SUSTAINABILITY REPORT 2024

sma mineral

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PROSPERITY PEOPLE PLANET

CEO ON SUSTAINABILITY

We are excited to enhance our dedication to sustainability

As a company in the mining and lime production industry, we know that our operations have a significant impact on nature and our climate. Therefore, it is crucial to have a strategy for the governance of the company that steers development in the right direction. At the same time, we must do everything we can to help the industry minimize its environmental footprint.

The two biggest challenges we face are CO_2 emissions into the atmosphere and the utilization rate of the lime we extract. The solution to these challenges is our initiative ZEQL. More about this later in the report.

In 2024, we have made several important decisions. One of the most significant is that we have decided to apply for a new permit for our lime quarry at Stucks in northern Gotland.

In connection with this, we hosted the Minister of Defence at our facility in Persberg. For the same purpose, we also organized a lunch seminar in the Swedish Parliament to highlight and discuss the importance of lime for society.

The lime suitable for steel production is virtually depleted in Sweden. It is not physically gone, but the permits to extract it are lacking. It is important for Sweden to be self-sufficient in such a crucial raw material, especially now as the world is changing rapidly.

At Stucks, there is lime suitable for steel production. The size of the deposit would be enough to meet the needs of Sweden's and Finland's steel production for the next 200 years.

We have also formulated additional strategic goals based on our work with a dual materiality analysis: *Personal safety, corporate culture, biodiversity*, and *critical raw materials*.

One of our biggest challenges lies in the permitting processes. When courts strictly adhere to limit values without considering the bigger picture, it can lead to negative consequences for the environment. A clear example is the Gåsgruvan, where we have not been granted an extension of the permit. About 40% of all lime for liming Swedish waterways used to come from there, as it was the cheapest and best alternative. When the mine is closed, it becomes more expensive to obtain the same amount of lime. Since funding is not increasing, this means that we will have more acidic watercourses in the future.

In our pursuit of sustainability, as a company, we are committed to continuously working with sustainability issues in all parts of our operations. This report fully meets the requirements of the CSRD, and we will follow the reporting requirements according to the regulations that apply to us.

We look forward to continuing our work to meet these challenges and strengthen our commitment to sustainability. Thank you for your continued support.

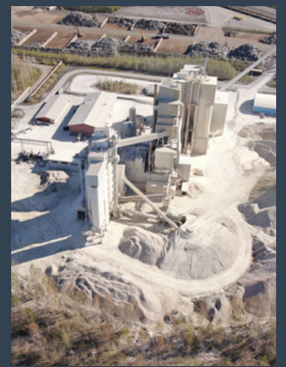
Svante Fielding, CEO SMA Mineral

Important events 2024

Production of Quicklime Temporarily Paused in Röyttä

Early in 2024, the production of burnt lime was temporarily paused at SMA Mineral's facility in Röyttä. However, throughout the year, the production of slaked lime has continued to operate.

In 2025, extensive renovations will be carried out on both the kiln and other equipment, with the aim of resuming production in mid-2026. The restart will also lead to the recruitment of new personnel.



Collaboration with Infinium

SMA Mineral and eFuel specialist *Infinium* reached an agreement in the spring with the intention of promoting the development of the companies' planned projects in Mo i Rana, Norway.

According to the agreement, the Infinium facility will use the carbon dioxide produced by SMA Mineral at the planned ZEQL facility as raw material for its eFuel production.

Visit to the Norwegian Parliament (Stortinget)

In June, the management of SMA Mineral met with representatives from the Norwegian Stortinget for a presentation of our joint project with eFuel producer *Infinium* in northern Norway's Mo i Rana.

The collaboration involves a joint facility for the production of carbon-neutral burnt lime and synthetic jet fuel with extremely low carbon intensity.

Ministerial and County Governor Visits to Persberg

In mid-March, Defence Minister Pål Jonson and County Governor Georg Andrén were welcomed to SMA Mineral's head office in Persberg. The visit aimed to spread knowledge about SMA Mineral's operations, with a particular focus on the situation of the lime industry in terms of raw material supply. Later, a lunch seminar was held in conjunction with the Swedish Parliament for the same purpose.

Decision on Permit Application for Limestone Mining at Stucks

SMA Mineral has decided to apply for a new permit for limestone extraction at our quarry at Stucks in northern Gotland. The limestone is needed for steel production in the Nordic region to avoid the need for shipping limestone long distances from, for example, Southern Europe or North America. At Stucks, there is limestone suitable for steel production, and the size of the deposit would meet the needs of Sweden's and Finland's steel production for the next 200 years.

Focus on Change at our Conference

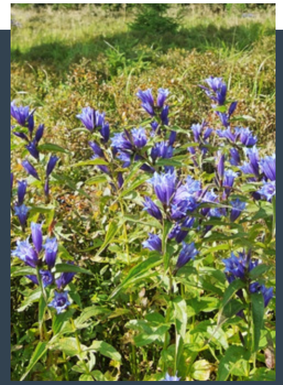
In mid-September, employees from SMA Mineral gathered in Sunne, Värmland, for a conference with a clear focus on change.

During the conference, key events from the operations were highlighted and discussed, as well as ideas and thoughts regarding the company's vision and strategy.

New Strategic Goals

During the fall, the board, on the recommendation of the management, decided to introduce four additional new strategic goals. All of these goals concern sustainability and are a result of the dual materiality analysis.

The new goals focus on the areas of *Personal Safety, Corporate Culture, Biodiversity,* and *Critical Raw Materials*.



Meeting with Norway's Minister of Energy

In December, SMA Mineral met with Norway's Minister of Energy, *Terje Aasland*, to discuss the electricity supply for the planned ZEQL facility in Mo i Rana.

The minister highlighted the project in Mo Industripark as an example of sustainable industrial development.

INDUSTRY

Several of our most important industrial processes require lime products to optimize both the quality of the final product and the lifespan of the production equipment. Steel manufacturers and the paper industry are major consumers of lime and dolomite, as well as combined heat and power plants and the mining industry.

ENVIRONMENT

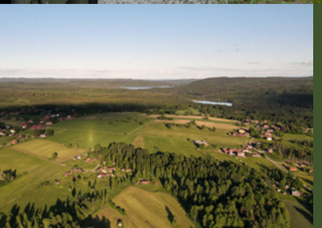
Lakes and other water courses with acidification problems are limed to restore a natural pH level and to prevent acidification damage to plant and animal life. For the same reason, our agricultural lands are enriched with lime to balance acidic fallout.

Water treatment plants also use lime to adjust water hardness and minimize the risk of harmful substances in drinking water.

INFRASTRUCTURE

Lime of various kinds is essential for community construction and a functioning infrastructure. Our roads are paved with asphalt where lime is used as a filler material and as an adhesive to bind bitumen to the ballast material.

Lime-based stabilization materials are also used for soil stabilization, making it possible to build houses and roads even in challenging soil conditions.



AGRICULTURE

Both lime and dolomite are used in agriculture to improve soil properties and create conditions for growth.

Lime products are used to raise the pH in acidic soils, which improves plants' ability to absorb nutrients and helps crops grow better. Lime and dolomite also provide important nutrients like calcium and magnesium.

A WORLD OF LIME

Lime – A Natural and Necessary Part of Our Everyday Life

Limestone and dolomite are the foundation for a wide range of products with different properties and uses. In fact, much of what we take for granted in our daily lives would not function without lime.

Lime is needed to purify the water we drink and the air from harmful gases. It is also essential for enriching the soils we cultivate and preventing the acidification of our waterways. In some form, lime is also present in or around many of the foods we consume.

In the iron and steel industry, lime is required to remove impurities and protect steel from oxidation. It is also used in paper manufacturing and mining operations.

In the green transition, lime is necessary for the production of, for example, green steel and green cellulose.

Lime is also an important ingredient in a functioning infrastructure. Our roads are paved with asphalt, where lime is used as a filler material and as an adhesive to bind bitumen to the ballast material.

Lime-based stabilizing materials are also used for soil stabilization, enabling the construction of houses and roads even in challenging soil conditions. The construction industry uses lime products in cement and concrete, as well as for the production of roofing felt.

The Company and Corporate Governance

SMA Mineral is one of Northern Europe's leading producers of lime products. By combining efficient lime extraction with knowledge-driven processing, we can offer high-quality products for a wide range of applications.

Business Operations

SMA Mineral, along with its subsidiaries, operates in Sweden, Finland, Norway and Estonia.

Our business concept is to process stone materials, primarily carbonate stone, into mineral products tailored to our customers' requirements. The processing includes *extraction, crushing, screening* and — where applicable — *burning* of carbonate stone and dolomite into quicklime and burnt dolomite. We also produce slaked lime and extract and process silica-rich minerals. The products are transported by truck, railway and/or ship.

The processing should create value for all stakeholders affected by the business.

Areas of Application

Lime and other carbonates have been part of civilization for thousands of years. In various forms, lime has been essential to humanity's development and to improving our quality of life.

Our products are used in the steel, mining, paper and pulp industries, as well as in the construction and infrastructure sectors.

The positive impact of our products on air and water—such as for the purification of flue gases and water, and to counteract soil, lake and watercourse acidification—makes them key building blocks in efforts to protect our future environment.

Focus on Northern Europe

SMA Mineral Northern Europe encompasses the part of the group that operates in the Nordic countries and the Baltics. We currently have production facilities at about 20 locations in Sweden, Norway, Finland and Estonia.

We also have terminals located to facilitate logistics for our customers. Our head office is located in Persberg, Värmland.

Geographically, our market is primarily in the Nordic countries, with a focus on Sweden and Finland.

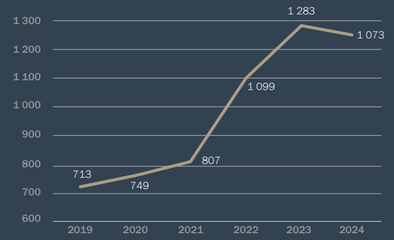
40% of our volumes are related to burnt products, while carbonates account for 37%. The remaining part of our total volume consists of stone materials such as quartz and crushed stone.

Our Head office in Persberg, Värmland

Key Figures

SMA Mineral is one of Northern Europe's leading producers of lime products. By combining efficient lime extraction with knowledge-driven processing, we can offer high-quality products for a wide range of applications..

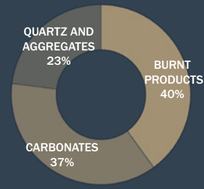
TURNOVER
(millions SEK)



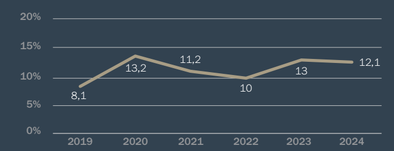
EMPLOYEES

200

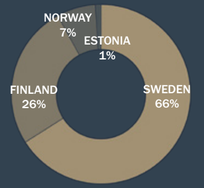
PRODUCTS



EBITDA



MARKET - COUNTRIES



Corporate Governance

SMA Mineral's management team has a strong focus on sustainability issues and actively works to ensure that sustainability principles permeate the entire organization.

Through close collaboration between different functions and roles, the company contributes to taking responsibility for the economic, social and environmental aspects of the business.

Sustainability issues are managed throughout the company with coordination and support from the HSEQ department, led by the company's Chief Quality Officer (CQO). The CQO has overall responsibility for driving and coordinating the work within the organization.

The management ensures that strategies, goals and initiatives are integrated into the company's operations and are aligned with long-term sustainability objectives. This work is coordinated and led by the CQO.

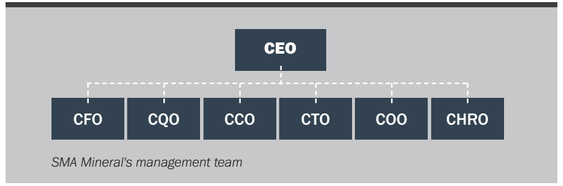
The entire management team has undergone training in dual materiality analysis and sustainability issues and has participated in the work with the dual materiality analysis and development of strategic goals and activities based on the analysis.

In annual workplace meetings, the local operations are analyzed based on factors such as economics, plant performance, workplace risks, social conditions, environmental impact and technology. The impact of these factors on customer relationships and results is also evaluated.

Action programs are prioritized and established in working groups where representatives from the management team participate. Audits and operational analyses are documented in writing.

The group's management personnel are thus engaged in the ongoing operations and report back to the rest of the management team about local conditions and any deviations.

The management team also conducts annual reviews of goal achievement based on indicators concerning finance, consumption figures, environmental performance and occupational health and safety objectives.



SMA Mineral's management team

SMA Mineral's Board of Directors

The financial reporting and reporting of the group's greenhouse gas emissions are audited by external auditors.

SMA Mineral's board is composed to provide diverse expertise and experience that can contribute to the company's sustainability efforts. The board consists of a total of five members, two of whom (40%) are women.

All board members have completed training in dual materiality analysis and sustainability issues. The board's sustainability competence is strengthened by one of its members having extensive knowledge in the area.

The board has been informed about the work regarding the dual materiality analysis and its results.

Based on the analysis, the board has decided to implement four new strategic goals: *Personal safety, Corporate culture, Biodiversity* and *Critical raw materials.*

The History of SMA Mineral

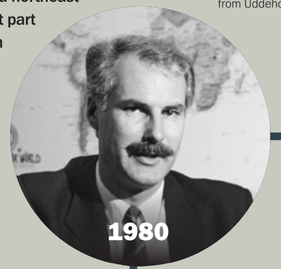
The mining industry around Persberg in Värmland has a history that dates back several hundred years. As early as the 1600s, iron ore was discovered in the area northeast of Filipstad, and mining in various forms has since then been an important part of the regional economy. SMA Mineral has its roots in Juvéls Åkeri, which was founded in 1932. The first limestone deposit was acquired in 1980.

The founding of Juvéls Åkeri in 1932 laid the foundation for the business we see today. Through determined and active entrepreneurship, *Einar Juvél* built a trucking company that became one of Värmland's largest.

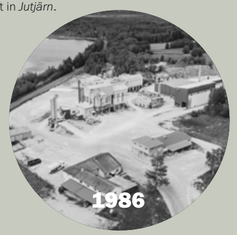
The 1960'

In the 1960s, *Ulf Juvél*, Einar's son, took a job as a driver at the company.

In 1967, the first bulk truck was purchased for transporting limestone from the Uddeholm plant outside Persberg.



Ulf Juvél AB acquires *Gåsgruvan's lime plant* from Uddeholm AB.



Acquisition of the lime plant in *Boda* and *Rättvik* as well as the limestone deposit in *Jutjärn*.

1992

Establishment of *Gåsgruvan Kalcit AB* in Persberg.

Acquisi on of Stora Cells rotary lime kiln, storage and port in Sandarne. The first step towards today's lime mud concept.

Co-owner of the lime plant in *Mo i Rana*, Norway. An important establishment in the Norwegian market.

The limestone deposit at *Stucks* in Gotland is acquired.

SMA Mineral purchases lime kilns in *Oxelösund* from SSAB.

1999

SMA Mineral acquires the limestone deposit *Võhmuta* in Estonia. The same year, the first limestone plant in Bulgaria is also acquired.

Acquisition of the production units *Kalkkimaa* and *Loukolampi* in Finland. The beginning of the focus on the Finnish market.

Daniel Juvél becomes the new CEO of the group.

Construction of a new limestone plant in *Röyttä*, Finland.

To serve the steel industry in northern Sweden, the lime plant in *Luleå* is acquired from SSAB.

Acquisition of *Svensk Oljeåtervinning AB*.

2015

Acquisition of the Norwegian dolomite deposit *Seljeli*.

SMA becomes a co-owner of *SaltX Technology*.

Official launch of the *ZEQL* technology concept. The first step towards carbon-neutral lime production.

2024

Startup of a pilot plant for ZEQL in Mo i Rana, Norway.

PRODUCTION

Our Value Chain

Our product range mainly consists of products based on the carbonate minerals limestone and dolomite. The carbonates are crushed, sieved and milled into fractions tailored to the customers' specifications, or further refined through burning and slaking.

MINING

The carbonate minerals limestone and dolomite are mined at one of our quarries.

TRANSPORT

The limestone is transported by boat, train or truck to our lime plants for further processing.

CRUSHING/GRINDING

The carbonate stone is crushed, sieved and ground into fractions tailored to the customer's specifications.

CALCINATION

The crushed fractions are calcinated at high temperatures to produce *quicklime* and *burnt dolomite*. *Slaked lime* is formed when the lime reacts with water.

SCREENING/BRIQUETTING

The crushed fractions are screened to fit the recipient's processes. If necessary, the material is briquetted before transportation.

Environmental Challenges

SMA Mineral's product range mainly consists of products based on the carbonate minerals limestone and dolomite. The company also operates a quartz deposit and handles a number of other minerals and rock types that can be considered by-products. The carbonate rock is crushed, sieved, and ground into fractions tailored to customer requirements or further processed through calcination and hydration.

The environment is a key concern throughout our entire value chain, from extraction and transportation to the monitoring and regulation of processes at our facilities.

