SVERDRUP STEEL

OUR WAY TO A SUSTAINABLE FUTURE

ESG report 2025

DEAR READER
WELCOME TO SVERDRUP STEEL'S SUSTAINABILITY REPORT 2025

By Kristian Rosenberg, CEO

At Sverdrup Steel, sustainability is not a standalone initiative—it is an integral part of how we operate, innovate, and create value. Our ambition is clear: To be the preferred supplier of sustainable stainless steel while contributing to a more responsible and resilient industry.

As a global supplier of high-performance stainless steel and alloys, we recognize the important role our materials play in enabling sustainable solutions across industries. Stainless steel is durable, efficient, and fully recyclable. By working closely with leading European partners, we are proud to supply materials containing a high share of recycled content, supporting the transition to a more circular and low-carbon economy.

Sustainability at Sverdrup Steel extends beyond the materials we deliver. It is embedded throughout our value chain from responsible sourcing and transparent partnerships to the way we support customers with tailored, long-lasting solutions. By combining technical expertise with innovation, we help our clients improve performance while reducing environmental impact.

Equally important is our responsibility towards people. Our employees are our greatest asset, and we are committed to providing a safe, inclusive, and inspiring workplace. A strong culture of health, safety, and continuous development is fundamental to delivering the quality and reliability our customers expect.

We are also committed to ethical and transparent business practices. By sourcing from low-risk regions with strong environmental and human rights standards, we strive to ensure that our growth remains responsible and sustainable.

While we are proud of the progress we have made, we know the journey continues. The challenges ahead require collaboration, innovation, and a willingness to improve. Sverdrup Steel remains committed to supporting the green transition, reducing emissions, and creating long-term value for customers, partners, and society.

Together, we shape a metal industry that is both profitable and sustainable built on the enduring strength of stainless steel.

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THE RIGHT DELIVERY – FASTER

Delivering the right material in the right specification – exactly when it's needed – that's what Sverdrup Steel does for our clients.

Sverdrup Steel's service concept is to keep critical alloys in stock at service centers in Europe and Asia, combined with advanced processing capabilities. In this way, we allow customers to shorten supply chains and reduce the time between procurement and installation.

Services

Sverdrup's service centers and partners have advanced capabilities to prepare steel products according to customer specifications. Key processing services include:

- Bar sawing – precision cutting of bars
- Coil cutting and plate processing
- Press brake forming
- Laser, plasma and water-jet cutting
- Bored bars and machining preparation
- Material testing and certification of properties and traceability

These services allow clients to receive components tailored for their applications, reducing the need for additional handling and processing further down the value chain.

Quality and traceability

All deliveries from Sverdrup come with material certificates documenting origin, composition, mechanical properties and compliance with applicable standards. We have regular deliveries with strict documentation requirements for customers in many sectors:

- Aquaculture
- Chemistry and processing
- Construction
- Defence
- Energy and heavy industry
- Fasteners
- Marine
- Mining
- Nuclear
- Pulp & paper
- Renewable energy
- Infrastructure

Efficiency = sustainability

Delivering materials short-haul in ready-to-use formats can reduce emissions and energy use for transportation, cargo handling, and machining activities. Additionally, Sverdrup collects residual metal from cutting and sawing; returning scrap materials to recycling into reuse of steel resources.

In this way, the combination of reliable delivery, advanced processing and transparent documentation enables Sverdrup's customers to obtain high-performance materials with reduced environmental footprint.

SUSTAINABLE ACTION

By Gunn Holm-Jensen,
HSEQ & Sustainability Manager

Thanks to the responsible use of natural resources, Scandinavia has developed strong and stable societies with a high level of trust, strong welfare systems and meaningful employment.

Today, I see that we operate across several markets where these same principles increasingly shape expectations – not only in terms of environmental impact, but also when it comes to safe working conditions, fair treatment and the well-being of people.

Since the 1990s, climate change has become a key focus, with growing emphasis on reducing emissions and environmental impact. At the same time, I find it important to note that progress is possible. Challenges such as ozone depletion and acid rain have shown that through collaboration and technological development, real change can be achieved.

At Sverdrup Steel, we recognize today's environmental challenges related to pollution and greenhouse gas emissions. We work systematically to manage and reduce our impact and improve the society, guided by international standards, scientific methods, and the United Nations Sustainable Development Goals.

This includes continuous efforts to e.g. optimize transport and logistics, improve material efficiency, as well as emphasize on secure and responsible working conditions across our operations and our supply chain. It is important for us to collaborate with partners who share our commitment to responsible, transparent and sustainable practices.

No single company can solve these challenges alone, but every company can make a difference.

I believe that progress comes from a willingness to improve, to invest, and to take responsibility of what is within its reach.

At Sverdrup Steel, we are committed to play our part and recognize that real value is created when sustainability is put into action in a responsible way, step by step.

"THROUGH COLLABORATION AND TECHNOLOGICAL DEVELOPMENT, REAL CHANGE CAN BE ACHIEVED"

Gunn Holm-Jensen
HSEQ & Sustainability Manager, Sverdrup Steel

OUR SUSTAINABILITY GOALS – THE UN SDG'S

At Sverdrup Steel, we commit to a set of UN Sustainability Goals which we believe are going to make our business and value chain better. Here are the goals aligned with some of the actions to make them real.

3 GOOD HEALTH AND WELL-BEING

- HSE Policy. Safety and thrive!
- Local safety representatives
- Defibrillators at each location
- Health insurance for all employees

5 GENDER EQUALITY

- Equal opportunities for all
- Equal rights for all
- Supporting initiatives for well-being of people and culture

8 DECENT WORK AND ECONOMIC GROWTH

- Business partners and employees must comply with our CSR guidelines
- No Conflict Minerals accepted
- Decent wages, insurance and pension guaranteed
- Freedom of association
- Employees' elected representatives
- Transport Act/EU Mobility Regulations for drivers

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Sverdrup fosters innovation to create resilient infrastructure, and an inclusive and sustainable industrialization.

- Reduce greenhouse gas emissions to a minimum
- Minimize energy consumption
- 100% recyclable products
- Promoting green transportation

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

- Recycle all steel grades.
- No spill: Reuse cutting-oil, collect residual oil
- Sort separation of all mixed wastes for reuse
- Minimize use of chemicals and source safer and less harmful options as relevant.

17 PARTNERSHIPS FOR THE GOALS

- Collaboration with key partners promoting sustainable solutions and responsible operations.
- Support customers on sustainable material choices with documentation, guidance and tailored solutions (e.g. Green Line products).
- Contribute reducing environmental impact in end applications.
- Joint efforts with suppliers, logistics partners and customers to optimize transport.

THE GLOBAL GOALS

Scan to read more about our sustainability goals on sverdrupsteel.com

GREEN LINE
- ENABLING A LOWER-CARBON FUTURE

Sverdrup Steel's Green Line products make a lower-carbon future possible, without compromising quality.

"GREEN LINE STAINLESS STEEL REPRESENTS OUR JOURNEY TOWARDS A LOWER-CARBON FUTURE—TOGETHER WITH OUR CUSTOMERS AND PARTNERS"

Steffen Pettersen, Sales and Marketing Director, Sverdrup Steel

By combining high recycled content, responsible sourcing, and technical expertise, Green Line offers stainless steel solutions with significantly reduced environmental impact, without compromising quality or performance.

What is Green Line?

Green Line is Sverdrup Steel's range of low-carbon stainless steel products. The materials are sourced from leading producers and stocked across our global network, ensuring reliable delivery and short lead times.

Key highlights

- Up to 85% lower CO_2 footprint than the global industry average
- ≥ 90% recycled content
- Produced using 100% renewable energy
- Independently verified by SGS (ISO 14068)

Helping customers reduce emissions

Steel production remains a significant source of greenhouse gas emissions worldwide. Green Line enables customers to reduce the carbon footprint of purchased materials and support their sustainability ambitions, particularly within Scope 3 emissions.

Every delivery contributes to:

- Lower emissions across the value chain
- Stronger ESG reporting and compliance
- Progress towards sustainability targets
- Increased use of low-carbon materials

All while maintaining the strength, corrosion resistance, durability, and reliability expected from Sverdrup Steel products.

Green Line represents our vision for the future of stainless steel: circular, transparent, and low-carbon by design. Through responsible sourcing and material expertise, we help customers make more sustainable choices, today and for the future.

BUILDING GREENER VALUE CHAINS – TOGETHER

The popular pizza equipment from Smed T. Kristiansen comes in Green Line stainless steel – creating a boost in the Nordics and beyond.

"Our customers expect our products to leave a minimal climate footprint. Low-carbon steel has become a door-opener for us," says CEO Svein Westlund Kristiansen of manufacturer Smed T. Kristiansen in Stavanger.

