

Group Instruction, Energy Management

Content:

1.	Background and purpose	1
2.	Applicability	1
3.	Instruction statements	2
4.	Associated documents	3
5.	Changes compared to last revision	3

1. Background and purpose

The purpose of this Instruction is to clarify the overall energy management work in SSAB and stress the importance of energy management system and individual accountability to develop our energy efficiency.

Energy is part of the integrated management system in divisions together with Quality, Environment, Occupational health and other aspects relevant for each division

This Group Instruction specifies how to follow the overall requirements for the energy management system that SSAB uses to enhance its energy performance. This Group Instruction is intended to manage our responsibilities in a systematic manner that contributes to the energy aspect of our customer offer

This Group Instruction helps us achieve the intended outcomes of our management system, which provide value for the energy impact, product quality, the organization itself and interested parties.

SSAB assures continuous development by monitoring energy performance against targets and the quality management system.

2. Applicability

This Instruction is mandatory and applies to all divisions, companies and employees in the SSAB Group. However, the writings regarding the fulfillment of the legal requirements are primarily directed at the Nordic operations.

Document name	Document No	Document type	First issued	Page
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3. Instruction statements

- **Ambitions**
Our aim is that SSAB's emissions will be largely eliminated by the beginning of the next decade, which means a reduction of more than 8 million tons of carbon dioxide per year compared to today's level. SSAB's transformation can reduce Sweden's total carbon dioxide emissions by approximately 10 percent and Finland's by the equivalent of 7 percent.

- **Energy management**
The business's work related to energy performance¹ must be conducted so that the following is applied:
 - Sustainable development must be promoted through work with continuous improvements in energy performance.
 - The work must be systematic, goal-directed and preventive in order to increase energy performance. SSAB must introduce and maintain energy management systems that include policy, routines and working methods for all parts of the business in order to meet or exceed laws and other requirements.
 - Energy targets must be detailed and followed by action plans and the addition of necessary resources.

- **Carbon dioxide emissions**
In order to reach our ambition of eliminated carbon dioxide emissions around 2030, the following must be applied:
 - A high degree of electrification in heating processes is sought.
 - To the extent that electrification is not possible, the fuels used must be fossil-free.
 - Purchased electricity to come from fossil-free sources. This can be ensured through guarantees of origin.

- **Increased resource efficiency**
In order to increase the energy performance of the business, the following must be applied:
 - A high degree of energy efficiency is sought
 - Recovery of residual heat is sought where possible. The residual heat is primarily used for space heating internally within the business and is delivered secondarily to external partners.

¹ Energy performance is affected by energy consumption, energy use, energy intensity and energy efficiency

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- **Expanded impact**
In order to take into account the extended impact of the business, the following must also be applied:
 - SSAB's operations must lead to a range of products that make it easier for our customers to increase their own energy performance by making their products stronger, lighter and more durable, which means that energy use can be reduced over their entire life cycle.
 - Energy performance must be taken into account when purchasing energy-using equipment and processes.

4. Associated documents

Group Directive regarding Energy management.

5. Changes compared to last revision

This Instruction is new and has been created based on SSAB Group's structure for governing documents.