



SUSTAINABILITY REPORT 2024



VALBRUNA
NORDIC

TABLE OF CONTENTS

Valbruna Nordic– House of Stainless Bar3
Vision and values3

Words from our MD4

The year in brief.....5

Stakeholder engagement7

Our responsibility and impact along the value chain.....8

Essential areas10
Responsible business10
Safety, Health and Well-being11
Diversity and Inclusion11
Greenhouse Gas Emissions.....12
Circularity and Resource efficiency14
Waste disposal15

UN Global sustainability goals16

Risk management17

Corporate governance18

Valbruna Nordic AB (556124–5639) presents its sustainability report for 2024. It also covers our subsidiaries in Denmark and Norway, and reflects our development during the period 1 January 2024 to 31 December 2024. The company's first sustainability report for the year 2020 was published on 5 February 2021. This report is our fifth sustainability report and has been drawn up inspired by the GRI standard, Foundation 2021. The sustainability report has been approved by the board.

Published on April 15, 2025.

If you have questions about the report, please contact Susanne Nilsson, Quality and Environment Manager at Valbruna Nordic, mail@valbrunanordic.se

VALBRUNA NORDIC – HOUSE OF STAINLESS BAR

Valbruna Nordic has the largest stock in the Nordics of stainless, long products. Through marketing via local sales offices, Valbruna Nordic sells and distributes over 1,000 different items. The name House of Stainless Bar means that we with our excellence want to be able to offer the market's widest range of products under one roof.

Vision and values

Valbruna Group's values are that we as a company should be dynamic, transparent and sustainable. We strive to be one co-operation partner who take responsibility financially, socially and ethically, and which satisfy our customers and other stakeholders needs and expectations for a resource- and cost-effective way. Our continuous work focuses on improved quality and climate work, with sustainability, people's well-being and environmental consideration as central elements.

Head office: Karlstad.

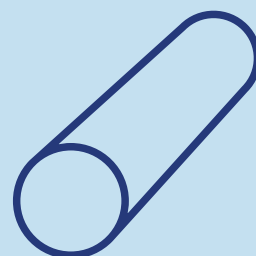
Branches with sales offices in Kolding, Denmark and Fjellhamar, Norway.

Owner: Acciaierie Valbruna S.p.A, Italy.

Main market is the Nordic region, but customers are all over the world.

Product program which includes over 1000 items consisting of round, flat, square, angle and hexagon bars in austenitic, martensitic and duplex stainless steels, stainless reinforcing steels and nickel and titanium alloys.

Customers mainly found in the process, paper and food industry and the energy sector.



31 number of
employees

TURNOVER

595 MILLION
SEK

Sales **9,196** tons

WORDS FROM OUR MD

If I had to sum up the year 2024 in a single word, it would be "progress". This year has been a journey filled with lessons learned and developed, with our team showing great commitment as well as adaptability. Our customers have come out of the period of inventory decommissioning and while some challenges remain for stockholders, we are already seeing positive results from our strategic decision to strengthen our relationships with end users.

Over the course of the year, we have experienced a stabilisation in pricing, which has not only helped us to recover from previous challenges, but also to end the year strongly. We have really had the opportunity to demonstrate our ability to adapt and our conviction that development together with our customers and partners is the way forward.

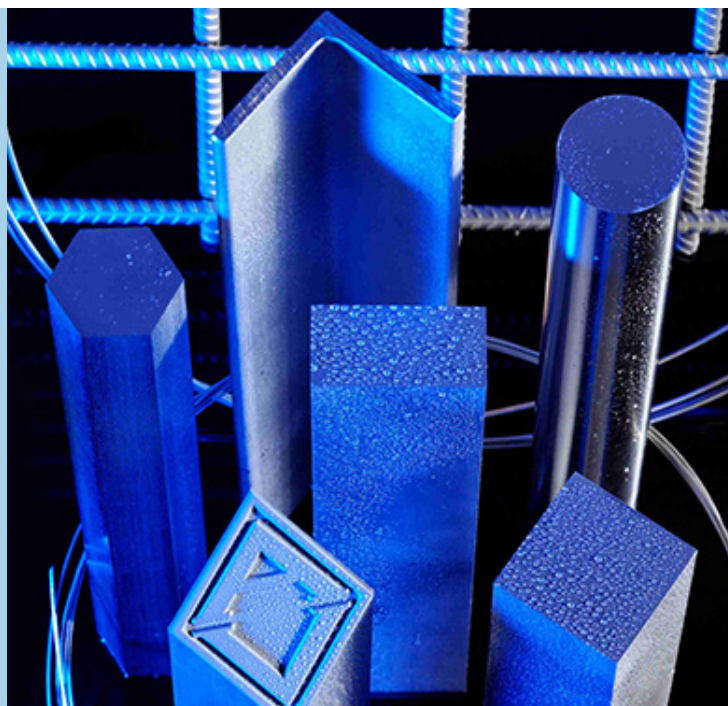
The close collaboration with both customers and suppliers includes stability, long-term planning and a high level of service, but in recent years it has also come to include various initiatives to contribute to reduced climate impact. In 2024, we have focused on streamlining transports, by increasing the weight per shipment. We met the target of at least 2 tonnes per shipment for Norway, Denmark and Finland. Something we hope to achieve for Sweden in 2025 as well.

Our solar panels have been in operation throughout the year and have contributed to a large financial saving for the business while we have been able to sell a large part of the surplus energy. We are aware that these advances may be small steps on the long journey that lies ahead of us. We look forward to continuing our sustainability work together with our customers, suppliers, other partners and, not least, our employees.

