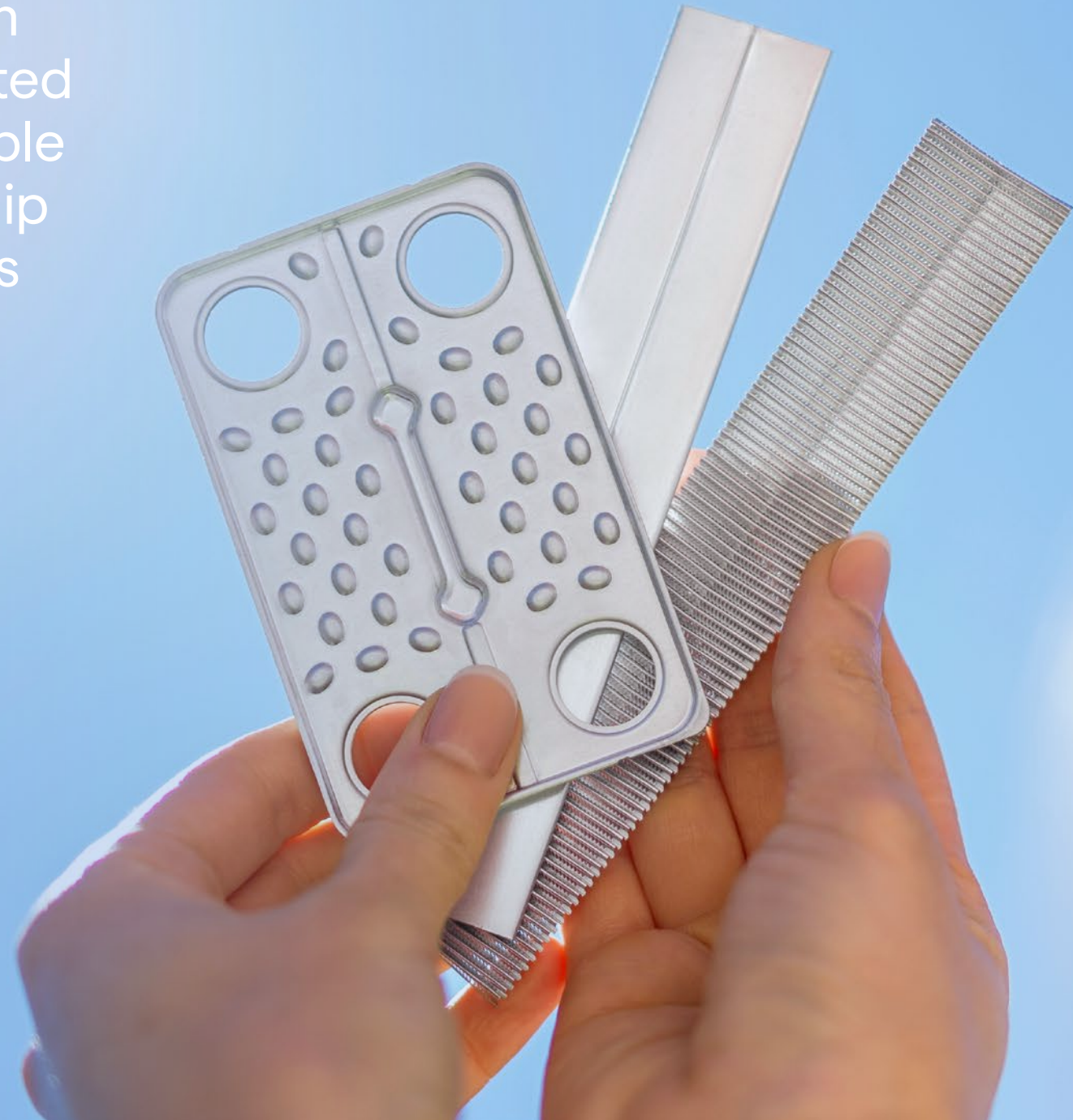




Circular and sustainable aluminium solutions for a better future

Gränges is a global leader in aluminium rolling and recycling in selected niches. We are committed to creating circular and sustainable aluminium solutions in partnership with our customers and suppliers – for a better future.

