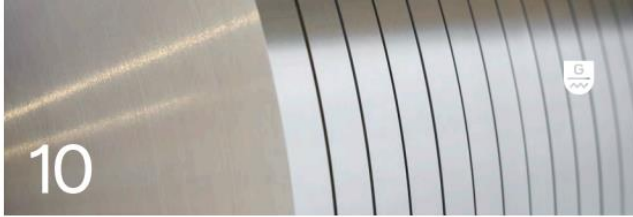



- Engaged in discussion with multiple external parties to understand the reporting requirements, with close collaboration with our auditors
- Identified and reported on KPIs relevant to our business
- Maintained the same format for the Annual and Sustainability report, while incorporating the new Sustainability Statement

“A pragmatic approach to CSRD eases reporting stress - compliance is a gradual journey that takes time”



Structure of the Annual and Sustainability report



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Sustainability

Sustainability is a strong driver and enabler of long-term competitiveness and value creation for Gränges. We aim to drive sustainable growth by creating circular and sustainable aluminum partnerships and solutions.



Priorities

Gränges works to strengthen its value proposition for circular and sustainable aluminum solutions that support customers in their decarbonization efforts. We execute plans to achieve carbon emissions reduction, enhance circularity and promote responsible business practices. This involves investing in operational improvements to increase energy efficiency and resource utilization, expanding recycling capabilities, and developing innovative new methods and solutions. Building long-term closed-loop partnerships with suppliers and customers to boost recycling rates as well as sourcing green energy and metals remain top priorities.

We have also implemented an updated Responsible Sourcing Program and further enhanced sustainability engagement across the organization. In 2024, we developed and rolled out a new group-wide sustainability training, supported by local activities. Gränges also actively participates in sustainability initiatives and networks.

Achievements

Gränges continued to show a very strong sustainability performance in 2024, record-low carbon emissions, alongside record-high recycling rates in both percentage and tonnage. We also upgraded our global responsible sourcing process, now including suppliers with an annual purchase value above 500 kEUR. This expansion enhances sustainability practices throughout the supply chain.

We increased the already strong sustainability engagement in the Gränges team with a new sustainability training program for white-collar employees, achieving 100 percent participation. Additionally, Gränges joined the First Movers Coalition, underscoring its commitment to accelerate the decarbonization of the aluminum industry.

To support Gränges' sustainability ambitions and pathway to net-zero, the company published an updated Green Finance Framework and a Sustainability Linked Finance Framework to allow for the issuance of green bonds and sustainability-linked bonds. Also, a sustainability-linked credit facility was refinanced.

Focus forward

Looking ahead, Gränges will continue to strengthen its value proposition for circular and sustainable solutions. Concurrently, we are advancing our 2030 plans for decarbonization, recycling, and responsible sourcing, aiming for year-over-year achievements and continued progress toward our 2030 and 2040 targets. We believe in setting ambitious goals, since those who move faster will be tomorrow's winners.

Gränges aims to increase sustainability engagement among employees and external stakeholders and reinforce responsible business practices. We will continue to collaborate with partners to create market leading, differentiated sustainable offerings.

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Sustainability targets and results

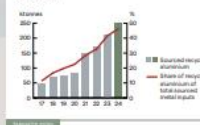
Net-zero



Scope 1 & 2
-56% -66% Net-zero

Minimum reduction in carbon emissions intensity versus baseline 2017

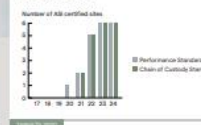
Circular



500 ktonnes (by 2030)

Sourced recycled aluminum volume

Responsible



100%

Sustainable suppliers

100%

All of Gränges' aluminum rolling and recycling sites are certified in accordance with ASI Performance Standard and Chain of Custody Standard

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Gränges' ambition is to create circular and sustainable aluminum solutions for a better future. Sustainability, alongside People and Safety, is a key driver of the company's long-term competitiveness and value creation. These elements are at the core of Gränges' business and strategy, emphasizing their central role in differentiating the company within the industry.

A key business driver

Key achievements

- Record low carbon emissions
- All-time high recycling volumes
- Executed on the 2030 decarbonization plans
- Launched France Framework to support green transition
- Implemented updated responsible sourcing process
- Launched a new sustainability training for white-collar employees
- Joined the First Movers Coalition

Sustainability recognition

Gränges received several external sustainability and ESG recognitions with top ratings, demonstrating the company's ambitious sustainability plans and proven results.



Risk management, a cornerstone of our foundation

Gränges works actively with risk management to monitor and minimize risks in a structured and proactive manner. A systematic approach to risk management enables Gränges to maintain focus on its core business and its customers and spend less time on dealing with unwanted situations.

Gränges also promotes a risk awareness culture where employees are encouraged to speak up and propose improvements and actions to mitigate risks, as transparency is fundamental for dealing effectively with risks.

Gränges' risk management process requires all regional management teams to review, rank and prioritize risks on an annual basis and to maintain updated risk mitigation plans.

The regional risk assessment and mitigation plans also form the basis for an annual risk review in the Group Management Team. The purpose of this review is to make sure that effective risk mitigation plans and processes are in place from a Group perspective, including whether a specific risk should be owned and managed by the Group Management Team or by the regional Presidents.

A summary of Gränges' main risks can be found on the following pages.

parts of the world, Gränges is exposed to risks that may impact the Group's business and operations.

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Success factors and learnings from DMA

1. Close collaboration with our auditors

- Addressed specific issues during the reporting process
- Ensured no surprises during the audit in January

2. Engagement with key functions

- Early engagement with key functions to increase the understanding of CSRD
- Identified material KPIs relevant to our business

3. Pragmatic approach towards CSRD

- Reduced unnecessary stress
- Acknowledged that CSRD compliance is a journey that will take time



Key takeaways



CSRD brings opportunities and strengthens sustainability performance and business value

Engagement is key, make sure to involve your colleagues early in the process

CSRD compliance is a journey that takes time

Thank you!