Renato Faggian,
MD, Valbruna Nordic



THE YEAR IN BRIEF



In 2024, our solar panels generated 288,000 kWh, of which 97,580 kWh was used internally, covering over 40 % of our electricity consumption. In addition to increased self-sufficiency, we also contributed 190,420 kWh to our electricity supplier.

Scope 2 Neutral

A transition to district heating labelled with Good Environmental Choice at the turn of the year 2023–2024 meant that in 2024 we purchased electricity and district heating from 100 % renewable energy sources, thereby reducing our emissions in scope 2 from 17 tonnes CO₂e to 0.





During the year, we continued our work to make our operations more energy efficient. Switching to LED lighting was the main focus, but we also decided to invest in two new saws, one of which will replace a 20-year-old saw that is used today. The new saws will be installed in 2025.



In 2024, we continued to optimize outgoing transports in collaboration with our customers, with the goal of reducing shipments by 5% and increasing the tonnage per shipment. Finland, Norway and Denmark achieved the goal, while Sweden had a slightly lower average weight per shipment, partly due to customer requirements and an increased share of smaller customers, resulting in more and smaller shipments.



STAKEHOLDER ENGAGEMENT

Valbruna Nordic establishes regular dialogues with our stakeholders to ensure a better understanding of their expectations of us as a company as well as our sustainability work. The selection of stakeholders has been based both on their degree of interest in our business and their potential influence on us. The table below describes our most important stakeholders, in which form we usually dialogue with them as well as their most important issues.

Valbruna Nordic will begin work on the double materiality analysis in February 2025. The work is a central part of our continued sustainability work and an important preparation for next year's sustainability reporting according to the CSRD. The double materiality analysis will, among other things, include more in-depth dialogues with our most important stakeholders.

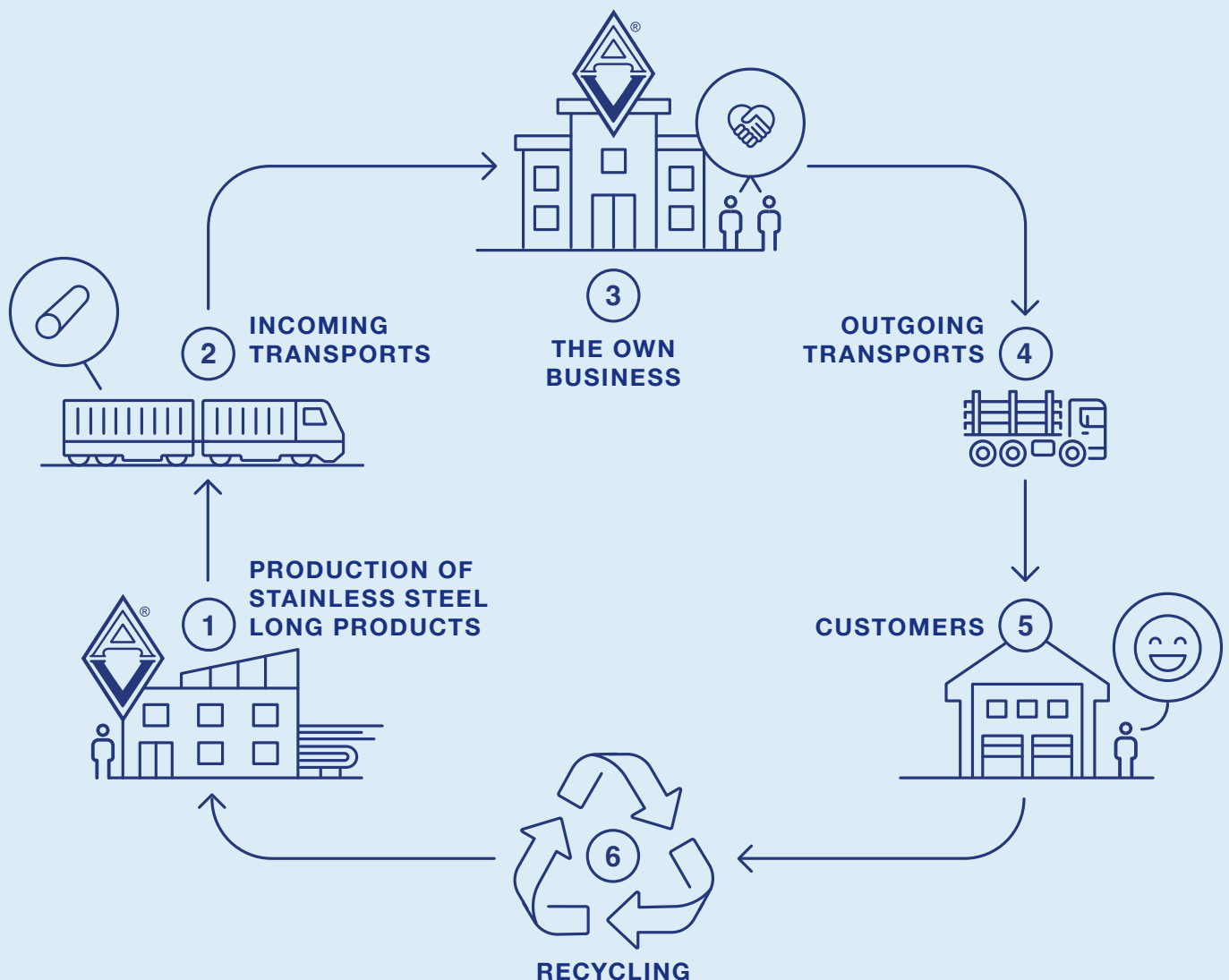
STAKEHOLDER	DEFINITION	HOW WE INVOLVE THE STAKEHOLDER	OUR STAKEHOLDERS EXPECTATIONS OF US AS A COMPANY
Customers	Direct customers	Sales meetings, customer surveys, fairs	That we add added values to customers through offering the market's widest range of products and excellence, collected under one and the same roof.
Employees	Current and potential	Daily conversations and meetings, trade union activities, internal training, emergency follow-ups and employee interviews	That we act in a responsible manner both internally and externally to attract, develop and retain competent employees.
Owners	Acciaierie Valbruna S.p.A	Board meetings	That we develop long-term, stable, profitable and sustainable business in line with Valbruna's business model and strategies for profitability.
Suppliers	Direct suppliers	Purchasing meetings, supplier evaluations and fairs	That we take responsibility for limiting our emissions to land, water and air, waste management, as well as promotes circularity in form of both resource and energy efficiency.
Planet	Environmental perspective	Science, research	That we take responsibility for our emissions to land, water and air, waste management, and promote circularity as well as resource and energy efficiency.
Local Society	Local society where we operate	Ongoing dialogues	That we create and offer jobs and are a responsible employer that follows laws and regulations, that we contribute to local businesses (through sponsorship).