Our solutions help customers grow and transition to climate neutrality. They are used for efficient thermal management and climate control in transportation and buildings, electrification and battery components, recyclable packaging, and more.



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This publication constitutes Gränges' Annual and Sustainability Report. The formal annual accounts and consolidated financial statements in accordance with the Swedish Annual Accounts Act comprise pages 69–75 and 131–171. The statutory sustainability report in accordance with the Swedish Annual Accounts Act and applicable ESRS standards comprises pages 76–130. The report is published in Swedish and in an English translation. The Swedish version takes precedence in the event of any discrepancies between the two versions.



Highlights



SALES VOLUME

617

ktonnes

NET SALES

28.4

SEK billion

ADJUSTED OPERATING PROFIT

1.6

SEK billion

SOURCED RECYCLED ALUMINIUM

45

percent

Multi-year investment program finalized

Gränges completed its multi-year capacity expansion program, increasing annual production capacity to 800 ktonnes. This provides a solid foundation for profitable, sustainable growth and stronger cash generation.

New SVP Sustainability joined

Christina Friborg joined as SVP Sustainability and member of Gränges' Group Management Team on September 1. Her extensive experience from industrial companies, international business, and sustainability will further strengthen Gränges' strategic capabilities.

Successful integration of Shandong facility

Following the acquisition of the production facility in Shandong in November 2024, the Gränges Asia team successfully ramped up production and business operations, reaching break-even profitability in the first quarter 2025. Their efficient onboarding of 600 employees and smooth IT and system integration were key to the successful start.

Gränges advanced to Large Cap segment

A major milestone in Gränges' growth journey was reached on January 2, when Gränges was transferred to Nasdaq Large Cap. Since the initial listing on Nasdaq Stockholm in 2014, market capitalization has increased from SEK 3.2 billion to SEK 15.5 billion at year end 2025.

Named climate leader for the third year

Gränges earned the prestigious recognition "Europe's Climate Leader" by the Financial Times and Statista. The annual ranking identifies European companies that have significantly reduced greenhouse gas emissions and been transparent in sustainability reporting.

SEK 600 million Green Bond issued

Gränges issued a five-year senior unsecured green bond under its Medium-Term Note (MTN) program, attracting strong investor interest with an order book exceeding SEK 2.2 billion.

Performance

Financial summary	2025	2024	Change
Sales volume, ktonnes	616.6	505.8	21.9%
Net sales, SEK million	28,362	23,506	20.7%
Adjusted operating profit ¹ , SEK million	1,614	1,571	2.7%
Adjusted operating profit per tonne, kSEK	2.6	3.1	-0.5
Operating profit, SEK million	1,614	1,523	6.0%
Profit for the year, SEK million	1,058	1,010	4.7%
Earnings per share basic, SEK	9.55	9.53	0.02
Earnings per share diluted, SEK	9.54	9.51	0.03
Operating cash flow, SEK million	841	-484	n/a
Return on capital employed, %	10.8	11.9	-1.1 pp
Financial net debt, SEK million	4,067	4,292	-224
Financial net debt/EBITDA, SEK million	1.6	1.8	-0.2

Sustainability summary ²	2025	2024	Change
Total carbon emissions intensity (scope 1+2+3), tonnes CO ₂ e/tonne	6.6	7.5	-12%
Carbon emissions intensity (scope 1+2), tonnes CO ₂ e/tonne	0.70	0.64	8%
Carbon emissions intensity (scope 3), tonnes CO ₂ e/tonne	5.9	6.9	-14%
Sourced recycled aluminium, ktonnes	300	249	20%
Sourced recycled aluminium, %	45.1	46.2	-1.1 pp
Sustainable suppliers, %	70	n/a	-

¹ Adjusted for items affecting comparability.
² The facility in Shandong, China, is included in the sustainability data 2025. Historical data has not been updated. An adjustment of the emission factor for primary aluminium in Asia has been made, having a positive impact on the result.