"The idea of replacing pizza-baking stones with steel plates has worked well. We sold 20,000 of them only last year. Consumers care a lot more about the environment than we imagined before," says Kristiansen.

Real-life value chains

For Sverdrup Steel, Smed T. Kristiansen is an example of how sustainability ambitions can be inserted into real-life industrial value chains. "Our customers increasingly request documented low-emission alternatives, and this is exactly what Green Line was created for," says Steffen Pettersen, Sales and Marketing Director at Sverdrup Steel.

Svedrup's Green Line holds high shares of recycled content, and the production uses renewable electricity. By offering certified low-carbon materials, Sverdrup helps customers cut their Scope 3 emissions.

For Smed T. Kristiansen, sustainability pays off. "The price difference for green steel is not big – it fits into the company's natural investment in cutting emissions", says Kristiansen.

Winning contracts with Green Line

Smed delivers metal parts and solutions to the North Sea oil and gas sector. Last year, they won the first contracts based on "green steel" – for a carbon capture (CCS) plant in Norway.

"We expect to win more contracts based on Sverdrup's Green Line products," says Kristiansen.

THE ARROW FROM HEDENSTED

From the point in Jutland, Denmark where Vikings once set out to conquer new lands, Sverdrup fires its own arrows of steel — swiftly and precisely into the European continent.

Sverdrup's top modern service center in Hedensted is strategically located to serve customers in most parts of Europe. Situated on highway E45, there's an immediate access to Denmark's main north–south artery linking continental Europe with Jutland's industrial regions and port transits to Norway and Sweden. Trucks leaving Hedensted can reach any point in Denmark within 2-3 hours, and any major European destination within a day.

«With the German border just over an hours' drive away, every shipment from Hedensted is a straight shot into Europe's heart, » says Mats Benson, Chief Operating Officer at Sverdrup Steel.

Automatic container loading

Trucks carrying steel move fast on highways, but the process of loading steel plates has always been less than speedy. Sverdrup solved this problem at our new service center in Hedensted.

A one-shot container loading setup called Automatic container loading makes a groundbreaking innovation, turning heavy steel handling both swift and secure. Vertical and horizontal container alignment is done in one minute, and a full container or trailer loading takes less than five minutes.

Daniel Johansen, Site and Operations Manager at Sverdrup in Denmark.

Huge and heavy steel plates once consumed precious hours of loading time before the truck could take off to its destination.

Saves hours on inhouse loading

«Container loading has transformed our operations — saving hours for each loading. In addition, we achieve reduced costs, improved safety, as well as elimination of damage to the products," says Daniel Johansen, Site and Operations Manager at Sverdrup Steel in Denmark.

«The system is very safe to work with, giving us a full overview of how we will load the steel plates. The customer can expect on-time delivery and high quality every time», remarks Johansen.

Sverdrup Steel service centers

Hedensted, Denmark
Sverdrup's largest service center, equipped with Automatic Container Loading facility.
- Warehouse indoor 10,000 sqm.
- Outdoor: 25,400 sqm (incl. 2,400sqm. roof outside)
- Offices: 500 sqm.

Stavanger, Norway
Sverdrup's headquarter with service center.
- Warehouse indoor: 3,600 sqm
- Outdoor: 6,200 sqm
- Offices: 700 sqm

Sheffield, UK
Service center for UK.
- Warehouse indoor: 2,000 sqm
- Outdoor: 6,000 sqm
- Offices: 300 sqm

Busan, South Korea
Service center for the Asia-Pacific market.
- Warehouse indoor: 1800 sqm
- Outdoor: 3000 sqm
- Offices: 200 sqm

Sales offices
We have offices and teams around the world. Scan the QR code to find your office.

INSIDE THE LAB OF SUSTAINABLE LOGISTICS

Making road transportation a sustainability winner might sound impossible. Yet, Thomas Stein Laursen, Sverdrup Steel's Global Transport and Logistics Manager, is making systematic headway.

Here's the case: If a customer knows the latest possible day he needs a shipment of steel – being today or in one month – he could let Sverdrup Steel know when placing the order.

«This is the grain of golden opportunity: When we are able to co-load the shipment on the truck, we minimize the environmental footprint of transportation – which is what everything is about,» says Thomas Stein Laursen, Global Transport and Logistics Manager at Sverdrup Steel.

Assuming responsibility

A key part of Laursen's role is to approve all new contracts signed, making sure the contractor could answer some essential questions:

«Are you able to assume responsibility for the product you're transporting, and do you have a sense of the experience of the end-user?»

Laursen maintains that sustainability is about quality – and quality has to do with values and commitments:

"Which status does the transport company give its employees? How strong is the HSEQ performance? And how do they relate to ethical frameworks such as the EU Mobility Package?" he says.

The ESG dividend

Sverdrup Steel recognizes that the transport industry is undergoing a transition.

*"WHEN WE ARE ABLE TO CO-LOAD THE SHIPMENT ON **THE TRUCK**, WE MINIMIZE THE ENVIRONMENTAL FOOTPRINT OF TRANSPORTATION"*

Thomas Stein Laursen, Global Transport and Logistics Manager, Sverdrup Steel

"We are moving in the right direction together with our partners, while also being pragmatic and realistic in how we approach this transition," says Laursen.

When it comes to emissions, Euro 6/EU6 guarantees the lowest possible emissions of CO2, NOx, CO and particulate matter (PM) for diesel trucks, and remains the general benchmark for the European transport network.

"In terms of social indicators, anti-corruption, and transparency, our main transport partners comply with our requirements as well as Euro 6. On smaller contracts, we conduct due diligence to ensure alignment and achieving full compliance across all shipments is a gradual process".

"Our ambition is to reduce emissions per kilometer and optimize load factors. At the same time it is important maintaining a strong and diverse transportation base – including smaller, local companies that play a vital role in regional logistics and also in their local community".

Sverdrup Steel places strong emphasis on its social responsibility throughout the value chain: "Drivers must have good working conditions and fair pay. That is non-negotiable," says Laursen.

Looking ahead, the focus remains on smarter logistics, closer collaboration with customers, and continuous improvement.

"We are working on reducing empty capacity and optimizing routes. That requires good communication with customers, smart use of data, and close coordination across the supply chain. I believe Sverdrup Steel will continue to move to the forefront of sustainable transportation – kilometer by kilometer," Laursen concludes.

– AN ABSOLUTE STANDARD FOR *SUSTAINABLE TRANSPORT*

Sverdrup Steel's Scandinavian transport partner Håkull delivers the highest sustainability performance on the road – despite delivering small batches door-to-door across borders.

The transport emission figures are telling: Sverdrup has delivered steel to our customers with a low carbon footprint on the European roads in 2025,» says Gunn Holm-Jensen, HSEQ & Sustainability Manager at Sverdrup Steel.

Being a speedy steel distributor, Sverdrup relies on the right partners to minimize emissions. Håkull is a Norwegian family-owned transport and logistics company established 1946 – always driving cargo with the environment on mind.

«Our new trucks are more or less pollution-free», says Lena Håkull, logistics consultant and partner in the company.

Door-to-door full trucks

In 2025, Håkull completed 703 transport missions for Sverdrup, carrying 1,295 tons of steel a total of 386,000 kilometers. The resulting CO2 emissions amounted to 38,8 tons – or 0.05 kilograms of CO2 per ton-mile of transport.

"THERE IS NO COMPROMISE IN TAKING CARE OF OUR DRIVERS."

Lena Håkull

«Across Europe, Håkull succeeds in filling every truck to avoid unnecessary driving, and at the same time avoid increasing mileage with detours to pick up small items. We drive door-to-door » Lena Håkull says.

Professional drivers

Another reason for Håkull's achievements is the sustainability of their vehicle fleet. By year-end 2025, all vehicles in Norway and Denmark were Euro 6, which is the highest emission standard for diesel trucks. In addition, there is strong emphasis on Scandinavian decent working conditions, including clear contractual terms, and a responsible health, safety, and quality program.

«We recognize the close connection between quality of equipment, personnel and service. There is no compromise in taking care of our drivers. In return they always deliver transport efficiency for the customer and the environment» Mrs. Håkull says.

Related goals and actions

Sverdrup defines our goals for transport and logistics in accordance with the UN sustainable development goal 9: Industry, innovation and infrastructure. Sverdrup aims to build solid infrastructure and to promote inclusive and sustainable industrialization and innovation, thereby helping our customers to reduce their CO2 emissions and to uphold social responsibility.

SVERDRUP STEEL'S TRANSPORT STANDARD:

Goods transport companies must guarantee pay and working conditions according to national regulations.