The extraction of raw stone material impacts the environment by irreversibly altering the landscape when the raw material is removed from nature. During extraction, surrounding areas are affected by noise from machinery and vibrations from blasting.

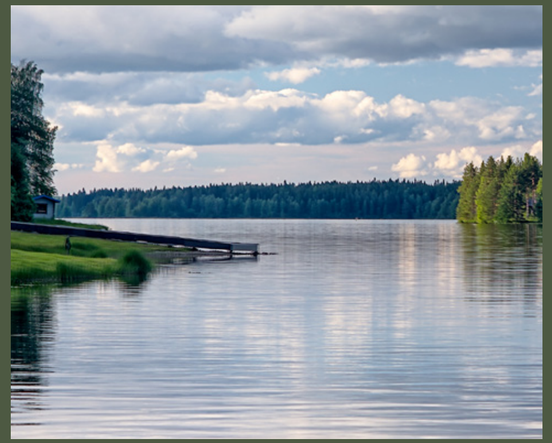
The operations can also impact biodiversity, both positively and negatively, in the areas surrounding the facilities. We strive to minimize our impact on biodiversity, and in some cases, compensatory measures are implemented.

When limestone and dolomite are processed into quicklime and burnt dolomite, carbon dioxide is released into the atmosphere both from the raw stone material and from the fuels used in the process.

Lime burning also results in emissions of air pollutants such as *sulfur dioxide, nitrogen oxides, carbon monoxide, hydrocarbons, heavy metals* and *dioxins*.

All operations are conducted in accordance with the conditions specified in the obtained permits. Based on the requirements set in the environmental permit, a monitoring program is established, detailing the sampling and measurements to be carried out at each facility. The results are presented in the annual environmental report, which is reviewed by the supervisory authority and inspected during regulatory visits.

Going forward, we will need to develop new technologies to minimize emissions and pollution. We will also need to reduce the use of virgin raw materials by establishing circular flows and utilizing by-products. To find the best solutions, we will enhance collaboration with customers and other companies.



CATEGORIES	PRODUCTS	ENVIRONMENTAL CHALLENGES
AGGREGATE AND CARBONATES	 LIMESTONE  CRUSHED AGGREGATE  DOLOMITE  QUARTZ	○ Changed landscape ○ Noise, dust and vibrations affect the surroundings ○ Electricity dependency ○ Impact on groundwater and surface water ○ Impact on biodiversity ○ Waste management ○ Internal transportation
BURNT PRODUCTS	 QUICKLIME  BURNT DOLOMITE  QUICKLIME AND CEMENT  SLAKED LIME	○ Climate impact ○ Emissions to air ○ Fossil emissions from raw materials ○ Fossil emissions from fuels ○ Electricity dependency ○ Impact on groundwater and surface water ○ Impact on biodiversity ○ Waste management ○ Internal transportation and road transport
LIME MUD	 LIME MUD	The burning of lime mud brings the same environmental challenges as other burned products, though without fossil emissions from the raw material.

Dialogue with Our Stakeholders

The purpose of the stakeholder dialogue is to continuously ensure that we understand the requirements and expectations of our employees, customers and suppliers regarding key sustainability issues related to the environment, quality, work environment and business ethics. The dialogue also aims to ensure that our Code of Conduct is followed and complied with.

We continuously collect anonymous feedback on how our employees experience their work and working conditions. The employee survey also captures employees' perspectives on important sustainability issues.

Customer dialogue is ongoing through customer meetings and regular customer surveys. We plan to conduct a customer survey in 2025 (conducted every three years).

In 2024, we prepared materials for supplier surveys, which, according to routine, will be sent out in 2025 (conducted every three years).

During the work on the dual materiality analysis and the new strategic goals developed by management and approved by the board, stakeholders have been a key consideration. Stakeholders play a central role in management's ongoing work, such as SWOT analysis.

EMPLOYEES (WINNINGTEMP)

	2022	2023	2024
SMA Mineral provides a safe and secure work environment	1	1	1
SMA Mineral focuses on strong profitability	3	3	2
SMA Mineral reduces its environmental impact	4	4	3
SMA Mineral takes social responsibility	2	2	4
SMA Mineral reduces CO_2 emissions	5	5	5

Stakeholder Group	Key Sustainability Issues
Employees *Ongoing Question in Winningtemp*	1. SMA Mineral provides a safe and secure work environment 2. SMA Mineral focuses on strong profitability 3. SMA Mineral reduces its environmental impact (resource consumption, waste, chemicals) 4. SMA Mineral takes social responsibility 5. SMA Mineral reduces CO_2 emissions
Customers *Interviews were conducted in 2022, and a new survey is planned for 2025. (Interviews are scheduled to be conducted at least every three years.)*	1. Reducing the company's emissions 2. Sustainable supply chain 3. Safe work environment
Suppliers *Interviews were conducted in 2022, and a new survey is planned for 2025. (Interviews are scheduled to be conducted at least every three years.)*	1. Reduced environmental impact (resource consumption, waste, chemicals) 2. Reducing the company's emissions 3. Reduced transport emissions 4. Work environment and human rights 5. Social sustainability 6. Circular economy 7. Sustainable energy (inc. energy efficiency) 8. Delivery reliability

Our Risks

At SMA Mineral, sustainability is an integrated part of our operations. We strive to minimize risks related to environmental, social and business ethics issues by monitoring, analyzing and improving our processes. By combining long-term planning, robust management systems and clear principles, we ensure that our business contributes to a sustainable future.

Risk Management for a Sustainable Future

At SMA Mineral, a systematic approach to risk management is crucial to ensuring sustainability in environmental, social, and business ethics matters. Through regular internal and external audits linked to our management systems ISO 9001 (quality) and ISO 14001 (environment), we create the conditions necessary for continuously evaluating and improving our processes.

Environmental risk assessments are an integral part of the permitting processes for our operations. The most significant environmental impact from our group is greenhouse gas emissions, primarily carbon dioxide. To address this challenge, we participate in the European Union's Emissions Trading System, where our CO_2-emissions are measured, audited by external parties and reported to authorities to ensure transparency and compliance.

Beyond greenhouse gases, we manage other environmental risks, such as noise, dust emissions into the air and water discharges, within the framework of our environmental permits.

Compliance with permit conditions is closely monitored through internal controls and is reviewed annually by regulatory authorities to ensure that we fulfill our obligations and contribute to sustainable development.

With a strong focus on risk management and regulatory compliance, we work to minimize our impact on the environment and society while building a sustainable and long-term business.

Ethical Compliance – Corruption and Bribery

At SMA Mineral, integrity and business ethics are fundamental principles. All employees are required to adhere to our policy against giving and receiving bribes, which means that gifts from suppliers, partners or customers that could be perceived as undue advantages must always be declined. We also ensure compliance with national laws and regulations regarding tax-free gifts in all countries where we operate.

In 2024, no cases of corruption were identified or reported within the group. The risk of violations is considered low in our industry, but we remain proactive in maintaining and strengthening our ethical standards. In 2024, we initiated efforts to enhance the onboarding process for new employees by providing more in-depth information on how our policies are applied in practice.

RISKS AND HOW WE MANAGE THEM

RISK/OPPORTUNITY	MANAGEMENT OF THE RISK
More complex, unpredictable and time-consuming permitting processes can create uncertainty and impact business continuity.	Alternative solutions, such as new delivery routes, are part of our efforts to address challenges. We participate in public debates, albeit with limited influence. Risks are managed through early planning, careful documentation and efficient resource utilization, including maximum use of waste rock and cleared material.
Higher costs for energy and emission allowances pose a risk to the global competitiveness of our products.	We reduce risks through significant investments in technological innovation, with a focus on developing new calcination techniques, alternative energy sources and methods to better utilize the materials being extracted.
Limited availability of energy, primarily green energy.	We collaborate with customers, producers and other stakeholders. Our production is located where green energy is available and we invest in technology development to reduce energy consumption and recover energy in our processes.
Risks in technological development towards green energy.	We are making a significant investment in the ZEQL concept, focusing on testing and collaborating with customers to assess and reduce potential risks.
Recruiting the right competencies despite the geographical spread of operations in locations where specialized expertise may be difficult to find.	We strive to be an attractive employer through a good working environment, balanced workload and strong leadership. We adapt to market demands for flexibility and hybrid work, while also strengthening HR efforts and creating opportunities for more thesis projects.
Availability and quality of recycled products to increase circularity in production (including lime mud and oil).	Improved logistics have increased the availability of lime mud. More efficient process control has resulted in higher capacity and lower energy consumption. We are also exploring alternative international deliveries and routes to ensure oil supply.
Risk of serious injuries among employees (collapse/ overturning hazards, workplace accidents).	We continuously work to improve the health and safety for our employees. Through regular safety rounds, we assess the work environment and encourage everyone to report risk observations so we can act proactively. Accidents and near misses are thoroughly investigated to prevent recurring incidents. Employees are encouraged to become safety representatives, even at smaller facilities.
Risk of IT breaches.	The IT department continuously works on IT security, risk classification and business continuity planning. Employees receive regular micro-trainings, information and simulations. The awareness level of employees is measured, which improves IT security. In 2024, 691 micro-trainings were conducted.
Risk of non-compliance with policies, both internally and within the supply chain.	Training and follow-up, both internally and externally, ensure understanding and compliance with policies. The work with supplier evaluations and audits has been developed.

RISKS AND HOW WE MANAGE THEM

RISK/OPPORTUNITY	MANAGEMENT OF THE RISK
Risk of sabotage in operations by interest groups.	Improved communication about climate and environmental initiatives. Risk assessment of certain contracts.
Risk of emissions during accidents and operational disruptions.	A new water treatment plant was completed in 2023 in Västerås. Risk analyses and contingency plans are developed at each facility. Environmental impact assessments are conducted in connection with permitting matters.

RISKS AND OPPORTUNITIES WITH CLIMATE CHANGE

In the dual materiality analysis, different climate scenarios were included in the evaluation and the dual materiality analysis serves as the foundation for our assessment of climate-related consequences, risks and opportunities. We recognize that we can have a significant impact on climate change and consider this a material issue for our business. However, based on our operations and where we operate, the impact of climate change on our business is less significant. The assessment in the dual materiality analysis is based on various scenarios, with time horizons including short, medium and long-term perspectives. Based on this, we identified the following risks and opportunities.

RISK/OPPORTUNITY	MANAGEMENT OF THE RISK
Future risks from climate migration flows due to rising temperatures. **Risk of extreme population changes and lack of available infrastructure for urban planning.**	Plan to reduce CO2 emissions. Monitor and adjust our roadmap in response to the changes that occur.
Extreme weather	Plan to reduce CO_2 emissions. Monitor and adjust our roadmap in response to the changes that occur.
Opportunities related to political initiatives and directives regarding emissions trading and circular economy.	There is potential to create new products from the pure captured CO_2 from our new ZEQL technology, as well as from by-products.

Materiality Analysis

The issues we have identified as most material for SMA Mineral are a synthesis of the input we have received from various analyses and sources.

Background

The work began in 2021 with an analysis of our risks, value chain, external environment and our customers and competitors. A review of our goals was also conducted and a roadmap was developed.

In 2022/2023, we continued with an updated vision work and initiated a more in-depth and systematic stakeholder dialogue. Our key stakeholders are our owners and employees, as well as our customers and suppliers.

In 2024, an update and expansion of the materiality analysis was carried out, with a focus on dual materiality. The documents were processed in several workshops with the management team, where all material issues were thoroughly examined.

Based on the results, four new strategic goals were developed. These were presented to the board, along with the double materiality analysis and its results, which led to the board's approval of the new strategic goals.

Based on this, the roadmap was also revised to align with the developments and our strategic goals. Throughout the process, we have also taken into account important international agreements such as the Paris Agreement and applicable legislation.

Our material sustainability issues are prioritized and very important to our stakeholders and to sustainable development.

	ECONOMY		CORPORATE GOVERNANCE		SOCIAL			CLIMATE AND ENVIRONMENT		
FOCUS AREAS	Expanded market presence to increase sales volume	Improved profitability to ensure a sustainable business	Foster an engaging corporate culture to align employee behavior with our code of conduct	Ensure consistent delivery by securing raw material supply	Improved personal safety to eliminate serious incidents and work-related injuries	Engaged employees	Ethical business practices	Reduced environmental impact through decreased carbon emissions	Integrated biodiversity into operational changes	Increased resource efficiency Circular economy

IRO 1 - PROCESS FOR DUAL MATERIALITY ANALYSIS

SMA Mineral's materiality analysis has for several years been an integral part of establishing the foundation for the company's strategic priorities and direction in sustainability efforts. In 2024, the materiality analysis has evolved to also encompass the double materiality perspective. The process has been conducted based on ESRS, incorporating several analytical steps.

1 Identification of Potential and Relevant Material Sustainability Aspects

Building on a previously conducted value chain analysis, SMA Mineral's internal sustainability group—comprising various competencies from across the organization—has worked to identify relevant sustainability issues. As a starting point, we considered all topics included in *ESRS*, as well as the *SASB* materiality matrix and our own risk analyses. Impact, risks and specific sustainability challenges and opportunities were discussed. Topics that neither impact nor are impacted by our operations were filtered out during this process (see ESRS Index).

2 IRO Analysis (Impact, Risks, Opportunities)

After identifying relevant sustainability issues, an *IRO analysis* was conducted to assess how the most critical sustainability issues (E & S) affect and are affected by our business across different parts of our value chain.

For each identified relevant issue, we evaluated scope, severity and likelihood. Consequences were identified from both a positive and negative perspective. Each identified sustainability aspect was assessed from the perspectives of impact and consequences on *people* and the *environment* (impact materiality) and from a *financial perspective* (financial materiality). The process was applied across the following time horizons:

- Short term: up to twelve months
- Medium term: twelve months to five years
- Long term: five to ten years

The work was conducted in collaboration with the management team and key personnel from the organization.

3 Outcomes and Determination of Material Sustainability Aspects

In the next step, SMA Mineral's material sustainability aspects were determined by compiling results and applying materiality thresholds. A discussion and validation process was conducted within the company's management to finalize the results and complete the double materiality analysis. The various steps in the analysis followed the recommendations set by EFRAG.

4 Establishment of Thresholds

Finally, a workshop was held with the management team to define the *thresholds* that determine the issues we should report on according to CSRD. The decisions on thresholds were based on a combination of quantitative data and qualitative assessments. The results are summarized in our matrix, which identifies 12 material issues (see page 27). Once the results of the double materiality analysis were confirmed by the management team, a deeper analysis was conducted to identify material and relevant indicators for each material issue.

5 Board Engagement

The board has been kept informed about the sustainability work and the dual materiality analysis. After the analysis was completed, the board received a presentation on the process and its results.

Following the presentation, the board decided to introduce four new strategic goals related to sustainability.

DUAL MATERIALITY ANALYSIS

Issues that must be reported according to legal requirements *FS = Company-specific issues (from GRI Mining)*

Sustainability Focus and Goals

Our vision is for SMA Mineral to be the natural choice for development and value creation—both locally and globally. Our long-term plans and focus areas revolve around both saving the climate and ensuring our survival as a company. Our customers are at the forefront of their respective industries and, to remain competitive, we must do the same.

SMA Mineral's prioritized sustainability issues form the foundation for our priorities and initiatives. In 2021, we began deepening our commitment and responsibility by identifying our initial sustainability focus areas and developing our first sustainability roadmap.

In 2024, we took another major step forward, starting with a dual materiality analysis that resulted in four new strategic sustainability goals. Based on our strategic goals—both existing and new—we have developed focus areas, activities and an updated roadmap.

The selected focus areas are based on our dual materiality analysis, which includes our most significant impact and risk areas, as well as the issues most important to our stakeholders. The production of our products must be carried out with the highest possible consideration for the *environment, health* and *safety.*

Our Responsibility in Achieving the Paris Agreement

As a business with relatively high emissions from our processes, we have a significant responsibility to do our part in achieving the Paris Agreement. Our entire sustainability effort—from our strategic goals to our focus areas and roadmap—is aligned with the objectives of the Paris Agreement.

To achieve our ambitions, new expertise is required. SMA Mineral must therefore be an attractive employer that offers fair conditions and strong values. All of this is reflected in our chosen focus areas for sustainability work.