OUR RESPONSIBILITY AND IMPACT ALONG THE VALUE CHAIN


Valbruna Nordic specializes in marketing, sales and distribution of long stainless steel products. We strive to reduce our impact on the environment, people and its human rights, by having a close collaboration with our suppliers and to streamline our in- and outgoing transports. The largest share of our purchases comes from Acciaierie Valbruna's production facilities in Vicenza and Bolzano, Italy. We also have selected suppliers in Italy and Luxembourg. Data presented in our annual sustainability report regarding purchased products include our direct suppliers, who account for 97 % of our total purchase. The remaining 3 % is bought from several smaller European suppliers, and from an American company within the group.

To be able to offer products that maintain high quality and at the same time take responsibility that we minimize actual as well as potential negative impact on both people and the environment, continuous improvements throughout the value chain are required. To ensure compliance with Corporate Sustainability Due Diligence Directive (CSDDD), the new directive for due diligence regarding the influence of our suppliers on people and the environment, the requirements for control in the value chain are tightened. Although the directive is not expected to enter into force until in 2026 we have begun the work of preparing already in 2024.

Below follows a description of our value chain, how we collaborate with our customers and suppliers, as well as where we identify our greatest impact on the environment and people within each part of the value chain.




1. Production of Stainless Steel long Products

The parent company Acciaierie Valbruna in Italy today delivers 95 % of our purchases of stainless steel bars in all profiles, steel grades and surface finish. The parent company complies with the EU's conflict minerals regulation and works in accordance with the OECD guidance on Due diligence to ensure responsible supply chains for minerals from conflict-affected and high-risk areas. Raw materials are mainly purchased from European suppliers, of which 95 % is scrap metal supplied by Italian companies. Suppliers of molybdenum can be found in Chile and the Netherlands. In addition to this, our product range is also supplemented through the purchase of, among other things, cut flat bar, from suppliers in Italy and Luxembourg. Ability to influence:  Average

Our biggest impact:

- The production of stainless long products is resource-intensive. Acciaierie Valbruna certifies that more than 90 % recycled raw materials are used in the steel they deliver, which means lower greenhouse gas emissions and a more efficient use of natural resources.
- Today, both electricity and gas are used as energy sources for production, something that contributes to essential emissions of greenhouse gases.
- That we can follow up and ensure human rights as well as how the suppliers work to limit their impact on the environment and people, is becoming increasingly important in and with CSDDD.


2. Incoming transports

Our incoming transports mainly consist of purchased products to Valbruna Nordic's head office with the associated warehouse in Karlstad. This happens to 98 % via rail and 2 % by truck. There are also direct deliveries to customers via truck corresponding to 1,6 % of total sales. Ability to influence:  High

Our biggest impact:

- Greenhouse gas emissions generated during the transport of incoming materials.
- Other emissions to land, air and water.
- The production of electricity for trains and fossil fuels for trucks.
- Labor laws and safety for the carriers' employees.

3. The own business


We strive to conduct our business in a resource- and cost-effective as well as responsible way. With a comprehensive product program and broad experience in various industries, we help our customers choose the type of steel that suits their specific business. Ability to influence:  High

Our biggest impact:

- Greenhouse gas emissions from the use of fossil fuels in our company vehicles.

- Energy consumption in production.
- Waste from cutting products for customers.
- Work environment, safety and health for our employees.
- Job opportunities at our locations.


4. Outgoing transports

Our outgoing transports are primarily by truck. In addition to this, there are also occasional outgoing transports by boat. However, these make up only 0.02 % of the total outgoing transports 2024. Ability to influence:  High

Our biggest impact:

- Greenhouse gas emissions generated during the transport of outgoing materials.
- Other emissions to land, air and water.
- Labor law and safety of the carriers' employees.


5. Customers

Our customers have the opportunity to choose from different types of steel from our standard range as well as special alloys that are customized according to their specific industry and business. For us, it's about more than just providing high-quality stainless steel that can meet our customers' long-term needs; it's also about every aspect of delivery. Although our main customers are mainly found in the Nordics and Estonia, we also deliver materials to other parts of the world, including the UK and southern Europe. Ability to influence:  Average

Our biggest impact:

- We deliver stainless long products with lower maintenance costs and a longer service life compared to products in carbon steel. While the lifespan of a surface-protected carbon steel is 15–20 years, for example a roof produced in stainless steel can last as long as the building it sits on¹.
- We offer special steel adapted to industries with extra tough requirements, such as power production as well as the oil and gas industry.