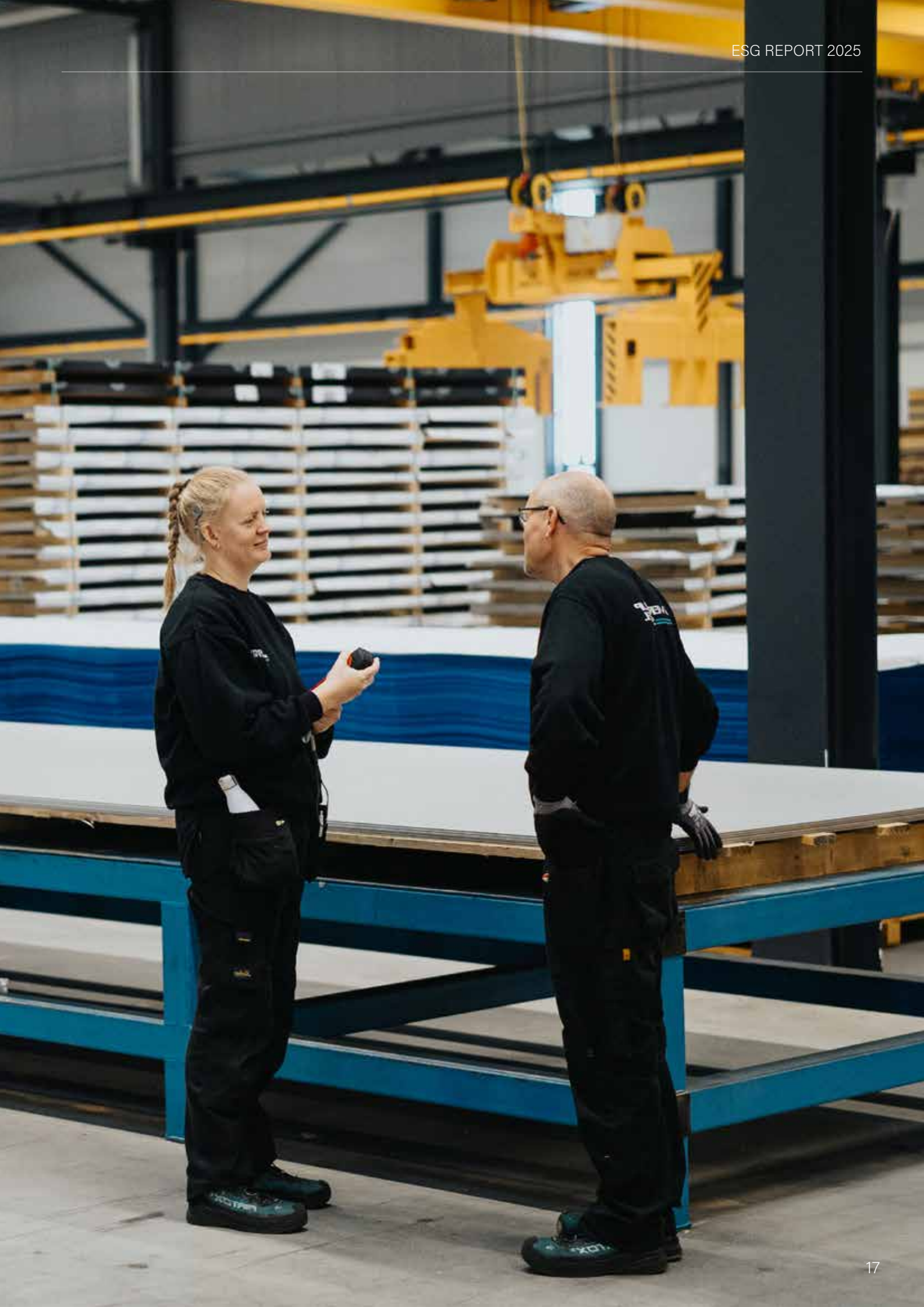
They should have an environmental management system (ISO 14001 or eq.), occupational health management system (ISO 45001 or eq.), and a road traffic safety management system (ISO 39001 or eq.)

Comply with the EU Mobility Package Part 2 – Clean mobility package, which includes low-emission vehicles, revised CO2 targets for 2030, reduction of greenhouse gas emissions, and improved logistical efficiency.

Sverdrup prefers transporters to hold an AEO certificate (Authorized Economic Operator authorization) issued by the relevant customs authority.

ENVIRONMENTAL SOCIAL GOVERNANCE

2025



THE CHOICE FOR ESG REPORTING

Sverdrup opts for the ***VSME standard*** – a simpler route of transparency and integrity when reporting on our sustainability efforts.

The EU made a significant market adaptation in February 2025, when the Omnibus I directive exempted 80% of European businesses from the corporate sustainability reporting directive (CSRD). The mandatory ESRS standard, consisting of more than 2000 disclosure requirements, was now reserved for companies employing over 1,000 workers and turning over more than 450 million euros annually.

Other companies are recommended to use the VSME standard (voluntary sustainability reporting standard for small and medium-sized companies). It covers all significant sustainability areas with a fraction of the disclosure requirements. It also sets the limit of sustainability reporting to be required from nearby companies in a value chain.

Materiality assessment

The CSRD requires that reporting companies assess the materiality of their sustainability footprint. This means Sverdrup went through the operations to extract a list of activities which materially impact sustainability. These activities are included in the sustainability report.

ESG reporting

Sverdrup Steel AS is not formally obliged to submit a CSRD report prepared according to the ESRS standard for the financial year of 2025. Sverdrup has opted to report in accordance with the EU's VSME standard for 2025. In addition, Sverdrup has carried out a double materiality assessment which validates and strengthens the company's sustainability policy.

The EU's sustainability reporting regime consists of CSRD, the taxonomy directive, and the corporate sustainability due diligence directive (CSDDD), as well as several smaller directives. The purpose is to cut GHG emissions to fulfill the Paris goals. In addition to "hard" emission data disclosures, the EU requires companies to disclose social and governance sustainability performance – the ESG report.

B1 – BASIS FOR REPORTING
METHOD AND SCOPE

The company has conducted a double materiality assessment of all the Group's activities and has identified IROs (impacts, risks, opportunities) for these activities. See index page 35. Activities that display double materiality have been transferred to the VSME report with further specification of metric targets. The company has included relevant information from certification processes according to ISO, as well as Sverdrup's own sustainability document with specification of policy and measures.

The company reports in line with the following option:

i. ALTERNATIVE A: Basic module (only)
The company has not omitted information due to status as classified or sensitive (ref. §19).

Consolidation
The sustainability report has been prepared on a consolidated basis, which includes information from subsidiaries, which will not prepare a report on their own.

Sustainability and quality related certifications and badges
Sverdrup is ISO 9001, ISO 14001, and ISO 45001 certified. We stock a broad range of materials in compliance with NORSOK, IOGP, and European and international requirements

Subsidiaries
Sverdrup Steel lists the following subsidiaries in 2025 with registered addresses, including;