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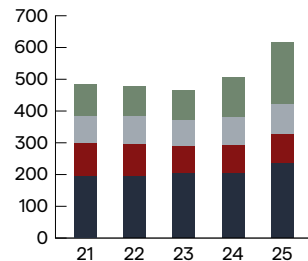


Performance



Sales volume

ktonnes

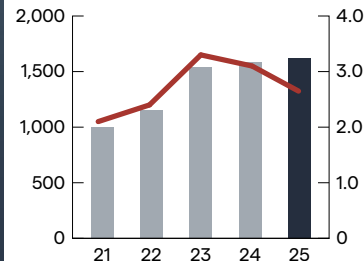


■ Automotive
■ HVAC
■ Specialty packaging
■ Other niches incl. battery

Adjusted operating profit^{1,2}

SEK million

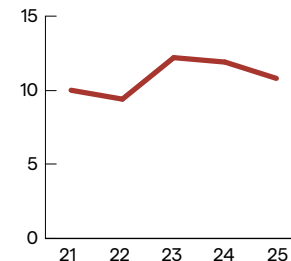
kSEK



■ Adjusted operating profit
— Adjusted operating profit per tonne

Return on capital employed

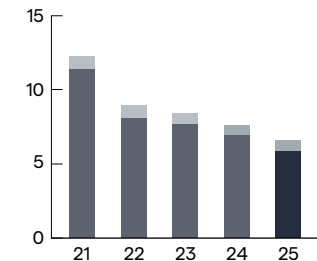
percent



— Profitability (ROCE %)

Carbon emissions intensity³

tonnes CO₂e/tonne

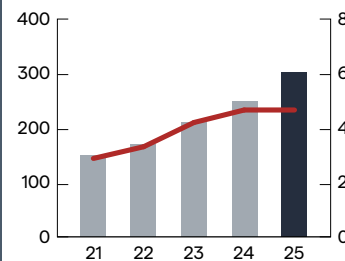


■ Own operations and purchased energy (scope 1+2)
■ Purchased materials (scope 3)

Sourced recycled aluminium

ktonnes

%



■ Sourced recycled aluminium
— Share of recycled aluminium of total sourced metal inputs

RESULT 2025

21.9%

Increase in volume

Sales volume increased by 21.9 percent to 616.6 ktonnes (505.8). Net sales increased to SEK 28,362 million (23,506).

2.7%

Increase in profit

Adjusted operating profit^{1,2} increased to SEK 1,614 million (1,571) and adjusted operating profit per tonne was 2.6 kSEK (3.1).

-1.1 pp

Decrease in return on capital employed

Return on capital employed decreased by 1.1 percentage points to 10.8 percent.

-12%

Reduction in total carbon emissions intensity (scope 1+2+3)

Total carbon emissions intensity decreased by 12 percent to 6.6 tonnes CO₂e/tonne (7.5).

20%

Increase in volume of sourced recycled aluminium

The total recycling volume increased by 20 percent and reached 300 ktonnes (249).

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¹ Adjusted for items affecting comparability. For further information see Note 14.

² Read more about alternative performance measures on page 162.

³ The facility in Shandong, China, is included in the sustainability data 2025. 2022–2024 has not been updated.

2021 baseline recalculated to include the facility in Shandong.

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Record performance thanks to a stronger foundation

In 2025, we achieved our best-ever financial and sustainability results, despite an unusually challenging and unpredictable external environment.

Across our regions, end-customer demand was sluggish and unpredictable. Nevertheless, we continued to increase our market share in all regions, resulting in remarkable growth. Sales volume increased by 22 percent for the full year, significantly outgrowing competition and our end markets.

An important contributing factor was the ramp-up of our Shandong facility, acquired in late 2024. Thanks to the new capabilities and capacity it provides, we were able to further accelerate growth in Asia, in both existing and new, exciting customer markets.

We also continued to improve our sustainability results in the year, achieving our lowest carbon emissions intensity and our highest recycling volume so far.



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The industry we work in is a competitive one, and 2025 was no exception. Also, the dramatic changes in the global trade landscape required us to adjust quickly and flexibly to changing demand and new currency, tariff, cost and price pressures. Still, the strong volume growth coupled with improvements in price/mix and productivity offset external headwinds. We delivered a record operating profit in 2025, for the fifth year in a row.