6. Recycling

Stainless steel retains its properties even after repeated recycling, which makes it a unique material. By using recycled material in the manufacture of new stainless long products, the need to extract new raw materials is reduced, which in turn reduces greenhouse gas emissions over the entire product life cycle. Because our customers operate in different industries and our products have a long lifespan, we have limited ability to influence what happens when the products reach the end of their useful life. Ability to influence:  Low

Our biggest impact:

- The recyclability of our products.
- Handling of any waste when our products have reached the end of their life.

¹ (Jernkontoret, 2021)

ESSENTIAL AREAS

Valbruna Nordic's strategic sustainability work covers the three basic aspects of sustainability: People, Environment and Sustainable operations. Within these three areas we have identified a number of key issues that we consider particularly significant. This is based on continuous dialogues with our most important stakeholders and is in line with our vision and values that Valbruna Nordic should be an economically, socially and ethically responsible partner. To ensure that we continue to focus on our most essential areas, and as part of our work to prepare for the new directive for sustainability reporting, CSRD, in 2025 we will carry out a double materiality analysis. This means that set goals may be adjusted.

Responsible business

Valbruna Group has a common code of conduct (Code of Ethics) which we encourage our employees, board members, customers, partners and suppliers to follow. Together with the group's values (dynamic, transparent and sustainable), the code forms guidelines for our employees' actions and decisions in daily operations. The code of conduct describes how we are expected to act towards each other, our customers, suppliers and partners. It also includes expectations for our internal work, such as gender equality, work environment (including safety) and career and skills development. Furthermore, the Code of Conduct provides our partners and suppliers with guidance on our expectations regarding ethical issues, including preventing corruption in all its forms, including bribery and child labor, as well as environmental issues such as waste management and minimizing emissions to land and water.

We expect every employee to act with honesty, integrity and responsibility in their work and to cooperate with business partners who share our values. To encourage transparency and accountability, we have an internal whistleblowing system available on our intranet. Employees have the opportunity to anonymously report any problems, inaccuracies, illegal behavior or irregularities that affect Valbruna Nordic's interests or the lives and health of individuals. The person reporting can choose to send the message to a specific person, but the system is designed so that anonymity is guaranteed if no name is provided. In 2024, no irregularities were reported.

IRREGULARITIES			
	2024	2023	2022
Number of irregularities reported	0	0	0
Of which were classified as whistleblowing	0	0	0

Collective agreement

All employees at Valbruna Nordic are covered by collective agreements and have the right to join available unions and to participate in collective negotiations according to applicable local laws and regulations. We also comply with local laws and regulations that protect the right to fair working conditions, including agreed working hours, overtime, rest and holidays. This commitment provides our employees with the necessary protections and guarantees for their work-related rights and well-being.

Supplier follow-up

Conducting business in a responsible manner requires open and continuous communication with our suppliers, customers and partners. Our main supplier Acciaierie Valbruna S.p.A and other sister companies within the group are expected, just like Valbruna Nordic, to comply with the group's code of conduct. However, there is currently no data on what percentage of our other suppliers have signed the code. Everyone has taken part and signed the code. During 2024, we have focused on further increasing awareness of the code of conduct among our employees. We also continue to develop our processes and routines for supplier follow-up, where the goal is for this to be integrated into our other process for supplier evaluation.



Targets by the year 2025

Signing the code of conduct for main material suppliers: **100%**.

Follow-up on main suppliers' compliance with the code of conduct: **100%**.



Safety, Health and Well-being

Valbruna Nordic works systematically towards a zero vision regarding workplace accidents, where the basic idea is that all accidents can be prevented. Our preventive work is covered by annual analyzes linked to risk and our systematic work environment work (SAM) as well as safety and fire protection rounds, in our warehouse and office. Specific risk analyzes include measurement of particles in the air in the warehouse, work at height, noise, truck driving and chemical handling. The results from completed risk analyzes are carefully examined and the necessary risk minimization measures are implemented to prevent any risks identified. In connection with us becoming infrastructure owners in 2022, a large security system has also been added as well as an increased need for security work connected to the railway into our area.

To improve safety at Valbruna Nordic, all employees complete CPR training combined with First Aid every two years and basic fire protection training every three years. Possibilities to increase safety are discussed by management and employees, and improvements are implemented on an ongoing basis. It is above all linked to truck driving and handling of cut products that safety risks have been identified, where crushing and cutting injuries are the most common safety incidents. Overall, the safety result for 2024 was slightly worse than in 2023. During the year, two accidents with personal injuries were reported. In one case, an employee got cutting fluid in his eye, and in the other, an employee tripped and broke his forearm. However, sickness absence decreased slightly in 2024, we managed to reach our target of a maximum of 3.5% sickness absence. In 2024, the total sickness absence was 3.2%. The significantly higher sickness absence among collective employees is largely due to their limited ability to work from home, in contrast to white-collar workers. We also have a goal in 2025 to continue working towards sickness absence not exceeding 3.5% and our zero vision regarding workplace accidents.