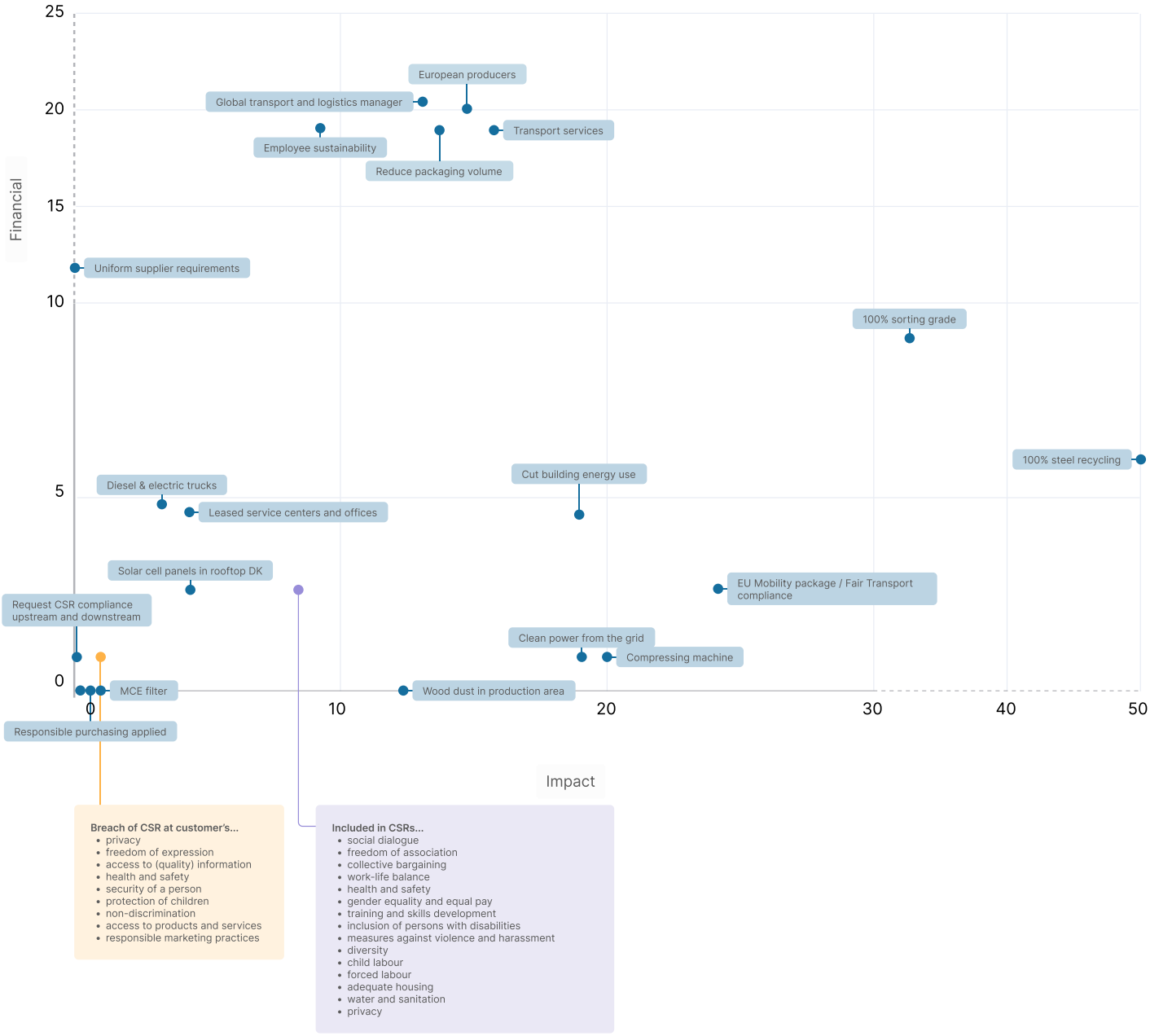
- Sverdrup Steel AS (parent) - consolidated report including the following subsidaries:
  - Sverdrup Steel AS (Norway)
  - Sverdrup Steel AS (branch in Denmark)
  - Sverdrup Steel AS (branch in Sweden)
  - Sverdrup Steel UK Ltd. (UK)
  - Sverdrup Steel Korea Ltd. (South Korea)
  - Sverdrup Steel International AS (Norway)
- Several single sales offices in Europe, Singapore, China
- Broder Metals, single subsidiary under Sverdrup Steel AS

Material certificates
Sverdrup delivers material certificates on all orders, with additional information regarding the manufacturer, production process, composition and properties of the metal, confirmation of compliance with standards, customer requirements and quality requirements.

Upon request, Sverdrup encloses EPD (Environmental Product Declarations) third-party verified data on GWP (global warming potential), LCA (lifecycle assessment) results, recycled content, energy source composition and other eco indicators.

DMA – double materiality assessment

The diagram shows impacts, risks, and opportunities rated for sustainability-relevance in the company.



B2 – SUSTAINABLE TRANSITION

Practices, policies, and future initiatives to support the transition into a more sustainable economy.

Sverdrup's vision is to become the preferred supplier of sustainable stainless steel, by caring for the environment, our employees, and our society. Our goal is to create value, growth, and innovation, without compromising quality.

To support our policies, the company introduced objectives, procedures, and actions for the transition to a more sustainable economy. The policies, including separate environmental, social, and governance approaches, are publicly available on the company's website.

B2-1 KEY AREAS OF ACTION

Health and safety
Sverdrup ensures a safe workplace with a clear ambition of zero lost-time incidents.

Working with partners
Sverdrup collaborates with producers, recyclers and others on eco innovation projects.

Fair employment and human rights
Sverdrup promotes equal opportunities, strong working conditions, and respect for human rights across our operations and value-chain.

Transport and business travel
Sverdrup reduces emissions and promotes good and fair working conditions through efficient logistics and responsible transport partnerships.

Energy use and buildings
Sverdrup improves energy efficiency in service centers and offices and steadily cuts heating-related emissions.

Waste and circularity
Sverdrup maximizes general waste sorting and by separating steel grades for recycling, contributes to increase the porportion of recycled material in the products.

Packaging and material efficiency
Sverdrup reduces packaging use and improves material efficiency in deliveries.

Supplier documentation and certification
Sverdrup encourages our suppliers to disclose environmental data and certify production processes.

B2-2 SOCIAL POLICIES

In the area of social policies, Sverdrup promotes zero LTIs (lost-time injuries), well-being for all employees within a good working environment, and the opportunity for all personnel to meaningfully contribute to a sustainable future.

B2-3 GOALS DEFINED

To ensure accountability, Sverdrup has defined the following goals, which are integrated into daily operations and subject to continuous monitoring.

- Customer satisfaction: ≥ 4.5 / 5
- Employee satisfaction: ≥ 4.5 / 5
- Sick leave: ≤ 1.5%
- Lost-time injuries (LTI): 0
- Recycling of steel: 100%
- Waste separation grade: 100%
- ECO transport targets: Defined and implemented with logistics partners

B2-4 SUSTAINABLE PARTNERSHIPS

Sverdrup works closely with UN Sustainable Development Goal 17 – Partnerships for the Goals – to increase transparency, reduce emissions, and encourage sustainable production practices across the value chain.

We actively build long-term partnerships with suppliers and stakeholders who share our ambitions, including:

- European steel producers offering low-emission production lines
- Supplier requirements for certifications (e.g. ISO standards) and ESG compliance
- Forward-leaning logistics operators, such as Haakull, ensure environmental and social performance in downstream delivery.

B2-5 SUPPORT

As per Dec 31, 2025, Sverdrup supports local sports and cultural initiatives and events representing our core values.

B3 – ENERGY AND GREENHOUSE *GAS EMISSIONS*

BASIS OF GHG REPORTING

In line with the GHG Protocol and ISO standards 14067/14064 Sverdrup has carried out estimations of CO2 emissions from all relevant sources. Emissions of methane (CH4) and N2O are exempt from consideration, as these substances are marginal in relevant processes such as coke making or flaring.

Reporting boundaries
Emissions accountable by daughter companies are rolled up to corporate level using an operational control approach. Scope 1 emissions are extended to include subsidiaries and intra-warehouse transport, while upstream transport from supplier to service center is excluded from Sverdrup's GHG inventories.

Value chain approach
Sverdrup retails materials from steel producers subjected to EU/EEC environmental, social and governance regulations. Sverdrup uses logistics companies under European jurisdiction, complying with relevant ESG standards. Emission certificates provided by Sverdrup's suppliers are eligible for scope 3 without further verification.

Regarding other suppliers, Sverdrup seeks to unify all verified emission figures in a rolled-up GHG inventory. We encourage suppliers, partners, and customers to assess, measure and report their sustainability footprint in a value chain perspective.

B3 SCOPE 1
DIRECT OPERATIONAL FOOTPRINT

As a service provider in the steel value chain, Sverdrup's direct GHG emissions are limited to a minor footprint.

Scope 1 emissions represent Sverdrup Steel's direct greenhouse gas (GHG) emissions from sources owned or controlled by the company. In 2025, these emissions amounted to approximately 45 tCO_2e, arising primarily from fuel consumption in company-operated forklifts and a limited amount of natural gas used for heating at the UK facility.

The largest individual source was a diesel-powered forklift at the company's Korean service center, while nine electric forklifts helped reduce direct emissions across the group.

As Scope 1 emissions are fully within our operational control, Sverdrup Steel focuses on efficient operations, gradual electrification of internal transport and material handling equipment, and optimization of warehouse activities at service center level.

Although Scope 1 represents only a small share of our total climate footprint compared with upstream steel production and transportation emissions, reducing direct fuel consumption remains an important part of our sustainability efforts. We continue to improve data quality and transparency to ensure accurate monitoring and reporting over time.

Scope 1 GHG inventory

Consolidated UK, Korea, DK and Norway figures.

Account metric	*Supplier-provided GHG data*	*Emission factor*	*Emissions 2025 tCO2e*
SCOPE 1			
Stationary combustion (gas)	15,465 kwh	183 gCO2/kWh	2.8
Mobile combustion *	4,088 kg LPG	2.123 kgCO2e/kg LPG	8.7
Diesel forklifts **	12,410 L diesel	2.66kg CO2e/L diesel	33
Sum vehicles owned or leased			**41.7**
Net location based Scope 1			**44.5**

* 1 gas forklift 1,460 x 2.8kg LPG/hour = 8.68 tCO2e
** 1 modern diesel forklift 1,460 x 3,0L diesel/hour = 11.7 tCO2e
1 diesel forklift 1,460 x 5.5L diesel/hour = 21.4 tCo2e

THE ELECTRIC HEAVY-DUTY *FORKLIFT*

Sverdrup's service centers are just finishing their transition to energy-efficient, emission-free heavy-duty forklifts – forever burying their diesel big brother.