OUR GOALS

Economy

MATERIAL ISSUE	FOCUS AREA	MATERIAL ISSUES	GOAL
Profitable Business	Increased market presence for higher sales volume	Expansion in the domestic market International expansion	Revenue: 2 billion SEK
	Improved profitability to ensure a sustainable company	New products and services Cost control across the entire organization	> 20% EBITDA

Corporate Governance

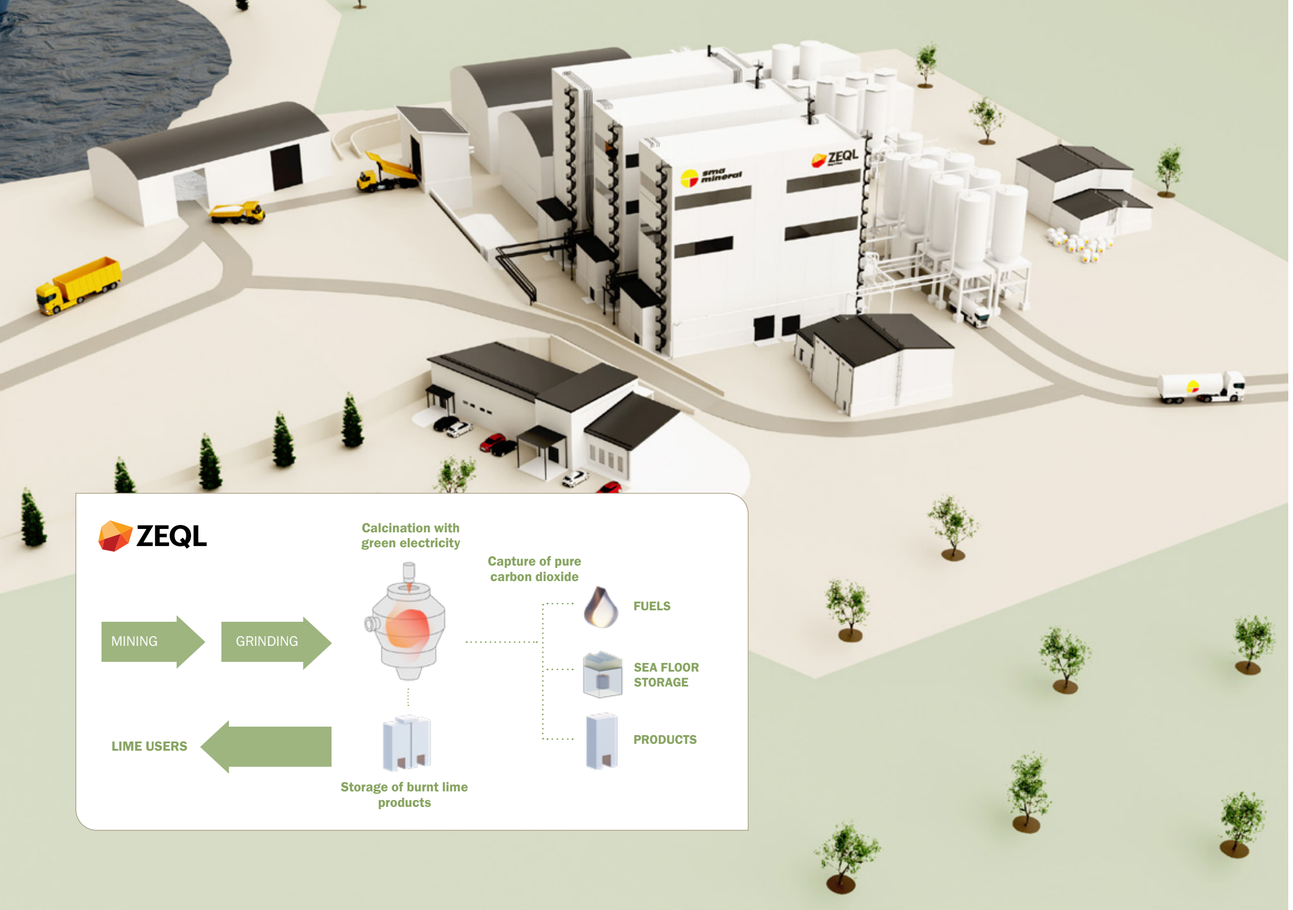
G1 Corporate Culture	Cultivate an engaging corporate culture to align employee behavior with our Code of Conduct	Develop and promote the company's values	All employees act in accordance with the company's values
FS Secured Access to Raw Materials	Secure consistent deliveries by ensuring raw material supply	Control deliveries through ownership or agreements	On-time deliveries through secure supply of critical raw materials

Social

MATERIAL ISSUE	FOCUS AREA	MATERIAL ISSUES	GOAL
S1 Own Workforce	Improved personal safety to eliminate serious incidents and work-related injuries	Increased knowledge among all employees Safer working environment at our facilities	LTI <7 Zero serious injuries or incidents
	Engaged employees	Enhanced overall efficiency through improved employee engagement	Employee engagement: Score of 7.8 in Winningtemp
S2 Working Conditions in the Value Chain	Ethical business practices	Prevention of corruption	100% of critical suppliers sign the Code of Conduct
S3 Economic Rights of Communities	Ethical business practices	Compliance with permits and regulations	Minimized local impact

Environmental

MATERIAL ISSUE	FOCUS AREA	MATERIAL ISSUES	GOAL
E1 Energy E1 Climate Adaptation E1 Climate Impact E2 Air Pollution	Reduced environmental impact through reduced CO_2 emissions	Develop ZEQL and reduce carbon footprint from existing facilities	KPI 2020: 1,05 ton CO_2/ton BRP KPI 2027: 0,91 ton CO_2/ton BRP KPI 2030: 0,53 ton CO_2/ton BRP
E1 Biodiversity	Integrated biodiversity in operational changes	Biodiversity considered in business changes	Ongoing efforts across all business areas
E1 Resource Inflows E2 Efficient Material Utilization	Increased resource efficiency circular economy	Material efficiency, energy efficiency, CCU, industrial symbiosis - use of by-products	In line with Roadmap 2020-2030



ZEQL - Our Path to Halving CO_2 Emissions

The largest, most important, but perhaps also the most challenging part of SMA Mineral's sustainability responsibility is to significantly reduce CO_2 emissions. With our and SaltX Technology's concept ZEQL, Zero Emission Quicklime, we make it possible to achieve this goal.

Electricity Without Fossil Fuels

The decision to reduce CO_2 emissions from our calcined products by 50% is made possible through SMA Mineral's and SaltX's ZEQL concept. ZEQL is the first step towards achieving completely carbon-neutral production.

Plants under the ZEQL framework will operate using electricity produced without the use of fossil fuels. By switching to electricity as fuel, CO_2 emissions are reduced by about 30%.

Capturing Carbon Dioxide

Compared to traditional kiln technology, we will be able to use a larger portion of the raw material, quarried limestone and dolomite, in the process, resulting in a significantly higher utilization rate.

To reach our long-term zero-vision, we must also capture the carbon dioxide released from the limestone during the process. By switching to electricity as fuel, we avoid the costly and energy-intensive process of separating CO_2 from the emissions of a conventional lime kiln. The carbon dioxide is then available for use in processes such as the production of electrofuels or other products. Another possibility is to store CO_2 on the seabed or in products that prevent CO_2 from being released into the atmosphere.

New, modern factory designs will also significantly improve the working environment, especially concerning dust.

Current Status of ZEQL

The project is progressing rapidly, and we have made significant strides in the planning of the new factory in Mo i Rana. The new factory is planned to be operational by 2026, meaning we are on track to meet our goal.

SMA Mineral has worked intensively in 2024 to create the necessary conditions for the Mo i Rana project to be realized. An important milestone in this work has been submitting a formal electricity allocation application to Statnett. We have also presented the project to key decision-makers, including Norway's Minister of Energy, *Terje Aasland*.

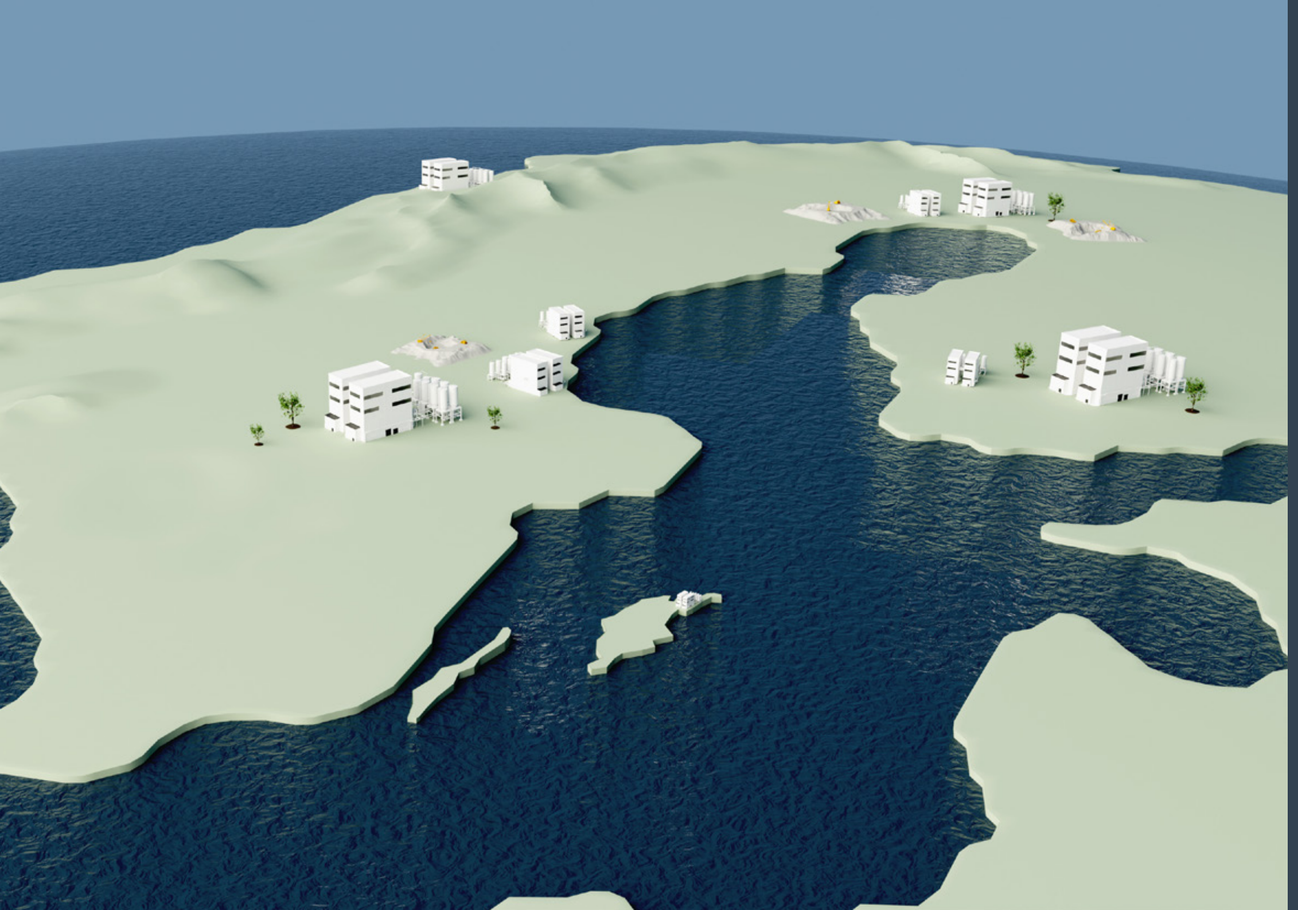

Norway's Minister of Energy, Terje Aasland

SMA Mineral is collaborating with several parties, such as the *Mo i Rana Industrial Park, suppliers of factory components* and *customers* who will use the product in their processes. Additionally, preparations are underway to determine how best to capture and utilize the high-concentration CO_2 generated in the process.

In April 2024, we signed a letter of intent with *Infinium*, a U.S. company that manufactures Electro-Sustainable Aviation Fuel (e-SAF), a synthetic fuel that replaces conventional fossil-based fuel. SMA Mineral will supply high-concentration CO_2 which, together with hydrogen, will serve as raw materials for eSAF. The fuel production is planned to be located near the ZEQL facility.

In February 2025, we received the exciting news that the Norwegian Enova has granted 287 million NOK in support for the construction of the pilot plant in Mo i Rana.

SaltX's test facility in Hofors has provided valuable experience for the continued development of the technology. A larger test of ZEQL quicklime at one of SMA Mineral's customers is planned for the spring of 2025.



ROADMAP 2020-2030

The management has revised the previous Roadmap 2020-2027. This is due to several factors, primarily technological development and access to electricity, but also unclear regulations, slow processes around environmental permits and other basic prerequisites for a green transition.

Based on the given circumstances, the previously decided strategic goal of reducing CO_2 emissions from our lime production to the atmosphere by 50% by 2027 has been revised to apply to 2030.

The base year remains set to 2020, when the total emissions were 487,000 tons. To achieve a fifty percent reduction in emissions by 2030, fossil CO_2 emissions must be reduced to 243,000 tons. The production of calcined products (BRP) in 2020 was *463,000 tons.*

To account for varying production volumes of BRP per year, the CO_2 emissions are calculated in tons of CO_2 per ton of BRP, which equates to 1.05 tons of fossil CO_2 per ton of BRP based on the 2020 production. The 50% reduction in fossil CO_2 corresponds to a maximum emission of *0.53 tons of CO_2 per ton of BRP by 2030.*

ROADMAP 2020-2030

Year	Action	Ton CO_2 per ton BRP	Emissions reduction
Base year 2020		1,05	
2024		0,99	6%
2025	Boda: Blending of 15% biofuel during Q3-Q4 Logistics: Fossil-free transport HVO (Röyttä-Luleå)	1,04	1%
2026	Start of Pilot Plant Mo I Rana H1 (10,000 tons quicklime/burnt dolomite) Boda: Blending of 60% biofuel Sandarne: Testing of 20% biofuel blending	1,02	3%
2027	Pilot Plant Mo I Rana fully operational (40,000 tons quicklime/burnt dolomite) Sandarne: Blending of 20% biofuel	0,91	13%
2028	Start Mega Factory 1	0,78	25%
2029	Start Mega Factory 2 Decommissioning of fossil plant No. 1	0,66	38%
2030	Decommissioning of fossil plant No. 2	0,53	50%

CONTENT

ECONOMIC RESPONSIBILITY/CORPORATE GOVERNANCE

For more than fifty years, SMA Mineral has developed a long-term stable business built on quality products, satisfied customers and sustainable business relationships. We have a clear and strong set of values and meet our customers with expertise, reliability and good business ethics throughout the value chain.

	MATERIAL ISSUE	FOCUS AREA	ACTIVITIES CONDUCTED IN 2024	PLANNED FOR 2025
Economy	**Profitable Business**	Increased market presence for higher sales volume		Expansion in domestic market International expansion New products and services
		Improved profitability to ensure a sustainable business	Efforts to offset cost increases through process efficiency	Cost control across all departments
Corporate Governance	**G1 Corporate Culture**	Cultivate an engaging corporate culture to align employee behavior with our code of conduct	Update of our code of conduct (coc) and code of conduct for our suppliers	Develop and implement the Company's values
	FS Ensured Access to Raw Materials	Ensure consistent delivery by securing raw material supply	Expanded purchasing organization with supply chain manager and strategic buyer new purchasing procedures	Ensure control over our deliveries through ownership and agreements
Ethical affairs	**Anti-Corruption**	100% of selected suppliers must accept SMA Mineral's Code of Conduct	Updated Code of Conduct based on global compact, which sets higher standards for suppliers expanded purchasing organization	Training Initiatives in Code of Conduct Supplier evaluation with focus on critical and strategic suppliers
	IT Security	Risk assessments, deviation management, IT security training for all employees	691 completed Micro Trainings unchanged awareness level 46%	Introduction of IT Intro Significantly raise awareness

Our Economic Responsibility and Corporate Governance

At SMA Mineral, our economic responsibility and corporate governance are fundamental to creating a sustainable and long-term business. Our business idea is built on delivering high customer satisfaction, ensuring financial stability, and maintaining good business ethics in everything we do.

We actively work to ensure compliance with laws and regulations in all the countries where we operate. Through clear policies and governing documents, we communicate our values to all employees and partners. This helps create a shared understanding of our principles and expectations, which strengthens trust both internally and externally.

Our corporate governance is based on transparency, accountability and open communication.

By having clear decision-making structures and reporting mechanisms, we work to minimize risks and create the conditions for healthy financial development. This includes regular audits, risk assessments and proactive dialogue with our stakeholders.

Through our commitment to economic responsibility and high business ethics, we contribute to sustainable development and lay a stable foundation for future generations.

Legislative Monitoring

At SMA Mineral, legislative monitoring is a central part of our work to ensure regulatory compliance and sustainability in our operations. The company uses a legislative monitoring service that continuously monitors relevant legislation. Information from the service is acknowledged and communicated to the relevant staff to ensure that everyone is informed about current rules and requirements. Through the legislative monitoring service, all employees have access to updated legislation, along with a description of how the company is affected and how the requirements are practically met.

In addition to monitoring legislation, we keep track of requirements from other stakeholders such as authorities, customers and partners. A broad approach helps us identify and manage changes that may affect our operations.

Environmental and occupational health requirements

When regulations and other binding requirements change, the responsible manager, together with their staff, is tasked with ensuring that information about the changes is communicated to the relevant personnel. We also ensure that procedures are revised when necessary and that required competence development is provided to help our employees comply with the new requirements. To keep the list of applicable laws and regulations up to date, continuous reviews are conducted. This work is complemented by compliance audits, which take place annually internally and every third year in collaboration with an external consultant. The audits ensure that we have control over current requirements and compliance with them.