SICK LEAVE				
	2024	2023	2022	2021
Valbruna Nordic (Total sick leave)	3,2 %	3,4 %	3,0 %	3,8 %
Blue Collar	2,6 %	2,4 %	2,1 %	3,2 %
White Collar	0,6 %	1,0 %	0,9 %	0,6 %

	2024		2023		2022		2021	
SEX	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Employees	74%	26%	74%	26%	74%	26%	74%	26%
Management Team	66%	34%	66%	34%	66%	34%	66%	34%
Board	100%	0%	100%	0%	100%	0%	100%	0%

Health and Well-being

Having healthy and well-being employees is a long-term investment. The well-being of all employees is a shared responsibility for Valbruna Nordic as employer as well as employee. The annual employee reviews are a way to capture essential issues, connected to the employee's safety, health and well-being. It is also a way to ensure that every employee at Valbruna Nordic develops and thrives in the workplace. The results of the employee interviews are presented by department, and an action plan is drawn up based on the areas of improvement that are determined. Valbruna Nordic takes help from Occupational Health Service in the systematic work environment work. Employees have the opportunity to partly carry out health examinations, partly to receive support in matters linked to physical and psychosocial health. All employees are offered wellness allowance and healthcare insurance. At the head office in Karlstad, employees also have access to training equipment. In addition to this, since 2019, and when the restrictions allowed during the 2020–2021 pandemic, there has been the possibility to book a massage every two weeks. Something that we will continue to offer in 2025 as well.

Diversity and Inclusion

To succeed with diversity, we need to work actively to create a workplace where everyone is treated with respect and dignity. A workplace where we also encourage a culture with equal opportunities for everyone regardless of gender, ethnicity, religious beliefs, nationality, age, marital status, functional variation or sexual orientation. The work environment at Valbruna Nordic must be safe and inclusive for our employees and free from harassment and discrimination. Instead of employee surveys, we conduct annual employee interviews with full transparency in accordance with our guidelines, operating systems and report any violations related to discrimination. In the employee interviews conducted in 2024, no cases of harassment or discrimination were reported.

In the group's code of conduct, it is also described that all employees must be treated fairly and that any form of discrimination, harassment or abuse of any kind is unacceptable.

Greenhouse Gas Emissions

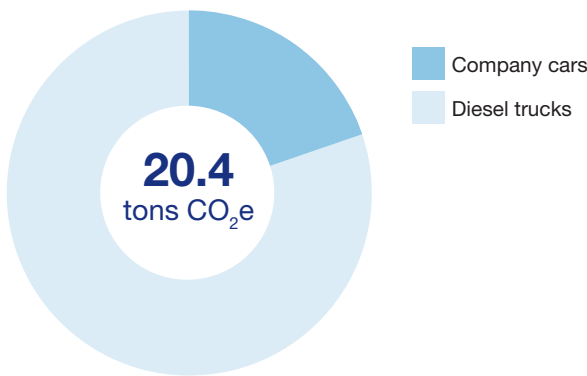
The steel industry is currently one of the most emission-intensive industries. Increased use of recycled scrap is thus absolutely crucial to reducing emissions. At the same time, it is necessary to continue producing steel from iron ore to meet the increasing demand. We are determined to do our best to reduce the emissions that our operations give rise to. We measure and report our greenhouse gas emissions according to the Greenhouse Gas Protocol (GHG protocol) since 2022, focusing on scope 1, 2 and parts of scope 3.

Emissions from scope 1 & 2

We aim to halve our scope 1 & 2 emissions by 2030 compared to 2021 as a base year and to have net zero emissions in scope 1 & 2 by 2045. In 2024, scope 1 emissions increased by 10% compared to 2023, mainly due to higher fuel consumption for our diesel trucks. This increase is generally due to an increased production volume and specifically to a larger number of order lines but with smaller quantities. When it is time to replace our diesel trucks, we will invest in electric trucks, until then we continue to identify other measures that can reduce our scope 1 emissions. Our vehicle fleet continues to consist of 80% hybrid cars, and we aim to replace the last diesel car in 2025.

Scope 1 – Direct emissions (tons CO2e)

2024 (2023)	Fuel consumption (litres)	Emissions (tons CO2e)
Company cars ^{1,2}	2,483 (2,426)	5.9 (5.7)
Diesel trucks	5,752 (5,082)	14,5 (12.8)
TOTAL	8,235 (7,508)	20.4 (18.5)

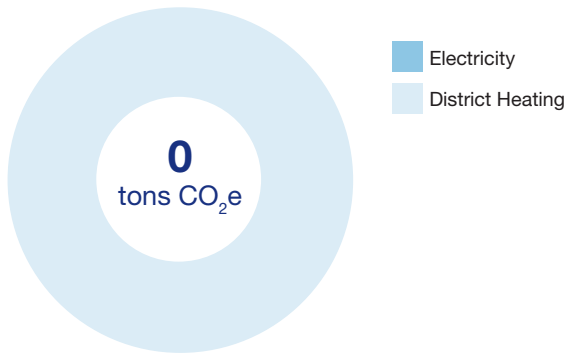


¹ Fuel consumption for company cars is estimated to be 6.7L/100km for diesel and 5.6L/100km for hybrid.
² Calculations are based on emission factors per kilometer driven for diesel and hybrid cars and have been carried out by Greengoat Hållbarhetsbyrå AB. The emissions for 2022 have been corrected, as these were previously based on estimated fuel consumption.

Our energy consumption is mainly affected by delivery volumes and production operations, where the processing of materials is an energy-intensive process. Although the storage of materials is generally less energy-intensive, the outdoor climate can have a significant impact on our consumption of district heating – a factor over which we have limited control. In 2024, our district heating consumption decreased by just under 14% and our electricity consumption by 5%. Of our total electricity consumption of 249 168 kWh, 9 7580 kWh was produced by our solar panels, which corresponds to 40% of the total consumption. In 2024, we will have purchased district heating labelled with Good Environmental Choice, which means that district heating is based solely on renewable energy. In addition, there are requirements that the fuel is traceable back to the source, is approved according to FSC, that ash from the combustion of forest raw materials must be returned to the forest and that production must not take place at the expense of biodiversity or social or economic welfare. With the transition to district heating labelled with Good Environmental Choice, Valbruna Nordic has reduced its emissions in scope 2 to 0.