The idea stood long that only diesel oil could energize the fast, precise handling of steel bundles, bars and plates in a busy environment like Sverdrup's service centers. But the last couple of years, electric forklifts have reached performance parity with diesel. Electric forklifts are no longer "light-duty"—they operate fully in heavy steel handling environments.

"Our Linde E50 model loads up to 5,000 kg, delivering high torque at low speed," says Anette Herman Nielsen, Service Center Operator at Hedensted in Denmark.

The energy performance in KJ spent per ton handled is another case for the el-forklift. Less energy lost at heat, and regenerative braking – much like the electric car at home – as well as quiet operation, no oil changes, exhaust systems and fuel filters – makes for lower maintenance costs and higher uptime predictability. Finally, the lithium-ion battery charging conditions enable operation with acceptable downtime and lower lifecycle emissions.

B3 SCOPE 2 – ELECTRICITY, STEAM AND HEAT

Sverdrup works to acquire green certificates for all electric power consumed in operation, aiming at Scope 2 carbon neutrality across our global presence.

Scope 2 Sverdrup Steel AS, Hedensted, Denmark

Hedensted, Denmark: The newest and most sophisticated among Sverdrup Steel' s service centers. Roof covered with solar cells, offsetting both scope 1 and scope 2 for the location. Energy-efficient electro-hydraulic truck loading facilities, efficient internal stock handling systems, and energy-preserving buildings.

Electricity consumption at Sverdrup Steel's Hedensted service center amounted to 164,526 kWh in 2025. The electricity is contractually sourced from 100% wind power. Under the market-based Scope 2 method, documented renewable electricity is therefore reported with an emission factor of 0 kg CO_2e/kWh. For transparency, a location-based figure based on the Danish electricity mix may also be disclosed separately.

Account metric	*Supplier-provided GHG data/ kWh*	*Emission factor gCO2/ kWh*	*Emissions 2025 CO2-e metric tons*
SCOPE 2 - Location-based			
Electricity others / ref. value	164,526	96	15.79
Offsets paid			0
Gross location-based scope 2	164,526		15.79
Net location-based scope 2	**164,526**		**15.79**
SCOPE 2 - Market-based			
Residual mix	164,526		0
Offsets paid			0
Gross market-based scope 2	164,526		0
Net market-based scope 2	**164,526**		**0**

Scope 2 Sverdrup Steel AS, Stavanger

Sverdrup Steel's headquarter is co-located with the Norwegian service center in Stavanger. The electricity component of Scope 2 in Stavanger is covered by certificates of renewable sources.

Measured electricity consumption for Svedrup Steel's facilities in Stavanger in 2025 was 225,212 kWh, of which 100% was sourced daily from Nord Pool spot market. Based on Norwegian Water Resources and Energy Directorate NVE) grid reporting, the electricity spot mix for Stavanger region in 2025 averaged 85-90% renewable electricity, aggregating an average location-based emission factor of 11 grams CO2e per kWh. As a market-based reference, Sverdrup provides the emission sum of a residual mix factor of 537 gCO2e/kWh.

Account metric	*Supplier-provided GHG data/ kWh*	*Emission factor gCO2/kWh*	*Emissions 2025 CO2-e metric tons*
SCOPE 2 - Location-based			
Electricity others / ref. value	225,212	11	2.48
Offsets paid			0
Gross location-based scope 2	225,212		2.48
Net location-based scope 2	**225,212**		**2.48**
SCOPE 2 - Market-based			
Residual mix	225,212	537	120.94
Offsets paid			0
Gross market-based scope 2	225,212		120.94
Net market-based scope 2	225,212		120.94

Scope 2 Sverdrup Steel UK, Sheffield

The United Kingdom, where Sverdrup operates a modern service center in Sheffield, was among the first countries to set a net zero target by 2050 and to put in place carbon budgets. Since 1990, the UK's GHG emissions dropped by 50%. As a historic oil and gas producer, the UK is looking to address declining North Sea hydrocarbon production and redirect the region's capacity to greener technologies. An important element is decarbonizing the power sector.

Account metric	*Supplier-provided GHG data/ kWh*	*Emission factor gCO2/kWh*	*Emissions 2025 CO2e metric tons*
SCOPE 2 - Location-based			
Electricity coal-fired power		820	0.9827
Electricity nuclear power	2,597	12	0.0312
Electricity LNG	6,991	200	1.3982
Electricity new&renewable sources	8,589	50	0.4294
Electricity others / ref. value	599	207	0.1240
Offsets paid			0.0000
Gross location-based scope 2	**19,974**		**2.9655**
Net location-based scope 2	**19,974**		**2.97**

Scope 2 Sverdrup Steel Korea, Busan

Korea has set a target of carbon neutrality by 2050. The strategy includes technology, renewable energy sources, phasing out coal and improving energy efficiency. Sverdrup supports Korea by providing sustainable steel (scope 3) and minimizing our Scope 2 sustainability footprint.

Sverdrup Steel Korea, Busan. Scope 2 GHG emissions

Account metric	*Supplier-provided GHG data/ kWh*	*Emission factor gCO2/kWh*	*Emissions 2025 CO2e metric tons*
SCOPE 2 - Location-based			
Electricity coal-fired power	4,729	430	2.033
Electricity nuclear power	5,272	12	0.063
Electricity LNG	3,356	200	0.671
Electricity new&renewable sources	1,780	50	0.089
Electricity Group energy	1,526	493	0.752
Electricity hydroelectric power	237	23	0.005
Electricity internal combustion	17	266	0.005
Electricity others / ref. value	34	493	0.017
Offsets paid	**n/d**	**-**	**-**
Gross location-based scope 2	**16,951**		**3.635**
Net location-based scope 2	**16,951**		**3.635**

B3 - STEEL MANUFACTURING

– COUNTING THE GLOBAL WARMING POTENTIAL AS CO2 EQUIVALENTS

Sverdrup sources material from long-term partners abiding by European standards. Our concern for production sustainability is regularly being met, while reconciling emission data across destinations is an ongoing task.

Conditions

- Our conditions for providing a credible sustainability account are as follows:
- Sverdrup discloses only CO2 equivalent figures.
- We don't expose proportions of CH4, N2O, NF3 or SF6 or other greenhouse gases in CO2e totals.

We use GWP100 – Global warming potential as the total amount of warming from a gas to the atmosphere (radiative forcing) over one hundred years.

Emission factor considerations

Svedrup Steel applies a cradle-to-gate (C2G) perspective, covering raw material extraction, transportation, and manufacturing ("gate") for each material grade delivered. The approach makes it easier to collect data, while focusing on factors which the company can control.

As a conditioning factor, the proportion of recycled raw material in each grade is calculated as a reduction of the emission factor. For example, if manufacturing a virgin batch of titanium emits 40-60 kilos of CO2e per kilo product, recycled content might reduce this factor to 3 kilos CO2e per kilo material.

There is a lack of common practice between manufacturers, regulators, and markets regarding product carbon footprints (PCFs) for metal alloys, despite of available standards such as ISO 14068. This means that emission measurements and calculation across producers might aggregate a degree of uncertainty in Sverdrup's final footprint account. One such uncertainty arises from the differences in PCF value (CO2e/kg) between different processing of the same material grade, for example hot-rolled vs. cold-rolled plates, or plate vs. bar. Another uncertainty is the lack of producer-specific PCFs for parts of the volumes. As our data systems don't allow us to track deviations across volumes and through our value chain, we have collected and equated available data into reconciled emission factors per material grade. Full documentation of each PCF is available upon request.

B3 - TRANSPORT GHG EMISSIONS

Recorded CO2 emissions reported to Sverdrup Steel from our transport contractors amounted to 82 tonnes of CO2e in 2025. As this represents only parts of our transportation, we choose to not disclose a full transportation GHG scope 3 for 2025.

PRESSING DOWN EMISSIONS FROM STEEL PRODUCTION

By promoting recycled and low-carbon alloy in the supply chain, Sverdrup has significantly suppressed the factor of CO2 equivalent emissions per ton of product delivered. For 2025, the estimated difference between our product and a fully virgin delivery - yields the following footprint reductions:

- Our estimated GHG emissions: 26,961 tons of CO2e
- Virgin product comparison: 68,000 tons of CO2e
- Estimated avoided upstream GHG emissions: 41,000 tons of CO2e

WE SAVED **41,000 TONNES** CO2E – HOW MUCH IS THAT?