Monitoring and Compliance

Monitoring our compliance with laws and other requirements occurs regularly as part of our management calendar. This work is addressed as a fixed agenda item in management reviews, which ensures that sustainability aspects are integrated into the decision-making process throughout the organization. Through a structured and systematic approach, we actively work to stay ahead when it comes to regulatory compliance, thus contributing to a sustainable future.

Customer Satisfaction

Customer dialogue takes place continuously through meetings and recurring customer surveys. The latest customer survey was conducted in 2022 among both *SMA Minerals* and *Svensk Oljeåtervinning*'s customers. Customer surveys are conducted at least every three years according to our procedures. We plan to conduct a customer survey in 2025.

SMA Mineral

Based on measurements from 2022, *SMA Mineral* receives good scores for both NKI (Customer Satisfaction Index) and LKI (Loyal Customer Index).

NKI	*(Customer Satisfaction Index)*	**77**/100
LKI	*(Loyal Customer Index)*	**82**/100

Svensk Oljeåtervinning

Regarding *Svensk Oljeåtervinning*, an overall rating is given based on how customers and drivers perceive the performance.

The rating for the 2022 survey was measured at 4.4 (out of 5), which should be compared with the corresponding values from previous years' measurements, which were 4.5 (2017) and 4.6 (2007). A new survey was initiated in 2024 and will be completed in early 2025.

The result is high and shows that the respondents are *satisfied* or *very satisfied* (40% each) with the services provided.

Requirements for Certifications

Svensk Oljeåtervinning's customer survey shows the certification requirements.

! ***76%** require **ISO 9001** in procurement*

! ***68%** require **ISO 14001** in procurement*

Code of Conduct and Anti-Corruption Work

Our codes of conduct were updated and clarified in the summer of 2024. How we act is important to SMA Mineral. To understand how the company views issues related to sustainability and behavior, as well as how we should relate to and act on them, we have our internal Code of Conduct.

It is also important to us how our suppliers act. To clarify what we expect our suppliers to adhere to in the area of sustainability, we have a Supplier Code of Conduct. Our goal is for 100% of our critical and strategic suppliers to have signed and confirmed compliance with our Supplier Code of Conduct.

The confirmed compliance was 64% in 2022 and has increased to 81% in 2024.

KPI

***81%** (64% in 2022) of our suppliers have **confirmed compliance with our Code of Conduct,** which covers environment, quality, workplace safety and business ethics.*

Based on the UN Principles

The definition of sustainability here is set in a broader perspective, encompassing, among other things, *social responsibility, ethics, human rights, working conditions* and *the environment.*

Our codes of conduct are based on the *UN Global Compact* and its ten principles in the areas of human rights, labor rights, the environment and anti-corruption. They also declare that SMA Mineral shall be a competitive, fair, reliable, and responsible partner to employees, customers, suppliers, stakeholders, authorities and others in our environment who come into contact with our company.

To achieve this, we actively work on climate and environmental actions. We uphold good business ethics and strive for long-term and trusting relationships. The Code of Conduct shows the way by describing our values and the requirements we place on employees and business partners. The foundation of the Code of Conduct is SMA Mineral's core values, which guide us in everything we do.

Anti-corruption efforts are part of our Code of Conduct.

In 2024, we expanded our procurement organization with a *Supply Chain Manager* and an *Operational Purchaser*. The new organization has updated existing procurement procedures and introduced new ones, as well as conducted training on anti-corruption, including requirements for purchase orders, contract management and the signing of the code of conduct in new supplier agreements.

Supplier assessments, focusing on critical and strategic suppliers based on risk assessments, began in 2024. We have prepared materials for supplier surveys that will be sent out according to routine in 2025 (carried out every three years).

Risk-based Due Diligence

SMA Mineral conducts *risk-based due diligence* by regularly and systematically identifying and assessing risks and impacts related to *human rights, labor law issues, the environment* and *business ethics* in its value chain. This applies to both employees and suppliers.

In doing so, we ensure that neither we nor our partners are involved in activities aimed at undermining civil society and citizens' freedoms.

Suppliers and partners must assess whether their operations or supply chains are located in or purchase from conflict-affected areas or other high-risk areas. In such cases, due diligence measures should be adapted and improved to fit the specific context.

Plan for 2025

In 2025, we plan to implement training on the Code of Conduct for all personnel with procurement responsibilities.

The plans also include conducting a supplier evaluation focusing on critical and strategic suppliers.

ANTI-BRIBERY POLICY

Area	Policy	Activities/Follow-up
Anti-corruption	Policy against giving and receiving bribes	• Planned training initiatives: - Code of Conduct • Planned supplier evaluation

Supplier Follow-up

Survey

In 2024, we have prepared the basis for supplier surveys, which will be sent out in 2025 according to routine (conducted every three years).

The work on supplier follow-up began in 2022. Through regular surveys to our suppliers, we hope to influence them to improve in areas that we deem important.

The results of the survey will contribute to creating a supplier strategy and an internal assessment framework, as well as feedback for the supplier.

A fundamental requirement for being an approved supplier to SMA Mineral is to adhere to our supplier Code of Conduct or demonstrate an equivalent code of conduct that is at least as comprehensive as ours.

Based on the overall result of the supplier assessment, it should be clear how well a supplier functions for our operations. The survey will also provide guidance on any actions that may need to be taken.

These actions will be assessed on a case-by-case basis, considering the type of supplier involved, the relevant areas for the company in question, the size of the company and the available alternatives.

Outcome

In the survey, suppliers were asked whether they comply with the Code of Conduct applicable to *SMA Mineral* and *Svensk Oljeåtervinning*.

The overall result showed that 72 out of 113 suppliers (64% in 2022, 81% in 2024) have confirmed compliance with our code, which covers environment, quality, working conditions and business ethics.

Generally, our suppliers perform *good* or *very good* in sustainability efforts, including environment, quality, working conditions and business ethics.

The key performance indicators of the suppliers are typically related to emissions and fuels, staff and the code of conduct.

The suppliers have noted several sustainability issues, with the most important ones related to the environment, including:

- Reduced environmental impact (resource consumption, waste, chemicals)
- Reduced climate emissions
- Reduced transportation emissions (fuels, load capacity)
- Circular economy
- Sustainable energy (including efficiency)

45% of our suppliers have environmental certifications. 95% have an environmental policy, but only 12% have documents outlining a plan to achieve 100% fossil-free transportation.

Amount	Grade	General Assessment
4	<45%	Evaluates
9	45-59%	OK
31	60-84%	Good
14	85-100%	Very good

The rating is given based on the number of responses out of a total of 47 (maximum number) in percentage.

81% have reported that 0–20% of their transportation has been fossil-free.

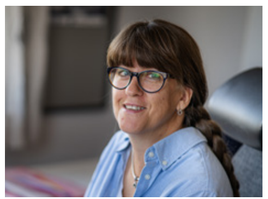
The companies have many transportation goals, which can be explained by the question asked about fossil-free transportation. None of the evaluated suppliers were rejected due to environmental requirements.

Plan for 2025

We plan to conduct a supplier evaluation focusing on critical and strategic suppliers in 2025.

81% of our suppliers have signed SMA's *Code of Conduct* and we will continue our efforts to get suppliers to accept and sign our Code of Conduct. We will also work towards implementing *Sustainability Initiatives* with our suppliers (Sustainability Initiatives refer to any improvements in the supplier's product/service that contribute to increased sustainability/environmental improvement).

The goal for 2025 is to have 100% signed Code of Conduct and to have initiated Sustainability Initiatives with our most important suppliers.



Whistleblower System

In the fall of 2022, SMA Mineral launched a new *whistleblower system* as part of our efforts to increase transparency and uphold high business ethics. The system is available to both internal and external stakeholders and provides a safe and anonymous channel for reporting all types of irregularities, including suspicions of violations of laws, regulations, or our internal policies.

Cases reported are handled by a designated group responsible for ensuring an objective and confidential process. A central part of the process is providing feedback to the whistle blower, which fosters trust and engagement with the system. All incoming reports are carefully evaluated and, if necessary, lead to actions aimed at improving our operations and compliance.

To ensure effective handling, SMA Mineral has developed a clear policy and detailed procedures for managing whistleblowing cases. These documents provide guidance on how to handle incoming matters and ensure that all reports are processed in a consistent and fair manner.

Through the whistleblower system, we reinforce our commitment to an open and responsible organization that values high integrity and trust with our stakeholders.

In 2024, 2 cases were handled.

	2022	2023	2024	General Assessment
Corruption and Bribery	0/0	0/0	0/0	The number of reported cases divided by resolved cases.
Whistleblowing Other	0/0	0/0	0/0	The number of reported cases divided by resolved cases.
Money Laundering	0/0	2/2	2/2	The number of reported cases divided by resolved cases.
Conflict of Interest	0/0	0/0	0/0	The number of reported cases divided by resolved cases.
Conflict of Interest	0/0	0/0	0/0	The number of reported cases divided by resolved cases.

The KPI for whistleblowing is the number of reported cases divided by the number of resolved cases.

Sustainable Operations

***Long-term profitability* is an important factor for being a reliable employer, as well as for fulfilling our responsibility towards the environment, local communities and essential future solutions for the climate.**

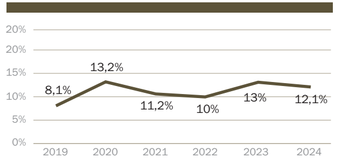
Our sustainability work is based on the *UN Global Compact* and its ten principles in the areas of *human rights, labor rights, the environment* and *anti-corruption*. These principles also declare that SMA Mineral should be a competitive, fair, reliable and responsible partner to our employees, customers, suppliers, stakeholders, authorities and others in our environment who come into contact with the company.

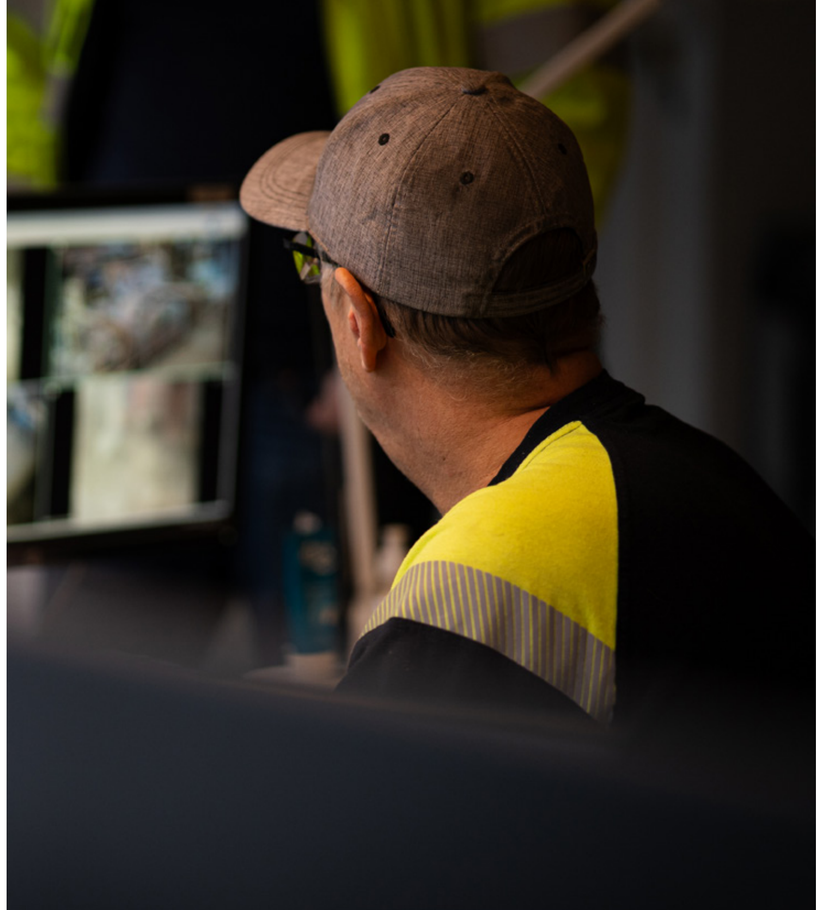
To achieve this, we actively work on climate and environmental measures. We prioritize good business ethics and strive for long-term, trustworthy relationships.

The Code of Conduct shows the way by describing our values and the requirements we place on employees and business partners. The foundation of the Code of Conduct is SMA Mineral's core values, which guide us in everything we do.

	2019	2020	2021	2022	2023	2024
EBITDA %	8,1%	13,2%	11,2%	10%	13%	12,1%
Strategic goal >20%	20%	20%	20%	20%	20%	20%

EBITDA in % for the fiscal years 2019-2024.





IT and Information Security

In 2024, we established a centralized IT support function for the group that handles IT incidents and offers an emergency service outside office hours.

We have also actively worked on improving the password structure and procedures for starting and terminating user accounts. A contributing factor to the success of this work is our focus on *user training*, which is reflected in the 691 training sessions completed in Nimblr during the year.

We have not had any serious IT incidents in 2024, which confirms the importance of a strong focus on training.

To further strengthen IT security, we have established an *IT security forum* where we continuously evaluate, assess and systematically manage IT risks.

The work on system mapping continues, where we assess the business-critical nature of each system and analyze risks related to availability, confidentiality and accuracy.

In the field of information security, extensive work is underway to ensure a high level of security within the organization. We have initiated work on information classification through risk assessment and clear ownership of data and information. Ongoing strengthening of system ownership is crucial to raise awareness and ensure effective information management within the business.

We continuously work with micro-trainings and simulation tests, where Nimblr helps us shape and target the training so that it reaches the right audiences.

Our awareness of information security remains unchanged compared to the previous year, but due to an adjustment in *Nimblr*'s calculation model, the level is 46% (the same as last year). The goal for 2025 is to significantly increase this value through continued education and enhanced awareness within the organization.

Defined Risks	Management
IT intrusion aimed at damaging the organization	Continuous development in technology and user training, as well as follow-up of incidents and the external environment
Leakage of damage	Classification of information and continued user training
System/data unavailable when we need it	Stable IT operations with available support, as well as continuity plans for information where the impact of the risk is greatest

CONTENT

OUR SOCIAL RESPONSIBILITY

At SMA Mineral, social responsibility is a central part of our sustainability strategy. We strive to create a safe, secure and stimulating work environment where competent and engaged employees thrive, develop, and take pride in being a part of our organization.

To achieve our goals, we systematically work to identify and analyze the risks in our workplaces. This includes not only physical risks but also psychosocial factors that can affect employee well-being.

Through regular risk assessments and dialogues with our employees, we can improve the work environment and create a culture where health and safety are prioritized.

An important part of the work is understanding how our employees perceive their work with us. We conduct regular employee surveys to gather insights into what works well and where there is room for improvement. These surveys help us identify strengths and challenges and contribute to shaping our strategies for a more enjoyable and developing workplace.

By combining our knowledge of risk management with insights from our employees, we can actively prevent accidents and ill health.

At the same time, we lay the foundation for a workplace that not only meets but exceeds legal requirements and industry standards.

The goal is to create a work environment where sound values permeate everything we do, and where our employees feel motivated to contribute to both their own success and the success of the business.

Social

FOCUS AREAS	MATERIAL ISSUES	GOALS/KPI	ACTIVITIES COMPLETED 2024	PLANNED FOR 2025
Engaged employees	Safe work environment	LTI <7 LWR (measurement)	2 newly appointed safety representatives Minimum requirements for personal protective equipment for own staff, contractors, and visitors GAP analysis to establish minimum safety requirements at facilities	Ongoing encouragement for more safety representatives Measures to improve safety based on the GAP analysis Increase awareness among employees regarding safety
	Attract and retain the best employees in the industry	Engaged employees result in a 7.8 score in Winningtemp	Training in Winningtemp for managers with personnel responsibility to work with the outcomes from the surveys Development of a new HR administrative system	Implementation of the HR system and ensuring a unified approach to personnel processes Ongoing work with improvement actions based on the outcomes in Winningtemp
	Good leadership leads to engaged employees	Engagerade medarbetare ger resultatet 7,8 i Winningtemp	HR manager recruited	Leadership development program for all managers

Our Social Responsibility

For SMA Mineral, a sustainable work environment means creating a workplace where employees not only feel safe and secure but also look forward to going to work every day. We strive to build an environment characterized by a healthy, inclusive and enjoyable atmosphere where every individual can feel valued and involved.

A motivating and developing work environment is central to ensuring our employees can perform and thrive.

We make sure that the tasks are meaningful and aligned with both the needs of the business and the employees' skills and interests. This not only contributes to increased job satisfaction but also minimizes the risk of work-related injuries and accidents.

To achieve our goal of a sustainable work environment, we actively work to identify and prevent risks through regular risk assessments, training and dialogue with employees. We encourage open communication and a culture where safety always comes first. By continuously improving the work environment, we create a safe, sustainable and attractive workplace where employees can develop and reach their full potential.