Scope 2 – Indirect emissions (tons CO2e)

2024 (2023)	Energy consumption (MWh)	Emission ¹ (tons CO2e)
Electricity	249 (262)	0 (0)
District Heating	343 (396)	0 (17)
TOTAL	495 (658)	0 (17)



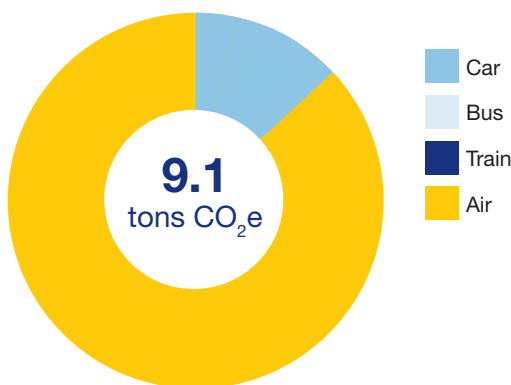
¹ Calculations have been performed in accordance with the requirements of the Greenhouse Gas Protocol Scope 2 Guidance, by Greengoat Hållbarhetsbyrå AB. The table reports the results from calculations according to the market-based method. Emissions in scope 2 according to the location-based method amounted to 30 tons of CO₂e based on the emission factor for the Nordic electricity mix and the emission factor for average district heating in Sweden, developed by the Swedenergy.

Emissions scope 3

Valbruna Nordic continues to report its emissions for business trips carried out by car, bus, train, and air. In 2024, our air travel accounted for 91 % of total greenhouse gas emissions from business travel. The number of miles traveled in service decreased by 8 %, compared with 2023, which corresponded to an emission reduction of just over 17 %. Although the number of miles for business travel by car increased by 134 %, emissions only increased by 14 %. This is due to the fact that business trips by car have mostly been carried out by electric or hybrid car. Business travel by train and bus has only taken place within Sweden.

Scope 3 – Other indirect emissions (tons CO₂e)

2024 (2023)	Business trips (miles (10km))	Emissions ¹ (tons CO ₂ e)
Car	974 (416)	0.8 (0.7)
Bus	31 (167)	0 (0.1)
Train	212 (209)	0 (0)
Air	5,405 (6,626)	8.3 (10.1)
TOTAL	6,622 (7,209)	9.1 (10.9)



¹ Calculations are based on emission factors per kilometer driven for diesel and hybrid cars for an average car size. All of the emission calculations for business trips have been carried out by Greengoat Hållbarhetsbyrå AB.

On 1 October 2023, the Carbon Border Adjustment Mechanism (CBAM) transition period began, which means that companies importing a certain type of goods into the EU from non-EU countries must account for the emissions generated as a result of the production of these goods. Valbruna Nordic is covered by this, albeit to a small extent so far, but we see that this will be a challenge for many in our industry. Reporting to CBAM takes place every quarter, and in 2024 we began collecting more specific data from the suppliers affected by the reporting. This work will continue to develop in 2025.

As the interest from our customers in measuring and reducing their greenhouse gas emissions throughout the value chain increases, the need for closer cooperation with our suppliers becomes increasingly apparent. To meet this demand, we welcome the CBAM report, as it accelerates the work of our suppliers to collect more supplier-specific climate data. In 2023, we collected data from our three largest suppliers to estimate the climate impact of our material purchases. As more specific data have not yet been provided by the suppliers, this data also forms the basis for the 2024 calculations. The calculations in the table below are primarily based on Environmental Product Declarations (EPDs) from one of our suppliers and on scope 1 & 2 emission data for other suppliers.

In 2024, emissions from our material purchases increased by almost 16 % as a result of higher purchasing volumes. In 2025, our main supplier Acciaierie Valbruna is expected to complete the work of developing EPDs for the material we purchase.

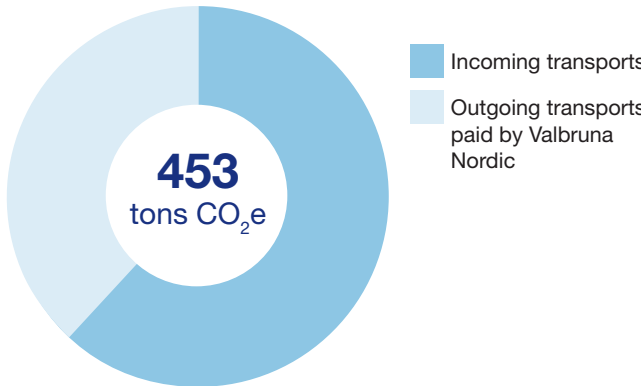
2024 (2023)	Purchased raw materials, goods and services	Emissions ¹ (tons CO ₂ e)
Purchase of material (tons)	9,557 (8,210)	18,945 (16,342)

¹ Calculations have been performed in accordance with the requirements of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and are based on both generic and supplier-specific data. Calculations by Greengoat Hållbarhetsbyrå AB.

Based on our position between the steel producers and our customers, we have the greatest opportunity to influence the total emissions through our choices of transport. Today, we buy 95 % of our material from the parent company in Italy, of which 94 % can be shipped to us via rail, which enables a greenhouse gas emission of just over 870 tons of CO₂e to be avoided compared to if the transport were to take place by truck. Our incoming transports from other suppliers are mainly by truck, but also to some extent by train and ferry. In 2024, we had an incoming transport by air of just over 6 tonnes, which corresponded to 10 % of our total emissions from incoming transports.