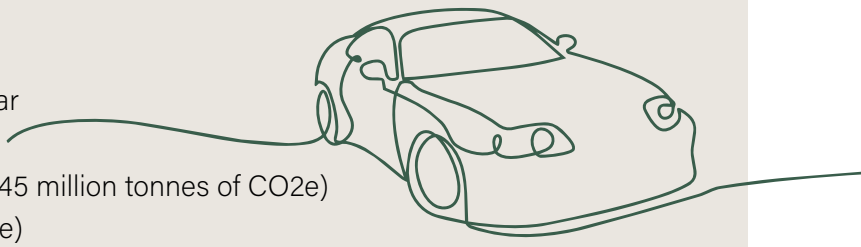
In 2025, Sverdrup Steel used lower-carbon material sourcing and circular steel solutions to avoid an estimated 41,000 tonnes of CO2 reaching the atmosphere from our product chains. Or the equivalent to 9,600 petrol cars, if we use the UN Intergovernmental Panel on Climate Change (IPCC)'s scientific assessment of global warming potential from different sources.

In greenhouse gas methodology (the GHG Protocol), Sverdrup delivered a Scope 3 result of 27,000 tonnes CO2e – or 60% lower than a conventional scenario with only virgin materials. The difference of 41,000 tonnes is diverted to ***Scope 4*** as defined by the GHG Protocol, covering emissions avoided when a product is used as a substitute for other goods or services, fulfilling the same functions but with a lower carbon intensity.

This comes in addition to everything else we do to cut emissions, either by using renewable electricity (scope 2) or delivering our shipments (scope 3) on fully loaded Euro6 trucks taking the shortest route door-to-door. Check out ***Sverdrup's greenhouse gas inventories*** further back in this report.

WHAT WE SAVED:

- 16,700 hectares of forest growth for one year
- ***183 million kilometers petrol car driving***
- 0.1% of Norway's total annual emissions (~45 million tonnes of CO2e)
- 36 MNOK in emission taxes (not yet eligible)



B5 – BIODIVERSITY

Biodiversity sensitive areas

Sverdrup Steel AS and its consolidated reporting entities do not own, lease, or manage use of – land in or near a biodiversity sensitive area.

B6 – WATER WITHDRAWAL

Location	Annual water consumption m^3
Hedensted DK	188
Stavanger NO	377
Oslo NO	107
Sheffield UK	110
Korea	80
Misc. single sales offices	90
Total	**952**

No sites located in areas of high water-stress

B7 – RESOURCE USE, CIRCULAR ECONOMY, AND WASTE MANAGEMENT

Sverdrup Steel aims at a 100% sorting and recycling rate to cut GHG emissions – on top of our low-footprint recycled steel grades.

Gunn Holm-Jensen, HSEQ & Sustainability Manager

«In 2025, we saved 164 tonnes of CO2 – just from recycling at our three divisions in Norway, Denmark and the UK», says HSEQ & Sustainability Manager Gunn Holm-Jensen at Sverdrup Steel. The company's waste separation rate turned out to be 96% in 2025.

«Sverdrup's next challenge is to match the separation rate with a 100% recycling rate. »

Lifecycle assessments

Sverdrup applies the principles of reuse and recirculation to optimize the lifecycle of resources in our value chain. Lifecycle emission for steel products depends largely on its proportion of recycled material. The global average of recycled material in stainless steel is approximately 45%. For Sverdrup, this figure is above 85%.

«Sverdrup discloses CO2e emissions based on emission factors containing 85% scrap metal content,» says Holm-Jensen.

No offsets in 2025

In addition to the CO2 footprint from recycled steel materials, there is a CO2 reduction from waste recycling. This reduction is calculated and reported separately from Sverdrup's scope 3 GHG inventories.

«Sverdrup values climate results even if they don't fit into the current emission accounting practices. At the same time, we expect the forthcoming GHG Protocol Project Quantification Standard to enable us to report waste recycling as GHG mitigation projects. This will set a new benchmark for GHG reporting in the steel value chain», says Holm-Jensen.

CO2 saved by recycling

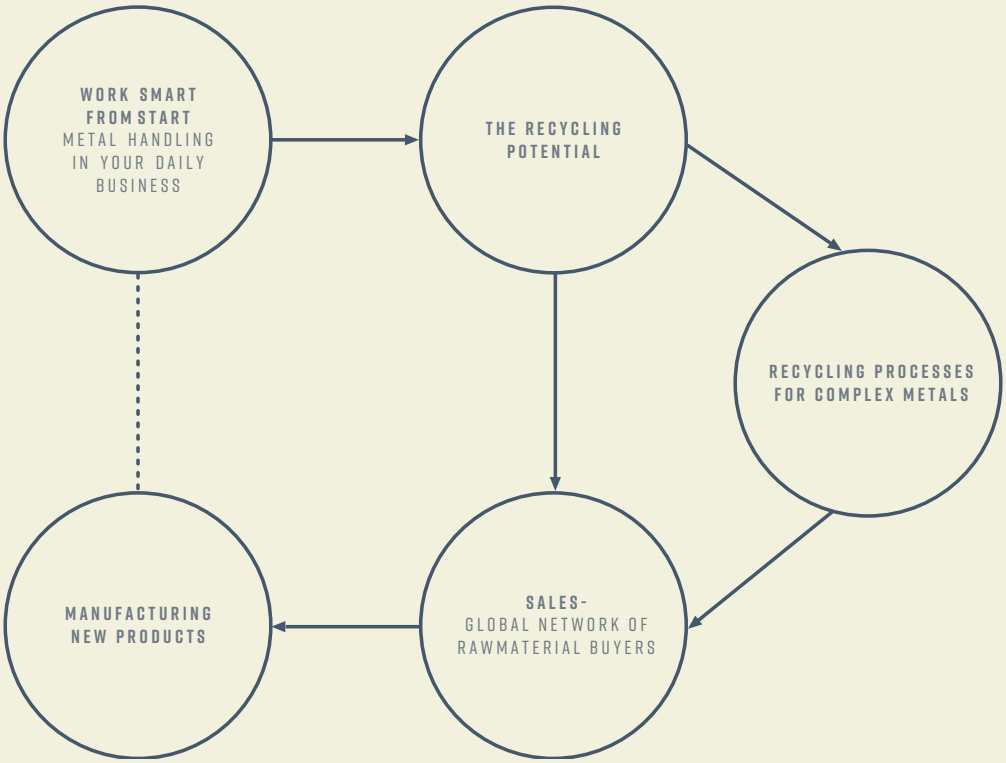
Location	*Metals, kg CO2e*	*Plastics, kg CO2e*	*Paper, wood, cardboard, kg CO2e*	*Biowaste and sludge, kg CO2e*	*Sum, kg CO2e*
Stavanger NO	138,903	-	1,260	560	140,723
Hedensted DK	17,175	2,198	1,320	206	20,899
Sheffield UK*	2,698	38	45	15	2,796
Total	**158,776**	**2,236**	**2,625**	**781**	**164,418**

Related goals and actions

Sverdrup states as a company objective the UN SDG 12: Responsible consumption and production: Sverdrup's goal is to use less products in our business-related activities and have a 100% sorting rate at all our locations. Our steel products are 100% recyclable and last a lifetime.

ACTIONS

- Collaboration with Stena Recycling on waste separation, covering all steel grades
- Acquired two compressing machines for plastic and paper waste (Hedensted, DK)
- Reuse of Special waste: Cutting oil is reused, residual oil collected
- Waste separation containers for food, paper, cardboard, plastic
- Less use of chemicals, selecting chemicals with low eco/health impact
- Control value-chain adherence to the Minerals Act
- Use recirculated products whenever possible


WORK SMART FROM START
METAL HANDLING IN YOUR DAILY BUSINESS
THE RECYCLING POTENTIAL
RECYCLING PROCESSES FOR COMPLEX METALS
SALES-
GLOBAL NETWORK OF RAWMATERIAL BUYERS
MANUFACTURING NEW PRODUCTS

CLOSING THE LOOP: HOW STENA RECYCLING ENABLES CIRCULAR STEEL AT SVERDRUP

At Stena's facility in Mekjarvik, outside Stavanger, thousands of tonnes of industrial waste are transformed every year into valuable secondary resources. Across Norway alone, Stena operates 15 facilities handling around 600,000 tonnes of waste annually, of which up to 450,000 tons iron and steel.

"Thanks to the thoroughness of Stena Recycling, general waste such as plastic and cardboard as well as metal scrap from our production are recycled and reintroduced into new products, contributing to circularity and reduced environmental impact", says Sverdrup's HSEQ & Sustainability Manager Gunn Holm-Jensen.