Safe Work Environment and Health in Focus

Physical Risks

In our operations, the majority of employees work in a *physical environment*, which exposes them to various types of risks. To minimize these risks and improve the work environment, we continuously work on developing and strengthening our *proactive safety efforts*.

An important step in this is encouraging employees to report *risk observations*, which allows us to identify and prevent potential hazards before they lead to accidents.

The most significant risks, based on reported accidents and incidents, are:

- Contact with harmful substances (including inhalation)
- Slips, trips, and falls on the same level
- Injury from self-handled objects

When considering potential risks based on reported risk observations, the list includes:

- Contact with electric current
- Slips, trips, and falls on the same level
- Contact with harmful substances (including inhalation)

Management of Chemical Health Risks

Chemical health risks are a natural part of our operations, as we work with products and chemicals that can pose health risks if handled improperly. Each product used undergoes an annual risk assessment and safe handling is documented in clear safety data sheets.

To keep up with developments and capture new legislation or emerging risks, we collaborate with external consultants who monitor particularly hazardous chemicals. These are phased out and replaced with less dangerous alternatives when possible.

Repetitive training on chemical health risks, allergenic substances and the handling of curing agents is provided to employees to raise awareness and safety at work. We also ensure that our transporters and customers receive relevant information on the safe handling of our products. Updated safety data sheets (SDS) are available on our website.

Risk Assessments and Preventive Work

To ensure a safe work environment, regular and comprehensive risk assessments are carried out at all facilities. These are continuously reviewed or updated when changes that may affect safety occur. Work tasks are assessed based on need, and when work is performed by contractors, work permits with associated risk assessments are used to minimize hazards in the workplace.

The IA system is a central part of our safety efforts and is used for reporting and managing work environment-related incidents. Reported incidents are investigated and actions are taken to prevent similar situations from occurring again. All employees are required to report accidents and near misses that occur. This responsibility is crucial to our ability to work proactively and create a safe work environment.

Organizational and Social Risks

A good organizational and social work environment is essential for preventing ill health and creating an effective operation. The *organizational work environment* includes management and control, communication, participation, autonomy, demands, resources and responsibility. The *social work environment* concerns social interaction, cooperation and support from managers and colleagues.

Deficiencies in these areas can lead to ill health, such as stress reactions, sleep disturbances, cardiovascular diseases or depression. Stress can also affect employees' concentration, problem-solving and decision-making, which can reduce work efficiency and create negative consequences for both the individual and the organization.

To counteract this, SMA Mineral has implemented a number of *policies* and *procedures* that address bullying, harassment, gender equality, discrimination and personnel matters. Tools for anonymous and open dialogues are used. We also have a Code of Conduct that applies to both employees and suppliers. This CoC outlines how we should act towards both internal and external stakeholders and is an important foundation for our work in creating a sustainable and healthy work environment.

KPI

	2022	2023	2024	Goal 2025
Conducted Employee Conversations	90%	60%	76%	100%

Photo: Pia Nordlander, Jernkontoret

Collaboration with Bergsskolan in Filipstad

Bergsskolan in Filipstad offers higher education programs for engineers and technicians with a focus on mining and metallurgy. Since its inception in 1830, the school has had a close connection to industry, which benefits both education and future careers.

Through collaboration with various stakeholders, including SMA Mineral, Bergsskolan can expand its reach and actively work to spark interest in technical education among high school students in the region. This collaboration between Bergsskolan and the industry provides students with the opportunity to establish connections with sectors relevant to their studies.

Through site visits, industry lectures, theses and summer jobs, students gain a concrete insight into the professional world. Several of SMA Mineral's current employees have a background from Bergsskolan and today hold prominent roles within the company.


Photo: Pia Nordlander, Jernkontoret

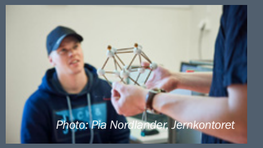


Photo: Pia Nordlander, Jernkontoret

CORE VALUES

SMA Mineral's core values are based on competence, reliability, flexibility and innovation. These principles form the foundation of our brand and guide our policies, including personnel policy, anti-harassment policy, work environment policy and purchasing policy.

The documents emphasize the importance of *complying with laws, regulations*, and *good business ethics*, as well as *combating anti-competitive practices* and *corruption*.

We actively strive to promote ***equality, ethnic diversity*** and the equal worth of all individuals. This is reflected in our operations through an updated code of conduct for all employees. In recruitment, diversity in terms of *age, gender* and *ethnicity* is prioritized when competencies are equal. We offer opportunities for *parental leave* and *leave for child care*, as well as promote a *fair distribution of parental leave*.

With operations in several countries, it is important that we act consistently and ensure compliance with applicable laws and cultural norms, regardless of geographical location. We do not tolerate actions that violate human rights or contribute to child labor or corruption.

We also work to ensure that our suppliers and subcontractors adhere to the same principles and requirements.

Social responsibility/social impact

In SMA Mineral's Code of Conduct, it is stated:

"SMA Mineral is an integral part of the local community and supports various initiatives and projects to contribute to a better society. The company maintains a transparent, honest and open dialogue with stakeholders and authorities within and around the areas where we operate and requires that our suppliers do the same. Community engagement must be carried out in an inclusive, fair, culturally adapted and gender-conscious manner.

SMA Mineral, our suppliers and partners must respect the rights and interests of communities and vulnerable groups when major changes occur in the operations of suppliers and partners.

SMA Mineral respects the rights of indigenous peoples and tribal peoples, as well as their social, cultural, environmental and economic interests, including their connection to land and other natural resources. This also includes the principles of indigenous peoples' and tribal peoples' 'free, prior and informed consent and participation.'"

The operations of SMA Mineral include several different types of activities such as the extraction of limestone and dolomite, the burning of limestone/dolomite/lime mud in lime kilns and the recycling of oil. The company also has its own transport operations that handle part of the transportation within the company. Additionally, the company performs liming of lakes, rivers and wetlands.

The company contributes to vibrant rural communities by providing employment, local tax revenues and collaboration with local organizations. Our products are needed, among other things, for purifying drinking water, enriching soils, addressing acidified environments, as well as for paper production, mining and protecting steel from oxidation in steel manufacturing.

We strive to maintain good communication with nearby residents, the local community and indigenous populations in the areas where we operate. Some of our operations are located within industrial areas, which results in minimal direct impact on neighboring communities and the local environment. However, there are also instances where the operations are located in close proximity to communities.

The negative impact on nearby residents is primarily the risk of noise and dust. Heavy transportation can also pose a risk of disturbance.

Emissions to air and water may have some impact on the local environment due to the release of exhaust gases and pollutants in watercourses. However, the main impact is global, as there is no odor from the exhaust gases and the emissions of pollutants are below established limit values.

Any complaints about the operations from nearby residents are submitted to the supervisory authority. There is also the option to contact the company directly.

EMPLOYEES

EMPLOYMENT

All of our employees have the right to freely join trade unions. SMA Mineral has collective agreements that cover all employees in Sweden, Norway and Finland, ensuring their rights and protection in the workplace. The collective agreements cover 100% of our employees in the Nordic countries.

SALARIES AND EMPLOYMENT CONDITIONS

We ensure that all our employees receive a salary in line with current reference salaries. Offering competitive and fair compensation is crucial for us, both to be an attractive employer and to promote a sustainable and engaging work environment.

We conduct regular salary surveys and market analyses to ensure that our wages are competitive and in line with industry standards. Our work with salary policies and compensation structures is based on principles of fairness, transparency and equality.

All employees are covered by social protection and in 2024, the company did not have any employees with disabilities. SMA Mineral employees are entitled to family leave, which is a fundamental part of our personnel policy. This right is also regulated by applicable labor legislation and our collective agreements.

SMA Mineral strives for fair and transparent salary setting based on a clear salary policy linked to job evaluation per position. We continuously work to ensure that salaries are set based on objective criteria such as responsibility, competence and experience.

When analyzing the gender pay gap within the company for 2024, we used the following calculation method (we only included employees in the Swedish market):

$$\frac{\text{Gross average hourly wage for male employees: 241 SEK} - \text{Gross average hourly wage for female employees: 270 SEK}}{\text{Gross average hourly wage for male employees: 241 SEK}} \times 100$$

Outcome: 12,03%

The company has a higher percentage of women in positions with high complexity, which generates higher wages and impacts the salary structure. This applies to all countries where we have both male and female employees.

We continue to actively work with gender equality issues and fair wage setting, where our salary policy ensures that compensation reflects the demands and complexity of the tasks, regardless of gender.

EMPLOYEES IN THE WORKFORCE WHO ARE NOT EMPLOYED

The company employs a total of 14 consultants (11.9 FTE) to support the business in various areas.

- 9 consultants hired for a specific sustainability project.
- 2 consultants hired for a specific issue requiring specialized expertise.
- 3 consultants temporarily hired to cover needs during recruitment for permanent positions.

EMPLOYMENT TYPE

	Total	Permanent		Temporary		On-demand	
		♀	♂	♀	♂	♀	♂
Sweden	138	116	20	2	-	-	-
Finland	23	18	4	-	1	-	-
Norway	22	18	-	4	-	-	-
Estonia	3	2	1	-	-	-	-
TOTAL	186	154	25	6	1	-	-

DISTRIBUTION OF PERMANENT EMPLOYEES BY AGE GROUP

	Total	<30 year		30-50 year		>50 year	
		♀	♂	♀	♂	♀	♂
Sweden	136	21	2	29	5	66	13
Finland	22	1	1	6	2	11	1
Norway	18	4	-	4	-	10	-
Estonia	3	-	-	-	-	2	1
TOTAL	179	26	3	39	7	89	15

GENDER DISTRIBUTION - COUNTRY

	Total	♀	♂	♀	♂
Sweden	136	116	20	85%	15%
Finland	22	18	4	82%	18%
Norway	18	18	-	100%	-
Estonia	3	2	1	67%	33%
TOTAL	179	154	5	86%	14%

GENDER DISTRIBUTION - MANAGEMENT

	Total	♀	♂	♀	♂
SENIOR MANAGEMENT POSITION	7	5	2	71%	29%
BOARD OF DIRECTORS	5	3	2	60%	40%

EMPLOYEE TURNOVER

In 2024, the *employee turnover rate* was **8.8%**, corresponding to 15 employees.

To compile the data on employee turnover, the following method and assumptions were used:

1. Calculation Method

The turnover rate was calculated by taking the number of employees who left the company during 2024 and dividing it by the total number of employees at the end of 2024.

2. Number of Individuals or Full-Time Equivalents

The reported figures refer to the number of individuals. This means that each employee who left the organization is counted as one person, regardless of their working hours or employment percentage.

3. Time Perspective for Reported Figures

The employee turnover rate is based on the actual outcome at the end of the reporting period, i.e., the end of 2024. It is not an average calculation over the year but a summary of employees who left the organization in relation to the total number of employees at year-end.

Engaged Employees – Our Strategy for Long-Term Success

At SMA Mineral, engaged employees are one of our most important strategic assets. We are convinced that employee engagement is the key to long-term success and a crucial factor in achieving our other strategic goals. To ensure this, we actively work on listening to our employees. We monitor our employees' well-being and gather their opinions on important matters.

In 2022, we implemented *Winningtemp*, an AI-assisted employee survey tool. The tool was rolled out across the entire group in 2023 and has already become a central part of our efforts to create an open and continuous dialogue between managers and employees.

Winningtemp enables anonymous surveys conducted at frequent intervals, allowing employees to respond to questions on areas such as *Leadership, Job Satisfaction, Meaningfulness, Autonomy, Work Situation, Participation, Personal Development, Team Spirit* and *Engagement*.

The responses generate both detailed insights and an overall key metric that summarizes the overall picture of employee engagement and well-being. To understand our position within the industry, the results are indexed and compared with other companies. A value above 1.0 indicates that we are performing better than the industry as a whole.

To further integrate sustainability into our employee engagement efforts, we have added questions in Winningtemp that capture which sustainability issues employees find most significant. The results are presented on a scale from 1 to 10, providing us with key insights into how we can improve our sustainability efforts. In 2024, an average score of 8.3 was achieved for sustainability-related topics, slightly higher than the previous year's 8.2.

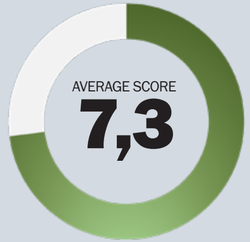
By continuously analyzing this data and engaging in dialogue about the results, we can create an even better work environment that enhances both employee well-being and our long-term sustainability.

How important is sustainability?

Question	Rating
How important is it to you that SMA Mineral provides a safe and secure work environment?	9,2
How important is it to you that SMA Mineral focuses on strong profitability?	8,5
How important is it to you that SMA Mineral reduces waste and minimizes waste generation?	8,0
How important is it to you that SMA Mineral takes social responsibility?	7,9
How important is it to you that SMA Mineral reduces its CO_2 emissions?	7,9

What Our Employees Think

Winningtemp provides an ongoing assessment of how our employees, based on given variables, evaluate their work situation. The results are compared with the industry as a whole, where an index > 1.0 indicates a positive position compared to the industry overall.



LEADERSHIP

JOB SATISFACTION

MEANINGFULNESS

AUTONOMY

WORK SITUATION

ENGAGEMENT

PERSONAL DEVELOPMENT

TEAM SPIRIT

ENGAGEMENT

Reported values from Winningtemp January 1 - December 31, 2024.

Human Rights and Labor Rights

At SMA Mineral, respect for human rights is a fundamental principle that permeates our entire business. Our goal is for all production, from raw materials to finished products, to occur under ethical conditions where the rights of every individual are respected. We actively work to create a work environment that is safe, fair and inclusive for all our employees.

Our codes of conduct follow strict guidelines based on international conventions and agreements that promote human rights and gender equality. All our employees have the right to freely join trade unions, and we have several collective agreements that cover all employees in Sweden, Norway and Finland, ensuring their rights and protection in the workplace.

All employees are guaranteed statutory paid vacation and are entitled to compensation for overtime and work during inconvenient working hours. We strive to create working conditions that support our employees' well-being and development, which means we offer a work environment where health and safety are a priority.

We expect our suppliers, contractors and partners to adhere to the same high standards when it comes to respect for human rights and labor rights. By collaborating with partners who share our values, we ensure that the entire value chain is characterized by ethical working conditions and sustainable business practices.

WE UPHOLD THE FREEDOM OF ASSOCIATION...

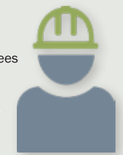
...and do not accept restrictions on employees' right to freedom of association or collective bargaining.

WE UPHOLD HUMAN RIGHTS...

...where internationally recognized rights should be protected and respected. Personal data is handled carefully in accordance with laws and regulations such as GDPR.

WE PRIORITIZE A SAFE WORK ENVIRONMENT...

...and the health and safety of employees are at the center. In our workplaces, everyone should be involved in health and safety work and take responsibility for ensuring that guidelines and workplace rules are followed.



WE DO NOT ACCEPT CHILD LABOR

All forms of violence, coercion or exploitation of children are unacceptable. Employees under the age of 18 must be specially protected from hazardous tasks that pose a risk to health and safety, such as night work.

WE STRIVE FOR EQUAL TREATMENT AND DIVERSITY...

...and the equal value of all people. Everyone should have the same rights and opportunities regardless of gender, gender identity or expression, ethnicity, religion or belief, disability, sexual orientation or age.

WE DO NOT ACCEPT DISCRIMINATION

There is zero tolerance for harassment, bullying and discrimination. We have a responsibility to prevent, stop and take action. All employees and business partners who witness or suspect violations are obliged to report this.

WE UPHOLD FAIR EMPLOYMENT CONDITIONS...

...and do not accept conditions that fall below national and local laws or the ILO's core conventions. Signed collective agreements must be respected and followed. Working hours and minimum wages must comply with national laws in the country where the product is manufactured or the service is provided.

WE DO NOT ACCEPT FORCED LABOR OR DEBT BONDAGE...

...work must be voluntary. Personal documents and belongings must not be confiscated. Employees must be free to leave the workplace after completing their shifts. Illegal labor must not be used.

KPI

	2022	2023	2024	Goal 2024
Human rights	0/0	0/0	0/0	0
Freedom of association	0/0	0/0	0/0	0
Forced and bonded labor	0/0	0/0	0/0	0
Child labor	0/0	0/0	0/0	0
Harassment or discrimination	0/0	0/0	0/0	0
Equal treatment and diversity	0/0	0/0	0/0	0
Health and safety				
FR-LTI*	9,62	11.87	9,72	<7
LWR**	26,66	11,28	38,23	-
Fair working conditions	0/0	0/0	0/0	0

For all items (excluding Safe working environment and health), the KPI is the number of reported cases divided by resolved cases.

** Number of workplace accidents with sick leave per 1,000,000 hours worked*
*** Number of lost workdays per 200,000 hours worked*

Secure and Engaging Workplace

A safe workplace with a good working environment promotes well-being and engagement among employees, which is crucial to achieving the company's strategic goals. To structure our health and safety efforts, we follow ISO 45001 although we are not yet certified. The foundation consists of systematic health and safety management, where we regularly conduct safety rounds, employee surveys (Winningtemp), workplace meetings and performance reviews.