Outgoing transports to our customers continue to be carried out by trucks, which are mainly powered by diesel. In 2023, we saw an increase in the use of HVO or the blending of other biofuels. Something that unfortunately decreased in 2024. We are closely monitoring transports to our various customer markets and have continued the work of collecting climate reports from our carriers in 2024. For the 2024 financial year, we have received climate reports for 87 % of our incoming transports, while 9 % are based on estimates or emissions data from the previous year. The remaining 4 % has been excluded, as these mainly consist of direct orders and orders where the customer is responsible for collection. When it comes to outgoing transports that we pay for, we have received climate reports from all carriers. Of the reported transports in 2024, HVO or other biofuels were used for 9.7 % of the transported material, a significant decrease compared to 2023 when the share amounted to 15.5 %. We continue to work actively to increase the share of fossil-free transport and reduce our climate impact.

2024 (2023)	Upstream transports (tons)	Emissions ¹ (tons CO ₂ e)
Incoming transports	9,190 (7,955)	280 (233)
Outgoing transports paid by Valbruna Nordic	7,943 (8,030)	173 (133)
TOTAL	17,133 (15,985)	453 (366)



¹ Calculations have been performed in accordance with the requirements of the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and are based on both generic and supplier-specific data. Calculations by Greengoat Hållbarhetsbyrå AB.

In 2024, we have continued to transport purchased materials by train mainly. The significant increase in emissions from incoming transport is largely due to the fact that we purchased a significantly larger amount of material in 2024 and that we had air freight. For outgoing shipments to customers that we pay for, our continued focus has been to increase the number of tons per shipment to reduce the number of total shipments. The goal in 2024 was to reduce the number of shipments by 5 % per year while increasing the tonnage per shipment to at least 2 tons. Some markets met the target, but not all, and the average for 2024 was 1.65 tonnes per shipment. We continue to review our logistics flows and reward carriers that have a pronounced and conscious focus on sustainability and the environment.

Targets by the year 2025

To **map the proportion of biofuels** in all of the outgoing transports by truck.

Reduce the number of shipments by 5 % compared to 2024 in all outgoing transport by truck.

Have an **average of at least 2 tons** per shipment in our outgoing shipments to customers.

Circularity and Resource efficiency

Steel can be melted again and again without its properties being affected and is today one of the world's most recycled materials. 96 % of the materials we buy are produced with more than 90 % recycled steel, and around a third of our remaining purchases are produced with roughly 84 % recycled steel. The high proportion of recycled material contributes to the fact that the products we sell have a lower climate impact throughout its lifetime, compared to similar products made with virgin raw materials. For us, a high recycling rate and resource efficiency are key factors for us to be able to contribute to reducing the climate impact of our products. As part of this, we strive to make the use of both materials and energy more efficient. By offering our customers products manufactured with a high proportion of recycled steel, we contribute to a lower climate impact during the product's total life cycle. Something we do without compromising either the quality or the product's lifespan.

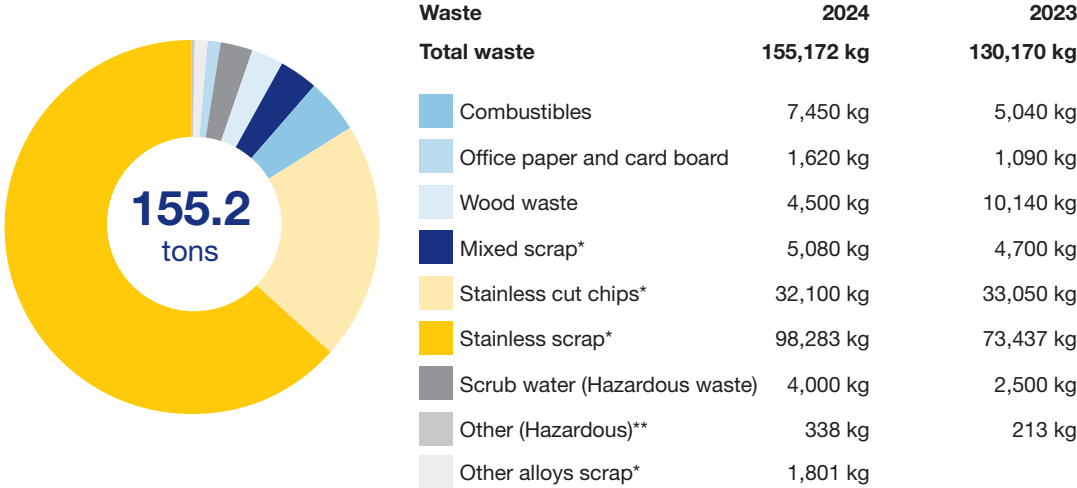
Waste disposal

Valbruna Nordic work actively to minimize the generation of scrap and spillage. Of the waste generated within Valbruna Nordic's operations, 88 % consists of metal, The rest consists mainly of combustible, wood and scrub water. As the emptying takes place as needed and is thus irregular, the annual waste statistics can vary between specific years. Incoming packaging material from our suppliers is reused to a large extent for deliveries to customers. Generally speaking, a small amount of packaging material is used for deliveries, but by reusing what has already been produced, we contribute to resource efficiency while reducing the amount of waste.

The management and sorting of waste has been optimised based on environmental risks, resource opportunities, waste types and waste volumes. Stainless steel cutting shavings and stainless cutting scrap are 100 % recycled.