From scrap to steel – again

The circular flow begins at Sverdrup's own operations. When steel bars are cut, residual material – known as swarf – offcuts and surplus metal pieces remain.

This scrap is segregated into alloys at Sverdrup and collected by Stena Recycling. Here, the scrap is processed into recycled metal being sent back to mills such as Outokumpu, a key supplier of Sverdrup's high performance alloys.

A circular value chain in practice

Consider a typical application: Sverdrup supplies stainless steel bars (e.g. EN 1.4404 / 316L) to a manufacturer of high-spec pump systems for the energy sector. After years serving under corrosive conditions, the pumps are eventually decommissioned – and sent back to a Stena facility for fracturing of its stainless steel components. Once returned into the recycling stream, the material is delivered back to a steel mill, melted and rolled into new alloys.

Industrial scale, long-term perspective

Stena Recycling operates 178 facilities across Europe and is a leading supplier of recycled metal to major steel producers. In addition to recycling raw material, Stena identifies, repairs, and returns electronic and other products for reuse – thereby saving energy for fracturing and recycling the components. The company constantly optimizes their own resources consumption.

«When possible, we use emission-free electricity, and we electrify our internal logistics such as forklifts and trucks», says Hilde Østerhus, Sustainability Business Partner at Stena Recycling.

OUR WORKFORCE

B8 – GENERAL CHARACTERISTICS

Number of employees:
Sverdrup Steel AS had 81 employees in 2025, of which 25 women and 56 men. 26 of the employees were aged 18-40, while 55 were in the age between 41 and 72 years. 41 were employed in Norway, 14 in Denmark, 7 in the UK, 6 in Korea, and 13 in other nations.

Employee turnover rate: Sverdrup sustained a minimal turnover rate for the reporting period.

B9 – HEALTH AND SAFETY

Work-related accidents
Sverdrup recorded 1 medical treatment incident (MTI) and 4 near-miss incidents (NMIR) in 2025.

Fatalities: Sverdrup Steel recorded 0 fatalities because of work-related injuries or work-related ill health in the reporting period.

B10 – REMUNERATION, COLLECTIVE BARGAINING, AND TRAINING

Minimum wage disclosures
All employees in Sverdrup Steel receive pay that is equal or above applicable minimum wage for the country it reports in, determined directly by the national minimum wage law or equal to collective bargaining agreements where applicble.

Wage gender differences: Disclosure omitted according to VSME guidelines for organizations with headcount below 150 employees.

Collective bargaining agreements
The reporting entities are not covered by collective bargaining agreements.

Employee training hours
New employees at service centers receive appr. 75 hours of training, while other employees receive amount of training according to need.

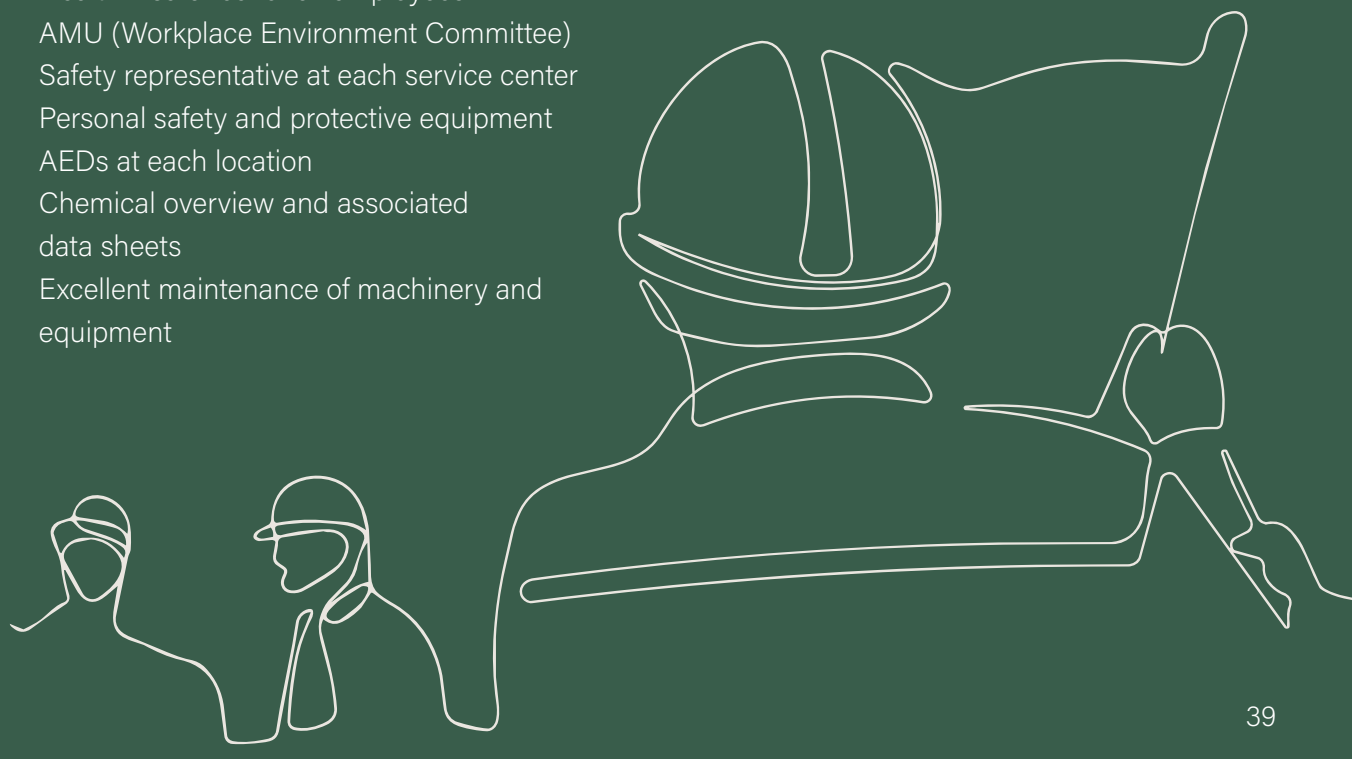
B11 – CONVICTIONS AND FINES FOR CORRUPTION AND BRIBERY

For the reporting period 2025 Sverdrup and our consolidated reporting entities had no registered convictions or fines for corruption or bribery. The company's newest transparency act report can be downloaded here:

Sverdrup Steel Transparency Act (pdf)

SVERDRUP'S MEASURES AND ACTIONS TO PROMOTE EMPLOYEE WELFARE

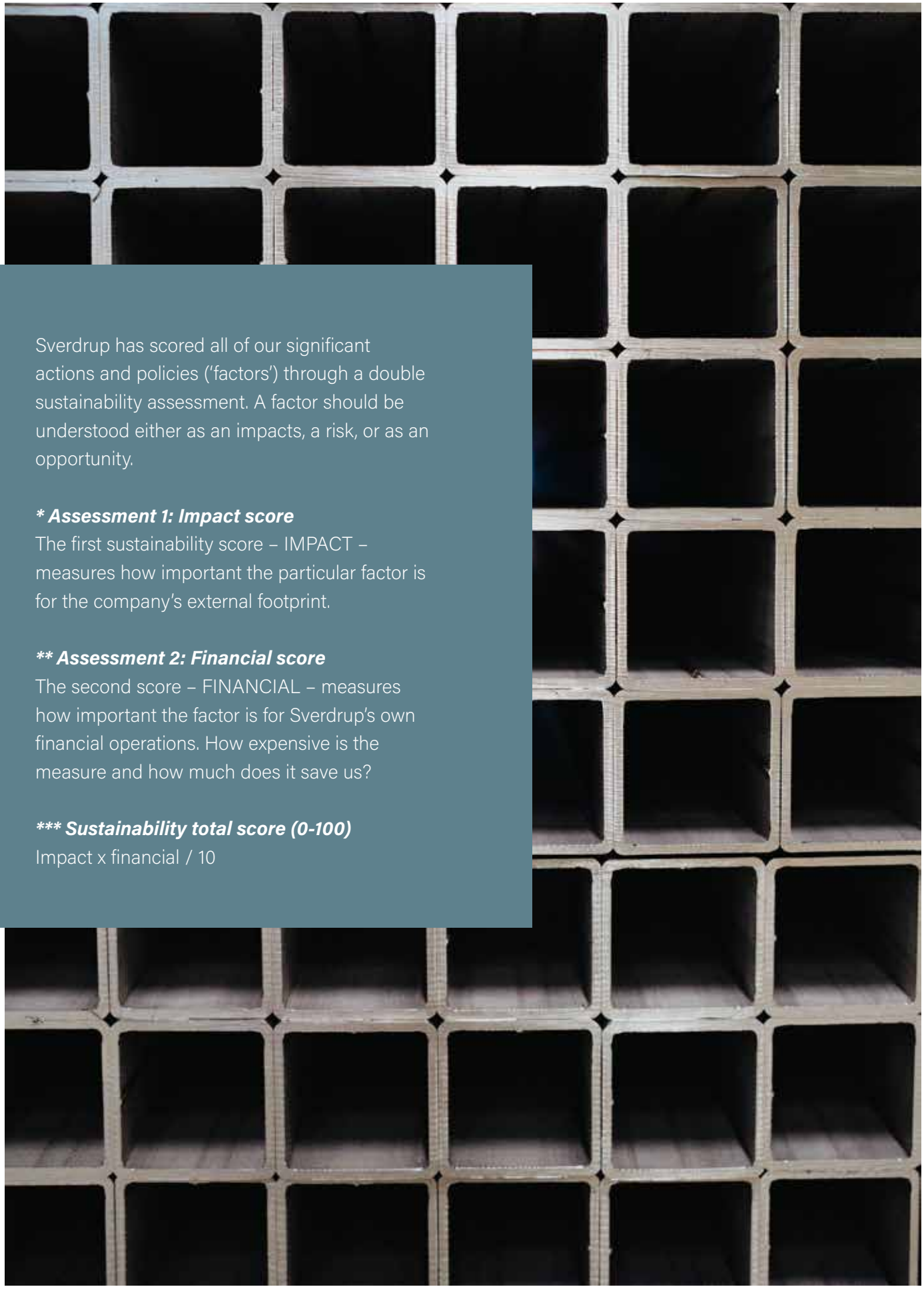
- HSE Policy - Safety and thrive!
- Certification according to ISO 45001
- Good and safe working conditions both internally and externally
- Health insurance for all employees
- AMU (Workplace Environment Committee)
- Safety representative at each service center
- Personal safety and protective equipment
- AEDs at each location
- Chemical overview and associated data sheets
- Excellent maintenance of machinery and equipment