Employees are encouraged to report risk observations, enabling proactive measures to be taken before accidents occur. Risk assessments are carried out both at the facility level and for specific tasks. Special attention is given to risk assessments for external contractors' tasks, where risks are identified and managed through work permits with joint risk assessments.

An external party reviews the risks associated with our products, handled chemicals, and potential chemical hazards annually. Hazardous substances are monitored and systematically phased out.

Measures are prioritized based on reported risks, focusing on the most severe and easily implementable actions. Follow-up is ensured through responsible personnel at the facility and through the safety representative's checks.

An annual follow-up is conducted using a questionnaire, where managers and employees assess the health and safety efforts. The results are weighted for measurability and provide insights into development and improvement areas, both locally and within the group. Through this systematic approach, we are gradually creating a safer workplace.

Safety Committee

The group has two safety committees; one in Finland that handles national health and safety issues and one in Sweden that is responsible for both national and group-wide issues. This allows for consistent health and safety efforts in all countries, with the goal of ensuring no one is harmed or unwell at work.

The safety committees are composed in a way that ensures all operations are represented. The Swedish committee also includes members from Norway and Finland.

KPI

	2022	2023	2024
Reported risk observations	350	200	83

The safety representatives play a central role as they are close to the risks and can gather employee feedback which strengthens the health and safety efforts.

Technical Service and Safety Focus

SMA Mineral's *Technical Department* consists of project engineers with various specialties who provide technical services within projects, production development, maintenance, as well as electrical and automation expertise. The operations are driven by investments, renovations development projects at the company's production facilities and customers' plants. The project engineers work customer-oriented handling development, design, investigations, cost estimations and, when needed, act as project managers.

The Technical Department sees themself as ambassadors for safe workplaces and leads by example by always using personal protective equipment and following safety regulations – requirements that are also imposed on contractors in the projects.

Investment projects are characterized by systematic health and safety efforts through work environment plans, risk assessments, safety rounds and risk observations. The department also conducts CE marking to ensure that EU standards for health, safety, and environmental protection are met, which is an important part of creating a safe working environment.

Safety and Health Focus for Our Drivers

The company actively works to improve the safety of our drivers. The use of personal protective equipment is a given and we ensure that all drivers have the correct equipment and knowledge of customer facilities to minimize risks in their work.

During unloading and loading, it is mandatory for drivers to carry eyewash for quick action in case of an accident. Since drivers may be exposed to dust from burnt and slaked lime, their regular health checks have been supplemented with spirometry, which has been well received.

To strengthen the safety culture, we review instructions and procedures to ensure they are clear, regularly updated and communicated to the drivers. Through continuous training we ensure that safety awareness remains high. The goal of creating a safe and healthy work environment where safety always comes first includes, of course, our drivers.

Occupational Health Services

The group's operations in Northern Europe are connected to *occupational health services* where regular health checks are conducted. Employees exposed to specific risks also undergo medical checks according to prescribed or statutory intervals.

Occupational health services also provide access to external expertise in areas where internal competence is lacking.

Minimizing the number of accidents

SMA Mineral works actively to minimize the number of accidents. This is an important challenge as we operate in a high-risk industry and have many production facilities with a wide geographical spread.

Personal Protective Equipment

We prioritize eliminating or mitigating risks, but in many situations personal protective equipment is still a necessity.

The need for personal protective equipment varies depending on the role and task, but the company funds and provides the required protective and safety equipment to ensure that employees can perform their tasks safely.

In 2024, a review of local personal protective equipment regulations at our production facilities was carried out. This led to the establishment of a group-wide minimum standard for protective equipment.

Safety through Knowledge

Upon recruitment, health and safety are a central part of the induction process. It is essential that employees gain knowledge of the risks they may be exposed to and how they can protect themselves to work safely. No one under the age of 18 is allowed to work in a production environment or at locations where risks are present.

To ensure basic competence in health, safety, and the work environment, we use SSG's (Standard Solution Group) basic course, which is valid for three years. On some sites, additional local safety training is required.

As a company setting requirements with SSG, we expect contractors working with us to provide valid SSG certificates in accordance with our requirements. When purchasing services and projects, there are specific procedures for coordination and safety regulations, in addition to the local safety rules that must also be followed.

A key group is our drivers, who transport products to customers. To support them, we have developed a *driver's manual* that outlines risks and guidelines for emergency situations. In 2024, a digital daily inspection for bulk trucks was introduced to simplify documentation and further enhance safety through faster communication in case of any deficiencies. Through the SSG Supplier service, our sales engineers and logistics department, including drivers, gain a good understanding of safety and procedures when visiting our customers, while customers also have the opportunity to assess us as suppliers, among other things, based on how we work with health and safety.

The health and safety of our customers and suppliers are also prioritized. By having up-to-date safety data sheets in several languages, we inform about potential risks, recommended protective equipment and handling instructions in case of spills or fire.

European Lime Association

To leverage the collective experience of the industry, SMA Mineral is an active member of the *Safety Task Force*, a working group within *EuLA* (European Lime Association), where Europe's leading companies in the lime industry collaborate. Within EuLA, there is openness regarding accidents, incidents, preventive measures, and innovative safety solutions.

The Safety Task Force meets at least four times a year and annually organizes a safety seminar somewhere in Europe.

During the seminar, tools and materials developed to reduce accident risks are presented. Participants also have the opportunity to visit a production facility at the host company. Employees from EuLA member companies are welcome to participate in the safety seminar.

Safety in Numbers

The Group tracks the development of accident statistics – including employees, temporary workers, and contractors – and compares the results with European industry peers.

A key measure is *FR-LTI* (frequency of accidents with sick leave per 1,000,000 working hours), where the Group's target is to keep the number below 7. This is a challenge as we have many smaller production facilities and operate in an industry with many risks. The total number of hours worked per year within the Group significantly affects the LTI target, as more than two accidents with sick leave will cause the target to be exceeded. Our long-term ambition is to become accident-free.

We also measure *LWR* (the frequency of lost workdays per 200,000 working hours) resulting from accidents. While there is no specific target for LWR, it provides an indication of the severity of accidents with sick leave. In 2024, the FR-LTI was 9.72, which corresponds to three accidents with sick leave and resulted in an LWR of 38.23, equivalent to a total of 59 sick days (54+3+2).

The total number of accidents in 2024, including both employees and contractors, was 13 (11+2). Of these, 1 case was reported to the Swedish Work Environment Authority (Arbetsmiljöverket). The number of near misses, where no one was injured but an accident could have occurred, was 18 of which one was assessed as serious and was also reported to the Work Environment Authority. After the Swedish Work Environment Authority reviewed our investigations and risk-reducing measures, the cases were closed without further requirements.

Plans for 2025

In 2025, we will actively work to improve our reporting of accidents and near misses, as the results, especially regarding near misses, suggest a significant underreporting. The focus will also be on speeding up the handling time of reported incidents. Additionally, we will improve internal communication about incidents to enable preventive measures at all operational sites where similar events could occur.

KPI

INCIDENTS

	2020	2021	2022	2023	2024	Goal 2025
Fatalities	0	0	0	0	0	**0**
***FR-LTI**	9,76	6.24	9,62	11,87	9,72	**<7**
****LWR**	6,51	3.12	25,66	11,28	38,23	-
Number of accidents with sick leave	3	0	3	4	3	-
Total number of accidents	30	14	18	26	13	-
of which number of accidents reported to the Swedish Work Environment Authority	0	1	2	0	1	-
Total number of near misses	39	31	13	32	18	-
of which number of near misses reported to the Swedish Work Environment Authority	0	2	2	1	1	-

**FR-LTI (Frequency of accidents with sick leave per 1,000,000 working hours)*
***LWR (Frequency of lost workdays per 200,000 working hours)*



Education

At our production facilities there are a variety of risks which makes training for both employees and contractors a crucial part of our safety work.

In Sweden, we are connected to SSG (Standard Solutions Group) as a demanding company. This means that we can require suppliers and contractors working at our facilities to have completed an approved online course covering basic knowledge of health and safety regulations. To ensure a high safety standard internally, we also ensure that our own employees in production, logistics and management have at least the same level of competence.

Many of our employees have tasks that require specific training. For example, this can include training on chemical health risks, hardeners, and allergens. These courses provide insight into potential risks and how, through the use of personal protective equipment and safe work routines, products and chemicals can be handled safely.

To ensure that all employees have the necessary competence for safe work, an individual development plan is created annually based on a competency matrix. In this way, the need for various types of training is identified such as operator certification for wheel loaders, forklifts and other machinery, hot work, mobile work platforms, fall protection, ADR, safe lifting, D-HLR, ATEX and handling of flammable/explosive goods.

However, training is not just about specific courses. It also includes the opportunity to develop new tasks and work methods. We closely monitor individual competency development and aim to achieve 100% completion of planned actions. In 2024, we worked on mapping out the competencies and training required for different roles, as well as determining the intervals at which they should be repeated, if not already specified by legal requirements.

Training and validity periods will be implemented in our HR system in 2025, so that managers with subordinate staff can ensure that employees' planned training is carried out according to plan.

**Higher number of hours per female employee due to new recruitments (introduction)*

***Non-employees (hired through staffing agencies, self-employed, consultants) who join as resources for special assignments. This group also includes interim solutions for positions that require a longer introduction.*

COMPETENCY DEVELOPMENT PLAN

KPI

	2022	2023	2024	Goal 2025
Individual competency development plan	88%	42%	76%	**100%**

TRAINING HOURS/EMPLOYEE

KPI

Employees				
Men	Women*	Total emp.l	Non empl.**	Total (empl.+non empl.)
18,7	32,2	20,6	40,4	22



Our Responsibility to the Local Community

At SMA Mineral, we see *sponsorship* as a positive tool to support sports teams and non-profit organizations in a reasonable scope.

We prioritize being visible in locations where we or our customers are active, focusing particularly on youth activities and organizations whose policies and values align with our own.

Every year, we donate an amount to *charitable causes*. In 2024, our donation went to *SOS Children's Villages*.

Our *wellness policy* is designed to promote healthier and more motivated employees, which benefits both the individual and the company. Wellness is an important part of our overall work environment and should be integrated into all aspects of the workplace.

To prevent ill health and long-term sick leave, we carry out active wellness initiatives and positive employee measures. We strive to create an inclusive workplace where individual needs are taken into account.

We view wellness from the perspective of choice, voluntariness, privacy but also motivation and encouragement – factors that play a crucial role in promoting the health of our employees. Wellness should encourage both individuals and groups to take their own initiatives to improve their well-being.

Our goal is for employees to achieve and maintain physical, mental and social well-being – to feel good both at work and in their personal lives. To support this, we offer a generous annual *wellness allowance* that employees can use for activities that promote their health and well-being.

We are happy to focus on youth activities in non-profit organizations in areas where we are active.

OUR POLICIES

Policy	Summary	Activities/Follow-up 2024
Code of Conduct	The foundation of the Code of Conduct is SMA's values, which guide us in everything we do. Our Code of Conduct is based on the UN Global Compact and its ten principles in various areas.	Both the *overarching Code of Conduct* (CoC) and the *CoC for suppliers* were updated in 2024. Planned for 2025 is the creation of digital signatures for internal CoC via the HR system.
Code of Conduct for Suppliers	It is based on and harmonizes with the company's overarching Code of Conduct.	Both the *overarching CoC* and the *CoC for suppliers* were updated in 2024. Ensure that the Code of Conduct aligns with, follows and refers to the *Global Compact*. Work to ensure that all critical and strategic suppliers sign the Supplier Code of Conduct.
Anti-Discrimination Policy	This policy aims to ensure good working environments within SMA Minerals' operations by promoting and clarifying the fundamental principles regarding respect and diversity to prevent all forms of discrimination or harassment.	Use of tools like *Winningtemp* to identify experiences perceived as discriminatory. Employee discussions are a good forum to raise concerns about perceived discrimination as it is a confidential conversation between the manager and the employee.
Wellness Policy	SMA Minerals' wellness policy aims to create a healthier and more motivated workforce. Wellness should be an integral part of the overall view of the workplace and all aspects of the work environment.	Generous wellness benefits with various local solutions. Encourages and sponsors participation in activities and competitions. For example, two teams participated in the Stafettvasan relay race.
Equality and Diversity Policy	Equality means that everyone has the same rights, opportunities and responsibilities regardless of origin, gender, sexual orientation, religion, etc. Equality and diversity are natural elements in our operations, e.g., in recruitment and competency development.	The group and our employees work for gender equality, ethnic diversity and the equal value of all people. Managing the effects of male-dominated workplaces. Ensure that work clothes in women's models are offered. Ensure facilities that makes everyone feel included.
Compensation Policy	The compensation policies describe the company's view that compensation should be determined based on an objective and consistent approach. This is to create trust in the compensation model.	Annual salary surveys, internal reviews, salary analyses as well as ongoing reviews of job evaluations. Ensure that no unjustified wage differences exist.
Personnel Policy	The purpose of the personnel policy is to create a work environment within SMA Minerals where all employees can find their work interesting and stimulating. Increased job satisfaction leads to increased efficiency and increased profitability for the company. A profitable company is a prerequisite for secure employment.	Regular health checks for all employees, as well as medical checks for employees who may be exposed to specific risks. The Manager's Handbook and the Employee Handbook were launched in 2023 and developed in 2024 to increase HR competence within the group. Ongoing employee discussions and individual competency development plans. Implementation of the HR system is planned for 2025. This is to support personnel-related processes.

OUR POLICIES

Policy	Summary	Activities/Follow-up 2024
Policy on Giving and Receiving Bribes	The purpose of the policy is to inform all employees within the company about the company's stance on giving and receiving bribes, as well as the consequences for those who violate these guidelines. Neither giving nor receiving bribes is permitted within the company.	Updated CoC in 2024. Ongoing management and follow-up via whistleblowing.
Travel Policy for Business Trips	The purpose of the travel policy is to serve as a guiding tool for environmentally friendly, efficient, and safe travel.	
Company Car Policy	The company car policy provides guidelines and responsibilities regarding the acquisition and use of company cars, ensuring that this is done with consideration for the environment, traffic safety and cost efficiency.	Only electric vehicles are allowed for company cars/benefit cars. Charging stations have been installed at all operational sites.
Business Policy • Leadership and Commitment • Quality • Environment • Health and Safety • Sustainability • Energy	The business policy describes how SMA Mineral responsibly engages with its stakeholders and the surrounding world. It covers areas such as quality, environment, occupational health and safety, leadership, sustainability and energy. The policy emphasizes that we should view all operations from a sustainability perspective, from raw materials to final products, in order to minimize environmental impact at all stages.	Four new strategic goals within personal safety, corporate culture, biodiversity and ensuring critical raw materials. Initiated a joint leadership platform. Energy mapping of essential facilities. Initiated several major improvement projects within health and safety.
Whistleblower Policy	The purpose of this policy is to ensure that employees feel safe and confident in reporting misconduct and serious incidents related to the company without fear of negative consequences. Employees should feel that their reports made under this whistleblower policy are taken seriously and handled professionally and confidentially.	Whistleblowing is open to both internal and external stakeholders and can cover any type of wrongdoing. A group has been appointed to investigate and manage any whistleblowing reports.
Policy on Harassment and Bullying	SMA Mineral disapproves of all forms of discrimination, harassment and bullying and is committed to effectively working against such behavior in the workplace.	Zero tolerance applies and discriminatory treatment and harassment are discussed during employee reviews. Issues can also be identified through Winningtemp and/or the whistleblower system.

CONTENT

RESPONSIBILITY FOR THE ENVIRONMENT AND CLIMATE

The environment is a key issue that runs throughout our entire value chain, from extraction and transportation to control and management of processes at our facilities. The most significant environmental impact in our facilities that produce burnt products is CO_2 emissions. Therefore, we have set ambitious goals to halve these emissions by 2030 as part of our future concept, ZEQL.

	FOCUS AREAS	MATERIAL ISSUES	GOALS/KPIs	ACTIVITIES 2024	PLANS FOR 2025
Environment/ climate	**Environment**	E1 Energy E1 Climate adaptation E1 Climate impact E2 Air pollution	Reduced environmental impact through reduced CO_2 emissions	Reporting of ZEQL roadmap Commenced replacement of work vehicles and company cars with electric vehicles	In accordance with Roadmap 2020-2030 Continued replacement of work vehicles and company cars with electric vehicles
		E4 Biodiversity	Integrated biodiversity in operational changes	Marl spread in the Baltic Sea Sampling conducted in 2023. Evaluation in 2024 with positive results	Launch projects that can quantify and measure biodiversity and its change over time, using CLIMB
		E5 Resource inflows	Increased resource efficiency Circular Economy	Work on developing key figures and monitoring has begun	Continued work on key figures
		E5 Efficient material use		Carbon Capture pilot project, CO2 Hub Nord in Mo i Rana, concluded with positive results in CO_2 capture SMA participates in a research project to find new disposal areas for by-products	In accordance with Roadmap 2020-2030 Ongoing work to identify products where by-products and waste materials can be used, both internally and in research projects

Our Responsibility for Climate and Environment

SMA Minerals' products are necessary and have a positive impact on the environment. At the same time, we consume natural resources, leave an imprint on the land and biodiversity and release environmentally harmful gases from our processes. To reduce our climate footprint, we work hard and purposefully to optimize our use of materials and energy. We have also set an ambitious roadmap to halve emissions from the production of fired products.