The waste is handled by recycling companies. During the year, 91.9 % of the total amount of material was recycled, while 7.9 % went to energy recovery. Only 0.2 % went to incineration without energy recovery. By recycling the waste that could not be prevented, a greenhouse gas emission of a total of 383 tonnes of CO₂e has been avoided, as the recycled material has been able to replace virgin material. In 2024, we have had a slight increase in the amount of hazardous waste, where e-waste and unemptied packaging accounted for 40 % and 46 % of this, respectively. The increase is due to the fact that we have accumulated this for a long period, but that it was not until 2024 that this was handed over to recycling companies. In 2025, we will continue to work primarily on preventing waste, reusing if it cannot be avoided and recycling thirdly.

Waste per waste fraction



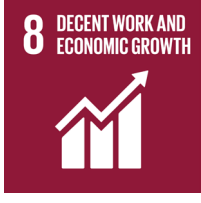




*Recyclable to 100%.
**Other (hazardous waste) consists of electrical waste, absorbents and aerosols.

UN GLOBAL SUSTAINABILITY GOALS

The UN's Global Sustainability Goals (SDGs) are an important guide for how companies can contribute to sustainable development from a broader context. Below are presented the global sustainability goals that are linked to the areas that we at Valbruna Nordic have identified as most essential within our sustainability work. We report on our active contribution to these goals and identify the areas where we face challenges.

Currently, we have internal targets that are linked to the global sustainability goals, but we plan to expand our reporting on this after we complete the dual materiality analysis. In this work, we will develop suitable key figures to be able to effectively measure, follow up and report our contribution to Agenda 2030.

UN GLOBAL SUSTAINABILITY GOALS	OUR STATUS TODAY	SET GOALS/ACTIVITIES
 <p>5 GENDER EQUALITY</p>	<p>We have zero tolerance for any form of discrimination and harassment and work actively to create a work environment where every individual feels valued and respected. Our purchasing work also reflects our commitment to equality and human rights by making clear demands on our suppliers to follow the principles of respect and non-discrimination according to our supplier code.</p>	<ul style="list-style-type: none"> • 100% signature of our main suppliers on our code of conduct by the year 2025 • 100% follow-up on the main suppliers' compliance with our code of conduct until the year 2025
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Today we buy electricity produced with 100% renewable energy sources. Through our solar cells, we contribute to an increased production of renewable energy while at the same time becoming more self-sufficient in electricity during the summer months.</p>	<ul style="list-style-type: none"> • We will set new goals related to Affordable and clean energy during the year.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>We have collective agreements for our employees, offer fair wages and benefits, and promote a safe and secure work environment.</p>	<ul style="list-style-type: none"> • < 3.5% sickness absence • Zero vision regarding workplace accidents
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>By offering a wide range of stainless steel with 84–95% recycled content, we help our customers to be more resource efficient. Although our products are fully recyclable, it is the final design of the product that determines its recyclability once it has reached the end of its life cycle.</p>	<ul style="list-style-type: none"> • Continue to deliver products that are, on average, made with at least 90% recycled material. • At least 85% of the waste that cannot be avoided must be recycled
 <p>13 CLIMATE ACTION</p>	<p>Valbruna Nordic has undertaken to minimize the climate impact from our incoming and outgoing transport, and to largely not give rise to any emissions within its own operations. However, our biggest challenge is linked to scope 3, more specifically our purchases of stainless steel.</p>	<ul style="list-style-type: none"> • 100% clean vehicles in our vehicle fleet by 2025 • 50% emission reduction in scope 1 & 2 to 2030 compared to 2021 • Net zero emissions in scope 1 & 2 until 2045

RISK MANAGEMENT

Valbruna Nordic works actively to analyze the sustainability-related risks that may affect our operations. As part of the board's strategy review, future strategic risks are evaluated, while the MD and the management team are responsible for the operational risk assessment linked to safety for people and the environment. Our environmental management is based on ISO 14001 and we are also certified according to ISO 9001. The table below presents the sustainability-related risks that have been identified and the strategic measures included in our risk management.

CATEGORY	RISK	STRATEGIC MEASURE
Environmental risk	Emissions to land, air and water	Certification and compliance with ISO 14001 and ISO 9001 Quality and environmental policy
Environmental risk	Energy use	Energy mapping Energy efficiency improvement
Environmental risk	Fossil-based transports	Follow-up of the carriers' emissions and other sustainability work
Operative risk	Lack of safety and health	Security rounds & fire protection work
Social risk	Violation of Valbruna Nordic's values	Employee interviews, Code of Ethics, Whistleblower system
Ethical risk	Crime against human rights	Code of Ethics, Whistleblower system
Ethical risk	Corruption	Code of Ethics Supplier evaluation

CORPORATE GOVERNANCE

Valbruna Nordic is regulated by the Swedish Companies Act. Its highest governing body is thus the annual general meeting, where the company's board is elected. Our current board consists of four members, who together have overall responsibility for the company's organization and management. This includes, among other things, determining strategies and goals and deciding on major investments. The chairman leads the board's work and continuously monitors the company's operations in dialogue with the MD. The chairman of the board also ensures that the other board members are well informed to ensure an efficient board work. Valbruna Nordic's MD is

responsible for managing the day-to-day strategy work together with the management team. In addition to the MD, the management team consists of the Finance Manager, Logistics and Purchasing Manager, Warehouse Manager, Marketing Manager and Quality and Environment Manager. The management team works continuously with sustainability issues within the day-to-day operations, mainly in matters connected to logistics, the purchase of materials and in dialogue with our customers, but also in the form of supplier evaluations and compliance with the existing Management system.





Valbruna Nordic AB, Lovartsgatan 7, 652 21 Karlstad, Sweden
Tel +46 (0) 54 144 500 www.valbrunanordic.se