SVERDRUP'S SUSTAINABILITY ON THE TABLE

Every action, policy and asset in our operations has been scored as an impact, risk or opportunity in a sustainability assessment. Here's a list of what matters.

ESRS category	*Impact/risk/opportunity*	*Impact score**	*Financial score***	*Sustainability total score****
Climate change mitigation	Optimized transportation	19.2	4.8	9.2
	Clean power from the grid	19.2	0.8	1.5
	Global transport/logistics manager	18	21.6	38.9
	100 % steel recycling	50	6.4	32
	Reduced packaging volume	14.4	19.2	27.7
	Compressing machine	20	0.8	1.6
	100% sort separation of waste	32	8	25.6
	Sustainable business travel and digital meetings	9.6	19.2	18.4
	Cut building energy use	19.2	4.8	9.2
	Solar cell panels on rooftops	3.2	2.4	0.8
Pollution	Metal dust in production area	12.8	0.8	1.0
	Wood dust in production area	9.6	0.8	0.8
	MCE filter	0.8	0.8	0.1
	Diesel and electrical forklifts	2.6	4.8	1.3
	Transport: Trucks Euro 6 or electric truck	16	19.2	30.7
Biodiversity / ecosystems	Leased storage buildings and offices (soil sealing and land degradation)	3.2	4.8	1.5
Circular economy	Metal scrap recirculation	6	12	7.2
	General waste sort separation	8	12	9.6
Own workforce	Job stability for employees	20	12	24
	Regulated work and rest	20	12	24
	Breach of working time (risk)	3.8	2.4	0.9
	Economic security for employees	12	28	33.6
	Good working environment	19.2	12	23
	Exposed working env. (risk)	7.7	2.4	1.9
	Employee involvement	16	12	19.2
	Workers' rights	24	28	67.2
	Well-being measures	12	8	9.6
	Equal pay	2	5.5	1.1
	Continuous learning measures	3.2	4.8	1.5
Workers in the value chain	Compliance with EU Mobility package	24	6.4	15.4
	Social dialogue, freedom of association, health and safety measures, diversity protection etc.	8	2.4	1.9
Business conduct	Internal policies (upholding values, norms and behaviour)	12	0.8	1.0
	European partners and producers	16	12	19.2

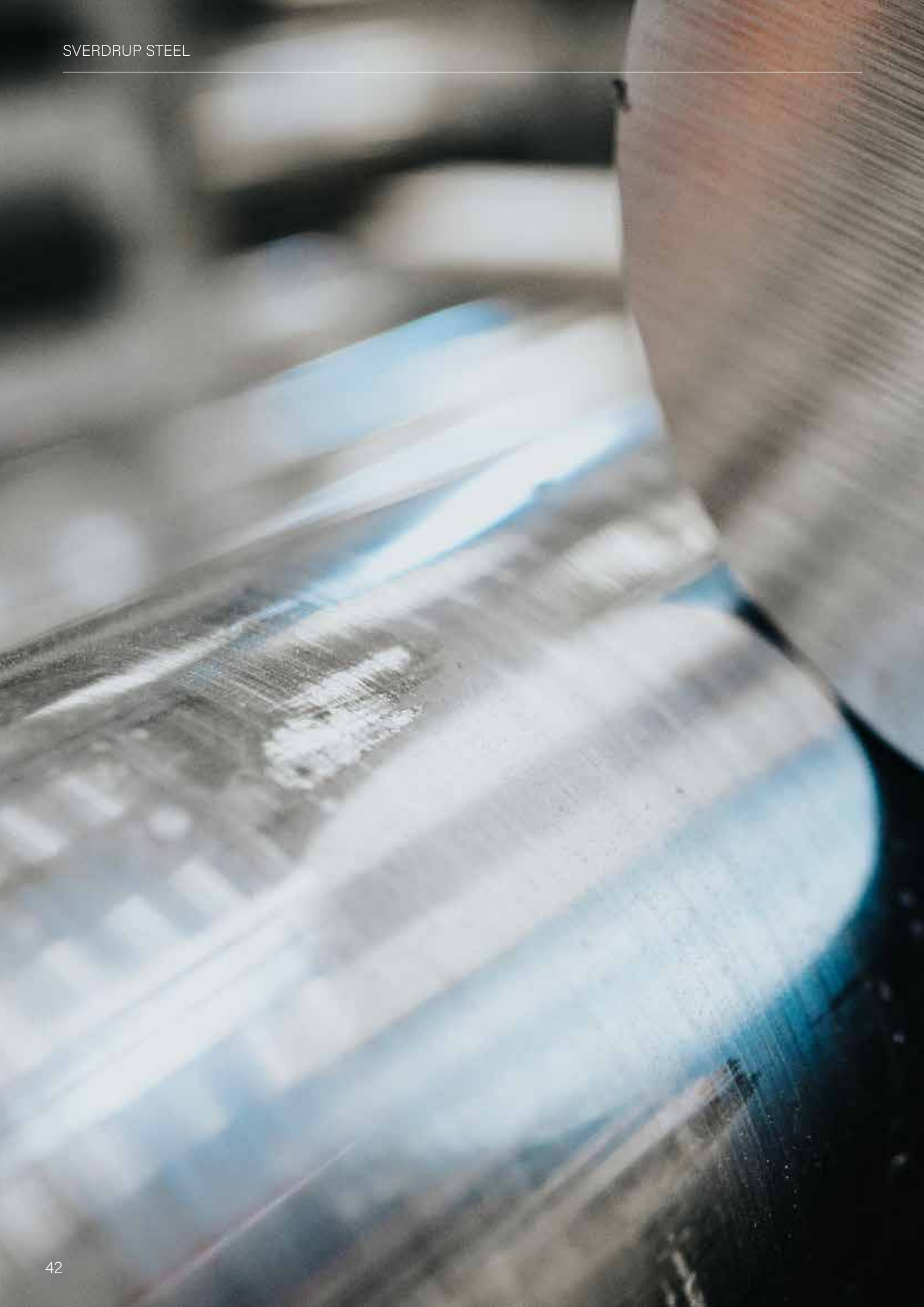


Sverdrup has scored all of our significant actions and policies ('factors') through a double sustainability assessment. A factor should be understood either as an impacts, a risk, or as an opportunity.

**** Assessment 1: Impact score***
The first sustainability score – IMPACT – measures how important the particular factor is for the company's external footprint.

***** Assessment 2: Financial score***
The second score – FINANCIAL – measures how important the factor is for Sverdrup's own financial operations. How expensive is the measure and how much does it save us?

****** Sustainability total score (0-100)***
Impact x financial / 10



SVERDRUP STEEL

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