Our environmental work is governed by an overarching business policy that includes environment, *quality, health* and *safety.*

SMA Mineral is certified according to ISO 14001. We continuously work to prevent environmental risks and minimize our impact on the climate and environment by using the best available technology (BAT) and methods within the cement and calcium industries. We also work to phase out products that are harmful to health and the environment, increase resource efficiency and minimize our carbon emissions.

The scope and methods of mining and lime burning are risk-assessed with regard to environmental impact. Local sites where raw materials are processed, such as crushing, grinding, burning and quenching, are also tested and risk-assessed in the same manner. Risk assessments are evaluated and updated regularly, as well as during major changes.

Svensk Oljeåtervinning AB

SMA Mineral includes *Svensk Oljeåtervinning AB*, a wholly owned subsidiary that receives waste oil for processing.

The waste oil primarily comes from shipping, industries, tank cleaning and decontamination companies. Oil products are also collected from local collectors, car workshops and municipal recycling stations.

The delivered oil is collected in a reception tank via a filter. Sedimentation and separation of oil and water are carried out using heat and gravimetric separation. Ongoing analysis is performed to determine the water content and when the oil can be considered fully processed. Water and untreated oil are pumped into a storage tank, from which water is pumped to its own water treatment plant or unloaded for external water treatment. Processed oil is pumped to the finished goods warehouse, from which the final product (CEO) is loaded out for customers. Parts of CEO are classified as bio-oil and are used internally within SMA at some of our facilities to power the lime kilns.

By recycling and purifying waste oil, the amount of waste is reduced and the use of new oil is minimized, which is beneficial from a sustainability perspective. Additionally, the use of bio-oil allows the company to reduce CO_2 emissions.

Assessment according to Ecovadis

For several years, we have been using EcoVadis, the world's largest provider of sustainability ratings, to measure our sustainability efforts.

SMA Minerals' long-term sustainability work has been recognized with the ***EcoVadis bronze medal***. According to the award, SMA Mineral is positioned among the top 35 percent of best-ranked companies in our industry worldwide.

The evaluation from EcoVadis helps us understand which parts of our sustainability work are strong and which areas we need to improve. The goal is, of course, to further improve in the next evaluation.

EcoVadis' methodology is based on various criteria from international sustainability standards, including the *Global Reporting Initiative, the UN Global Compact* and *ISO 26000*.

EcoVadis is a globally recognized assessment platform that evaluates companies' sustainability based on four key categories: environmental impact, labor and human rights, ethics and procurement practices.

Photo: Prosystems

Environmental Permits

SMA Minerals' operations are governed and regulated by environmental permits issued by national environmental authorities. The permitting processes always involve a review process as well as an assessment process.

Environmental Impact Assessment

The review process includes the preparation of an *environmental impact assessment*, which is approved by the County Administrative Board after stakeholders have had the opportunity to provide feedback. Prior to the preparation of the environmental impact assessment, a *consultation document* is created that describes the planned operations.

Stakeholders, interested parties and other affected individuals (e.g., local residents, minority groups and indigenous people) are invited to a *consultation* where the planned operations are presented. Consultation is also conducted with local associations, municipalities, authorities and interest groups. They are also given the opportunity to review the document and submit their comments in writing. The feedback collected during the consultation is summarized and taken into account when preparing the environmental impact assessment.

The environmental permit includes a description of the operations, the conditions that must be met and measurements, sampling, and monitoring requirements that the production facilities must follow. Measurements and monitoring may include sampling of groundwater and surface water as well as measuring air emissions.

The requirements in the environmental permit are based on investigations, sampling, consultations with nearby residents, stakeholders, indigenous populations, authorities and environmental organizations that occurred during the permitting process.

Measurements/controls, in addition to regular sampling, may include noise measurements. It may also be required for the operation to control invasive species found within the operational area.

All measurements and sampling are reported in the annual *environmental report*. Any elevated measurement values above applicable guideline values and breaches of conditions under the environmental permit must be reported to the supervisory authority.

The supervisory authority conducts regular inspections to ensure that the operations are carried out in accordance with the applicable permit. They may also make additional visits if there are elevated measurement values or complaints from nearby residents. If they find any deviations from the environmental permit, they may issue an enforcement order.

After the operation has ceased, the area must be restored and the method and manner of restoration are described in the environmental permit. The limestone quarries are often filled with water after mining has ended. The environmental permit also describes how monitoring should be conducted after closure. Funds for restoration are set aside in a fund, which is also a condition specified in the environmental permit.

Control Program

The *control program* outlines which measurements and sampling should be carried out, as well as when, where and how. Results from measurements and sampling and how the company meets the conditions are reported to the supervisory authority in the annual environmental report. These are also followed up by the supervisory authority during inspection visits.

Two of our facilities are also *SEVESO facilities* of the lower tier. This places particularly high demands on knowledge, risk assessments and a tailored emergency preparedness plan, which is described in an action program for the facility. Special inspections are conducted at SEVESO facilities in accordance with the requirements of the Seveso Directive.

Deviations in Relation to Environmental Permits

Our operations are permitted, and we have established limit values set by authorities.

Any disturbances are usually local and temporary, with no risk to humans or the environment. Therefore, they should be considered less serious. Occurring emissions are measured and compared to reference documents regarding best available technology (BAT) conclusions for the cement and lime industry.

Deviations that occur are followed up and corrected with relevant countermeasures as soon as possible, including when limit values cannot be temporarily met. All deviations, when limit values cannot be temporarily met, are reported to the supervisory authority and documented in the annual environmental report.

In 2024, there were no violations in relation to our permits.

Management of Emissions and Pollutants

At SMA Mineral, there is no handling of substances that *contain* or *generate microplastics*, meaning there is no risk of microplastic emissions from the company's operations.

Risk assessments for emissions of pollutants from the company's operations are carried out in connection with the application for *environmental permits*. The environmental permit establishes emission limit values for air, soil and water. Based on the environmental permit, a *control program* is established.

Air emissions – minimization of harmful air pollutants

The burning of limestone and dolomite results, in addition to carbon dioxide emissions into the atmosphere, in emissions of air pollutants such as *sulfur dioxide, nitrogen oxides, carbon monoxide, hydrocarbons, heavy metals* and *dioxins*. Our plants operate around the clock, 330-365 days a year.

Each plant has an environmental permit in which the air pollutant emissions are risk-assessed and compared to *air quality standards*, best available technology (BAT) conclusions for the cement and lime industry and, where applicable, for waste incineration plants.

Lime is burnt in lime kilns. The kilns are equipped with filters that capture the majority of the air pollutants.

Filter replacement is carried out according to a predetermined schedule. The replaced filters are disposed of as hazardous waste and handed over to a waste contractor for proper handling. There is also an integrated warning system that alerts when the amount of air pollution passing through the filter exceeds established limit values, which may be due to broken or clogged filters. Any violations of established limit values must be reported to the supervisory authority.

Emissions are monitored annually by an authorized measurement technician. The results of the measurements are reported to the supervisory authority through the annual environmental report.

At one of our facilities, flue gas cleaning is done in water instead of using filters. By directing the flue gases into the process water, the pollutants are sedimented and neutralized. The process water is directed through basins before it flows into natural watercourses. This reduces the amount of air pollution. The plan is to have another facility implement flue gas cleaning in water by 2025. During 2024, we have met the conditions for each production unit.

The company's goal is for all facilities to comply with BAT conclusions regarding emissions and energy consumption during normal operation, as prescribed by the *Industrial Emissions* Directive.

The number of operational disturbances in treatment plants that result in temporary exceedances of limit values should, according to the group's overall goal, be fewer than 3 per year (the number refers to all the group's facilities).

All facilities meet BAT conclusions regarding specific energy consumption and emissions. A scrubber in the lime slaker at Rättvik's lime plant has an exemption from the particle emission requirements, with a new limit of 50 mg/Nm^3 effective from July 1, 2019, until further notice or until new BAT conclusions are developed.

Use of Water and Discharges to Water

In our quarries, an inflow of water occurs, which can be seen as a water withdrawal in the operation, even though this is not the intention. The water is pumped out and released into nearby ponds. The relevant environmental permit describes how this should be carried out. Often, it also regulates the amounts that can be pumped and any limit values.

In SMA Minerals' processes, water is used for irrigation or washing the stone, as well as for slaking burnt lime. When slaking lime, the water reacts intensely with calcium oxide, which results in no wastewater being formed during the slaking process, only water vapor. Water is drawn from company-owned wells, nearby watercourses, or the municipal water supply network. The company's goal is to minimize water consumption and to reuse water when technically possible.

The management and handling of water and discharges to water are defined by site-specific environmental permits. Based on the environmental permit, a control program is developed, which must be approved by the supervising authority. The control program includes quantity and quality measurements from, for example, discharge water, ground water, and surface water, as well as set limit values/reference values.

The parameters we regularly monitor are the *amount of discharged water, pH levels, groundwater levels, concentrations of metals, minerals, other hazardous substances,* and *hydrocarbons*. Water samples are analyzed at an accredited laboratory. Violations of established limit values must be reported to the supervisory authority. The results of the measurements are compiled and reported to the supervisory authority through the annual environmental report. No violations of limit values have occurred during the year.

After the quarries have been closed, they often fill with water over time. The environmental permit and the site-specific closure plan define how the filled water is monitored after the mine has been closed.

At some of the facilities, *household wastewater* (sludge from septic tanks) is also produced and directed to the sewage network or, in some cases, to an underground sealed well. Waste management companies regularly empty the wells and deliver the household wastewater for appropriate treatment.

Svensk Oljeåtervinning

For each delivery of waste oil, sampling and analysis are conducted regarding PCB, chloride content and water content. The water separated from the oil is pumped to a water treatment plant. The plant is designed to meet the latest BAT requirements for emissions to the receiving environment. Continuous sampling is performed on the outgoing water from the treatment plant regarding *COD*. Sampling for *BOD, phosphorus, Microtox, PFAS, oil index* and *metals* is carried out according to the approved monitoring program. The samples are analyzed at an externally accredited laboratory. The analysis results fall well below the established limit values.

Treated water that does not meet the discharge limits is recirculated via an intermediate storage tank.

Emissions/Contamination to Soil

The operations conducted by SMA Mineral pose very little risk of soil contamination. Stockpiles of limestone or lime mud do not contain substances that pose a risk of soil contamination.

Svensk Oljeåtervinning receives waste oil by tank trucks or ship, which is pumped to reception tanks where sampling is performed before further treatment. All oil treatment occurs in a protected and closed system. Loading and unloading areas are paved, with connections to oil separators. The water fraction from the

oil separator is connected to the Västerås port system for oily water. The oil fraction is pumped to Svensk Oljeåtervinning reception tanks. All oil treatment occurs in a closed system in a facility with the capacity for containment. Svensk Oljeåtervinning AB is a *SEVESO facility* of the lower tier, which means specific requirements for risk assessments and emergency preparedness.

The treated oil is pumped to storage tanks located outdoors. Oil storage tanks are also present at several other facilities within SMA Mineral. All tanks are inspected, placed on hardened surfaces, equipped with collision protection and are either double-walled or have containment protection to reduce the risk of soil contamination.

Emergency preparedness procedures are in place and facilities with oil storage tanks have spill response equipment in case of a leakage. In the event of a spill, the regulatory authority must be notified.

Greenhouse Gas Emissions

When carbonate minerals such as limestone and dolomite are processed into quicklime and burnt dolomite, large amounts of carbon dioxide are released into the atmosphere — both from the raw stone material and the fuels used in the process.

SMA Mineral is one of the largest emitters of carbon dioxide in Sweden. This brings a great responsibility to find new solutions that reduce our emissions.

The majority of CO_2 emissions in our operations come from the production of quicklime, which involves the breakdown of carbonates and the combustion of fuel in the kiln. Smaller CO_2 emissions also come from vehicles and machinery used at our facilities. The production of quicklime accounts for approximately 95% of our emissions, which is why we focus on reducing specific emissions from this production.

Emission reductions will be achieved through new technology, such as the *ZEQL concept*, *the CCU project* and by *switching to bio-based fuels* with lower emissions. The SMA Mineral management team has set a strategic goal to reduce carbon dioxide emissions by 50% by 2030.

The production of burnt products (BRP) amounted to 463 ktons in 2020. Since the produced volume of burnt products varies annually, carbon dioxide emissions are calculated in tons of CO_2 per ton of BRP. Based on the 2020 fossil-based production, this corresponds to 1.05 tons of CO_2 per ton of BRP. A 50% reduction in CO_2 would result in emissions of 0.53 tons of CO_2 per ton of BRP by 2030.

SMA Mineral operates within the EU-wide Emissions Trading System (ETS) for greenhouse gases. Local facilities are allocated emission allowances based on historical production levels. In 2024, SMA Mineral Northern Europe emitted 374 ktons of fossil carbon dioxide from the production of burnt products, of which 246 ktons originated from raw stone material. The share of biofuels used during the year was 3%. CO_2emissions are verified through external audits before final reporting to the relevant authorities in the countries where the group operates.

Carbon dioxide emissions from lime product production are reported under *Scope 1*.

Transport

The transport and delivery of products under our own management are carried out using vehicles with the highest environmental classification at the time of purchase. All vehicles meet the EURO 6 environmental standard and can be powered by biofuel HVO100. These vehicles are more efficient and have a capacity for weights up to 70–74 tons. They are permitted to operate on BK4 roads.
Goal for 2025: To run on 20% HVO.

Energy from Various Fuels

The group uses significant amounts of energy in the form of different fuels. In 2024, these primarily consisted of fossil residual gases from nearby operations, as well as heating oil and recycled waste oils containing traces of biogenic carbon and coal.

Significant amounts of electrical energy and input heat in the form of steam are also required to operate the processes.

In Sweden and Norway, only green electricity is purchased and used, resulting in zero fossil CO_2 emissions. SMA Mineral is subject to the *Energy Mapping Act* and reports energy consumption and opportunities for energy efficiency improvements to the Swedish Energy Agency.

The tables below show energy usage and energy mix for 2024, in accordance with disclosure requirement E1-5.

ENERGY MIX 2024

Energy Usage		MWh
a.	Total energy usage from fossil sources	428 605
b.	Total energy usage from nuclear energy sources	880
c.	Total energy usage from renewable sources, broken down as follows:	
c-i	Fuel consumption from renewable energy sources, including biomass (including industrial and municipal waste of biological origin, biofuels, biogas, hydrogen from renewable sources, etc.)	43 892
c-ii	Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources	31 910
c-iii	Consumption of self-produced renewable non-fuel energy	0

Energy Mapping

SMA Mineral has conducted energy mappings for all ETS-related facilities as well as a representative selection of other facilities in Sweden, Norway and Finland. The most recent energy mapping for all ETS-related facilities was carried out in 2024.

The ongoing energy crisis has led to significantly increased production costs and challenges in fuel supply, particularly for biofuel used in green burnt lime. Efforts to secure the availability of biofuel in collaboration with various stakeholders are ongoing. At the same time, the availability of recycled fuels has slightly decreased.

SMA Mineral has investigated various options to replace fossil fuels with bio-based alternatives, such as bio-oil, pyrolysis gas, syngas from forest residues, hydrogen, pellets, wood powder and biochar derived from sources like orange peels and sewage sludge. Additionally, lignin, biogas and pyrolysis oil are being evaluated as potential fuel sources.

According to the 2020–2030 roadmap and the new ZEQL technology, the company plans to implement electric calcination using plasma technology, powered by green electricity.

EMISSIONS OF CO_2

	2022	2023	2024
Direct Total CO_2 Emissions *(ktons)*	552	524	402

Note: *Includes direct fossil and biogenic CO_2 emissions from raw materials and fuel used in the production of burnt products (quicklime and burnt dolomite), as well as CO_2 emissions from own transportation of sold products and CO_2 from Yellow vehicles.*

	2022	2023	2024
Biogenic CO_2 Emissions *(ktons)*	53	29	28

Note: *Includes direct biogenic CO_2 emissions from fuel and raw materials used in the production of burnt products (quicklime and burnt dolomite).*

	2022	2023	2024
CO_2 Emission Intensity *(tons CO_2/ton burnt product)*	1,16	1,13	1,07

Note: *Covers the intensity of direct fossil and biogenic CO_2 emissions related to the total production of burnt products (quicklime and burnt dolomite).*

ENERGY CONSUMPTION / NON-RENEWABLE

	2022	2023	2024
Internal Energy Consumption from Non-Renewable Fuels *(MWh)*	502 981	563 889	428 605

Note: *Total energy usage from fossil sources.*

ENERGY CONSUMPTION / RENEWABLE

	2022	2023	2024
Internal Energy Consumption from Renewable Fuels *(MWh)*	88 611	43 056	43 892

Note: *Fuel consumption from renewable energy sources, including biomass (such as industrial and municipal waste of biological origin, biofuels, biogas, hydrogen from renewable sources).*

ENERGY USAGE / NET REVENUE

	2022	2023	2024
Total Energy Usage* *(MWh)*	573	483	440
Net Revenue *(MSEK)*			

**All SMA operations are part of sectors with high climate impact.*

GREENHOUSE GAS EMISSIONS / NET REVENUE

	2022	2023	2024
Total Greenhouse Gas Emissions *(kton)*/ **Net Revenue** *(MSEK)*	535	417	375

Other Activities to Reduce CO_2 Emissions

SMA Mineral has set an overarching goal to halve carbon dioxide emissions by 2030. This requires significant investments at our facilities in the coming years. In addition to the activities linked to our overall roadmap and ZEQL concept, we are also exploring other ways to indirectly reduce our emissions.

1 Electric Work Vehicles

The transition to electrified work vehicles began in 2023, and in 2024, the company purchased and deployed its first electric work vehicle. The plan is to continue the gradual transition to electric work vehicles in 2025. The timeline for full replacement depends on market availability of suitable electric alternatives.

2 Electric Passenger Cars

In 2024, all company service cars were replaced with electric vehicles. The transition to smaller electric service vehicles will continue in 2025. When replacing the existing vehicle fleet, electric models will be prioritized where economically and practically feasible. However, long delivery times for electric vehicles may extend the transition period.

3 Charging Stations for Electric Vehicles

The installation of charging stations at all production units and the head office was completed in 2024.

SUSTAINABILITY GOALS TO REDUCE CO_2 EMISSIONS

Sustainability Goals Achieved in 2024	Sustainability Goals for 2025
That all service vehicles have been replaced with electrified vehicles, that the work to equip all units with charging stations has been completed and that an electrified work vehicle is in operation.	To increase the proportion of electric work vehicles, to have two SMA sites with *DC Super Chargers*, to ensure that 20% of fuel used consists of HVO diesel and to conduct a large-scale test of burning bio-oil at one of SMA Mineral's sites.

4 Fair Transport

In 2024, SMA Mineral AB renewed its certification under *Fair Transport*. Fair Transport is Sweden's sustainability certification for freight transport by road. It is a certification for transport companies' work and development in areas such as climate and environmental impact, traffic safety and social responsibility. All certified companies openly report their work and provide an account of their progress in these areas.

All certified companies are continuously audited through independent third-party reviews, ensuring that sustainability efforts are carried out in accordance with established requirements and criteria. Each certified company can also increase its competitiveness by achieving various value-added levels.

Fair Transport supports both transport buyers and sellers. Thanks to the certification, both parties can ensure that work within the shared transport chain is carried out in a *traffic-safe, climate-smart* manner, with *good conditions for employees*. This is how we create sustainable development over time.

STATUS OF TARGETS ACCORDING TO FAIR TRANSPORT'S CRITERIA

SHARE OF VEHICLES EURO 6

SHARE OF VEHICLES WITH ALCOHOL LOCK/ KEY CABINET

SHARE OF VEHICLES MEASURING DRIVING BEHAVIOR

CERTIFICATION CRITERIA

To be certified under Fair Transport, the applicant must be able to provide and present documentation in the areas of *environment*, *responsibility* and *traffic safety*.

ENVIRONMENT & CLIMATE

- Environmental and Climate Policy
- Instructions on how the company meets the certification's purpose and goals, and the plan for positive development in line with the certification levels for environmental and climate criteria.

RESPONSIBILITY

- Professional Traffic License
- Health and Safety Policy
- Collective Agreement
- Alcohol & Drug Policy
- Policy for Harassment and Discrimination
- Procedures to ensure employees have approved qualifications and address cases where qualifications are missing or revoked
- Crisis Management Routine
- Documented Systematic Health and Safety Management
- Procedures for handling deviations related to environmental, traffic and health and safety incidents

TRAFFIC SAFETY

- Traffic Safety Policy
- Checklists for vehicle safety inspections, driver checks and load securing
- Monitoring of driving and rest times, as well as compliance with road work time regulations and speed limits
- Procedure description for how inspection and maintenance checks are performed

Increased Resource Efficiency

Caring for the resources we use in our production is an important responsibility for SMA Mineral. Our roadmap 2020-2030 includes major improvements in material efficiency and circular economy.

Our new ZEQL factories will be able to use a larger proportion of the extracted material in the form of fine particles which will increase material efficiency.

By calcining limestone using electric energy and capturing the CO_2 released during the calcination process, we will generate pure carbon dioxide that can be used in various products, contributing to a circular economy.

	MATERIAL ISSUE	FOCUS AREA	KEY ACTIVITY	GOAL 2030
Environment/ climate	E5 Resource inflows E5 Efficient material utilization	Increased resource efficiency Circular Economy	Material efficiency Energy efficiency CCU Carbon Capture and Utilization Industrial symbiosis – Use of by-products	In accordance with the Roadmap 2020-2030

FACTORS

Ton Fossil CO_2/ton BRP:

2022: 1,05
2023: 1,06
2024: 0,99

Energy GJ/ton BRP:

2022: 3,8 (Energy includes only fossil fuels used for kilns)
2023: 4,2
2024: 3,9

Fossil:

Share of recycled oil vs total amount:

2022: 98,3%, **2023:** 86,0% **2024:** 82,6%

Material Efficiency and Circular Economy

SMA Mineral aims to establish a circular economy and utilize resources efficiently. This is done both through our own extraction of raw materials and by using *recycled oil* in our lime kilns, as well as utilizing *lime mud* as a resource, which is re-burned to recover lime that can then be used in the pulp and paper industry.

Extraction of Raw Materials

Our goal is to use the material from the natural resources we extract as efficiently as possible. Topsoil, side stones and other by-products are used to the greatest extent possible. The material from the extraction process is integrated into environmental processes and specified in monitoring programs that are specific to each quarry. The monitoring plan also includes extraction waste, which we strive to minimize as much as possible by using it for purposes such as road and land construction at the site, as well as embankments around the mining area to reduce noise and dust.

SMA Mineral is participating in a research project via *MinFo* to find new disposal areas for by-products.

Side stones can also be sold as ballast for construction or other purposes, such as soil improvement or fill material for creating impermeable cores for dam construction. We also improve the usability of side stones by sorting them into separate piles based on their geotechnical properties and rock type.

To the extent that stone remains, it will be used for landscaping and backfilling the quarry area when operations conclude. Since side stone does not contain soluble metals or hazardous substances, it is a harmless and inert material for the environment. Each facility has a remediation plan that outlines how the area will be restored to nature. Supervisory authorities regularly check to ensure that control plans and permit conditions are followed.

RAW MATERIAL LOSS RATE FROM OWN DEPOSITS

	2022	2023	2024
Total material extraction (kton)	1 399	1 141	1 060
Side stones discarded (kton)	118	230	160
Amount of stone utilized (%)	91,6	79,9	85,2

Waste

The waste generated within the operations must not cause harm or pose a danger to human health or the environment. At our facilities, the storage of chemicals and waste that are harmful to the environment is done in such a way that the relevant substances cannot be released into the environment, even in the event of an accident.

Swedish Environmental Protection Agency's Waste Hierarchy

The company's policy includes a commitment to reduce waste and recycle materials wherever possible.

Waste management within SMA Mineral follows the *Swedish Environmental Protection Agency's Waste Hierarchy* (a hierarchical model derived from EU Directive 2018/98/EU, which outlines how waste should be managed, with the goal of minimizing the environmental impact of waste).

The operations generate both combustible waste, recyclable waste, hazardous waste and waste for landfill. All waste fractions are collected in separate waste containers. Hazardous waste includes items such as oil waste, aerosols, old paint cans, lead batteries and battery cells.

Waste Oil is stored in containers, such as the original packaging for oils (drums, jerrycans) and IBC containers.

The waste oil storage containers are emptied regularly and handled by waste management companies that transport the different oil waste fractions for appropriate processing. Hazardous waste is reported to the *Swedish Environmental Protection Agency's waste register* in accordance with applicable legal requirements.

Recyclable waste consists of plastic, glass, scrap metal, paper and cardboard, which are collected and sent for recycling. All waste fractions are stored in separate containers. These are emptied by the waste management company responsible for ensuring the waste is treated appropriately.

Landfill waste typically consists of limestone residues that cannot be reused. Under the contract, subcontractors handle explosives and waste containing explosive residues.

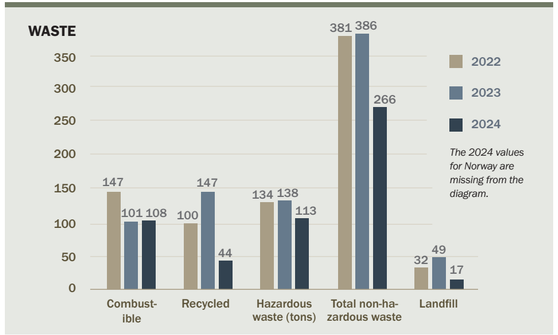
Municipal waste (household waste/compostable) is collected by the municipal waste company. This is not included in the waste calculations since the waste is not weighed. Collection of municipal waste does not occur at facilities located within enclosed industrial areas.

Ongoing Reporting

Each facility reports the amount of waste annually, broken down by fraction, in the annual *Environmental Report* submitted to the regulatory authorities. A summary of the total amount, broken down by different fractions for the years 2022–2024, is shown in the diagram (2024 data for Norway is missing in the diagram).

The diagram does not include 12 tons of hazardous waste (oil containing PCB) delivered by Swedish Oil Recycling. The waste comes from the cleaning of a tank containing PCB oil. Oil that contains PCB cannot be reused as it is classified as hazardous waste.

A sample is taken from each oil delivery. A subsequent sample is taken from the contents of the tank for PCB testing before delivery. If the test shows that the sample contains PCB, all oil that has come into contact with the delivery must be collected by a waste management company for disposal. The specific delivery containing the PCB can be traced by analyzing the delivery samples.



Biodiversity

SMA Mineral operates in direct proximity to natural areas, including areas within conservation programs and private nature reserves. The company has a responsibility to ensure the survival of rare and endangered species in and around mining areas.

Protected species and areas are considered in production planning, where site managers aim to avoid operations in sensitive areas. If necessary, protected species are relocated to more favorable habitats.

To strengthen the survival of species, the company collaborates with professionals and environmental authorities, in accordance with regional monitoring, observation, and management plans. In connection with mining operations, surface and groundwater are pumped to ditches within the surrounding drainage system, which can have a drying effect on the nearby environment and affect the presence of protected plant species.

The effects of dust from mining operations are monitored through air emissions measurements and vegetation checks. Dust can cause negative effects such as nutrient loading and may affect plants by covering their shoots. At the same time, certain species benefit from the calcareous conditions, such as various orchids and certain rare butterflies.

A fundamental part of SMA's work on biodiversity is to follow the precautionary hierarchy. *The precautionary hierarchy* is a process based on the steps **Avoid**, **Minimize**, **Restore** and **Compensate** for impacts on biodiversity.

PRECAUTIONARY HIERARCHY

AVOID

When selecting areas for mining, we must consider biodiversity and, as far as possible, design the extraction process in a way that avoids impacting it.

MINIMIZE

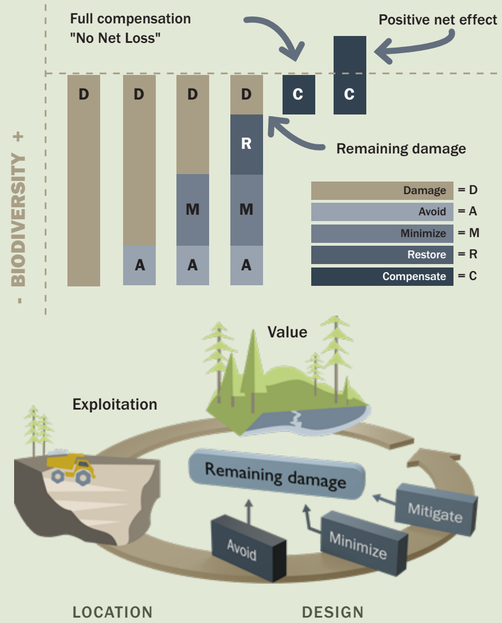
When impact cannot be avoided, we must minimize the effect we have on biodiversity as much as possible.

RESTORE

When a limestone quarry is decommissioned, rehabilitation and restoration are carried out. Through this process, favorable conditions are created for plants and animals to establish themselves in the area. Over time, this contributes to strengthening biodiversity.

COMPENSATE

When all steps in the precautionary hierarchy have been applied, we can, as a last resort, compensate for the remaining impact. If compensation is necessary, it will be done in such a way and to such an extent that a positive net effect is achieved from the entire precautionary hierarchy and its steps. In this way, we can contribute to strengthening biodiversity, even if the impact cannot be fully avoided.



Part of Our Strategic Goals

To strengthen the focus on biodiversity, SMA's board decided in 2024 to make biodiversity a strategic goal. Projects have been initiated to establish a measurable goal for biodiversity. This is to allow us to monitor over time whether biodiversity is being strengthened in the areas where we operate. The tool we have identified to quantify the goal is CLIMB, where we will begin mapping some of our limestone quarries in 2025 and 2026.

ALGAL BLOOM

SMA Mineral is participating in a research project exploring the potential to address *algal blooms in the Baltic Sea* using limestone. Sampling was carried out in 2023 and 2024. An evaluation of the project was conducted in 2024. The evaluation shows promising results and there are requests to continue the project.

LAKE LIMING

Lakes and watercourses are limed to restore natural pH levels. When the pH level is raised, sensitive species can survive and reproduce. Thanks to liming, most species can quickly return to normal populations and spread in waterways that were previously acidified.

Unfortunately, the refusal to renew the permit for Gåsgruvan, where about 40% of the lime for lake liming in Sweden is sourced, has made lake liming significantly more expensive. Since the funding has not increased at the same rate, this means that in the future, we will have more acidic waterways and, as a result, poorer conditions for maintaining biodiversity.

STRUCTURAL LIMING

In modern agriculture, lime is used to balance soil pH levels and improve conditions for good harvests. Structural liming improves soil structure in clay soils, thereby enhancing the soil's ability to absorb nutrients and water.

Membership, collaborations and research projects

MEMBERSHIP

SMA Mineral is a member of the following cooperative organizations:

- Minfo – The Swedish Mineral Technical Research Association – SMA Mineral contributes financial and personnel resources to industry-wide research.
- Svenska Kalkföreningen – Swedish Lime Association – The members of the Swedish Lime Association are lime producers in Sweden. SMA Mineral is a member and holds board positions.
- ILA – International Lime Association – The purpose of ILA is to exchange information and experiences on all topics of interest to the lime industry worldwide. SMA Mineral is a member of ILA through the Swedish Lime Association.
- EuLA – European Lime Association – The European trade association for lime producers. The organization monitors and informs members' interests and informs the EU Commission about the needs of the lime industry. SMA Mineral is a member of EuLA via the Swedish Lime Association.
- Svemin – Swedish Mining Industry Association – Svemin is the industry association for Swedish mining companies. SMA Mineral is one of the members and participates in joint activities and projects.
- Finnmin – Finnish Mining Association – A lobbying organization for companies operating within the mining industry in Finland. The organization works for sustainable mining operations.
- CHECK – Center for Sustainable Cement and Lime Production at Umeå University – The center conducts research on the production of lime without fossil fuels. SMA Mineral participates in research projects.
- ACT – Arctic Cluster Team (industrial companies in Northern Norway) – ACT aims to drive a sustainable transformation of Norway. Through increased innovation and competitiveness within industry, ACT helps fulfill Norway's commitments under the Paris Agreement.
- Swerim – A research organization largely owned by and working for the Swedish and Nordic steel industries. SMA Mineral is a member and active in several of Swerim's projects.
- SBMI – The Industry Association for Producers of Aggregates and Other Companies Working in the Aggregate Industry.

COLLABORATIONS / DEVELOPMENT PROJECTS

SMA Mineral participates in several collaborations and development projects:

- SaltX – SMA Mineral is a co-owner and has a close collaboration with SaltX Technology. The collaboration involves the development and establishment of lime factories based on the ZEQL concept as described on pages 30-31.
- Outokumpu / Swerim – Conducted tests where fly ash from the paper industry is mixed with lime and used as a slag former in steel production. SMA Mineral is responsible for mixing and briquetting. By partially replacing burnt lime with fly ash, carbon dioxide emissions to the atmosphere are reduced.
- Infinium – Partner for establishing a new factory concept with the production of burnt lime products using the ZEQL concept as well as the production of eFuel products.
- Mo Industripark – Partner for new infrastructure and establishment of the ZEQL concept.

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