Strong market share gains across the board

Following the acquisition of the Shandong facility, our focus in Asia during 2025 was on volume growth. Sales volume increased by a remarkable 70 percent, supported by new capabilities, increased capacity and continued market share gains across both existing and new markets. This strengthened our industrial and commercial position in Asia. Now, our emphasis gradually shifts to improving price, mix and cost in a highly competitive market.

In the US, we built on our strong market position and delivered another year of solid performance improvement. Despite a sharp decline in HVAC demand during the second half of 2025, we achieved 7 percent sales volume growth for the full year through continued market share gains. A more diversified customer mix, high utilization and productivity improvements supported improved profitability in the region from an already high level.

In Europe, market conditions remained challenging throughout the year. Despite this, we achieved 9 percent sales volume growth through continued market share gains and a gradual shift toward new applications. Efficiency improvements and close collaboration with customers and partners helped us navigate a demanding market environment while strengthening our long-term competitiveness.

Our regional approach is an increasing strength

2025 was a turbulent year. In particular, geopolitical tensions and increasing trade barriers continued to add complexity and presented Gränges with new challenges.

Still, we are fundamentally well positioned for a more regionalized world. With a strong local presence in Europe, Asia and the Americas, we serve customers close to their operations and end markets. This is not by accident, but the result of conscious strategy decisions in how we invest, how we go to market, and how we organize ourselves.

Our customer-centric approach is proving even more important in a more fragmented world. Customers appreciate our ability to make decisions quickly, integrate tightly with their operations in each region, and flexibly provide local support when needed. And they increasingly value security of supply, irrespective of changing international trade conditions. We are proud to be able to meet these demands while still providing global reach to our partners.

Leading the way in sustainability

Our sustainability performance reached new milestones in 2025. We achieved record-low carbon intensity and record-high recycling volumes for the full year. Compared with our 2021 baseline, we have now reduced the total carbon footprint of our products by an impressive 46 percent.

Recycled aluminium now accounts for close to half of our total sourced metal. This represents a dramatic reduction of our climate impact while improving efficiency and cost competitiveness. Circular material flows also strengthen relationships with customers and suppliers, and are an increasingly important part of how we operate.

Safety remains fundamental to how we run our operations. Our ambition to be “always safe” guides our daily work. During the year, we reduced risk, improved our systematic safety management, and strengthened engagement in our safety culture, globally.

Finalize, utilize, optimize

We recently finalized a years-long program of major capacity investment across all regions. The result is a global manufacturing footprint with new capabilities and 800 ktonnes of annual capacity, up 40 percent from 2021. Crucially, the capacity is well balanced across the Americas, Europe and Asia.

With major investment behind us, we foresee lower capital expenditure as our focus on cash generation increases. This marks a clear shift for Gränges, fully in line with our Navigate strategy. The priority now is to maximize utilization and steadily improve price, mix, and cost in each region.

In this new phase, we will also continue our work on achieving world-leading performance in critical areas across operations, supply chain, innovation and sales.



We delivered a record operating profit in 2025, for the fifth year in a row, and our best-ever sustainability results.

People make the difference

Finally: the strong performance in 2025 would not have happened and our ambitious plan for the future would not be possible without our outstanding teams in all three regions. Continued trust and investment in our people, and in retaining, motivating, and developing them, is what's behind our past success. We will focus even more on this in the coming years.

I want to thank all our 3,500 Gränges colleagues for their dedication and outstanding efforts throughout the year. It is a privilege to lead this team, and I look forward to continuing our journey together.

Jörgen Rosengren
President and CEO



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Primary aluminium

Primary aluminium in the form of slabs, billets or ingots is used as input material. Together with recycled aluminium, it forms the base for producing advanced rolled products with high quality and consistent performance.



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A global leader

Gränges is a global leader in aluminium rolling and recycling in selected niches. We create circular and sustainable aluminium solutions in partnership with customers and suppliers – for a better future.

Sustainability – a key business driver

Sustainability is central in Gränges’ business and strategy. We have a strong commitment to minimizing the environmental impact of our operations, upholding ethical business practices, providing a safe and good working environment, and to developing sustainable and circular aluminium solutions.

Long-term partnerships

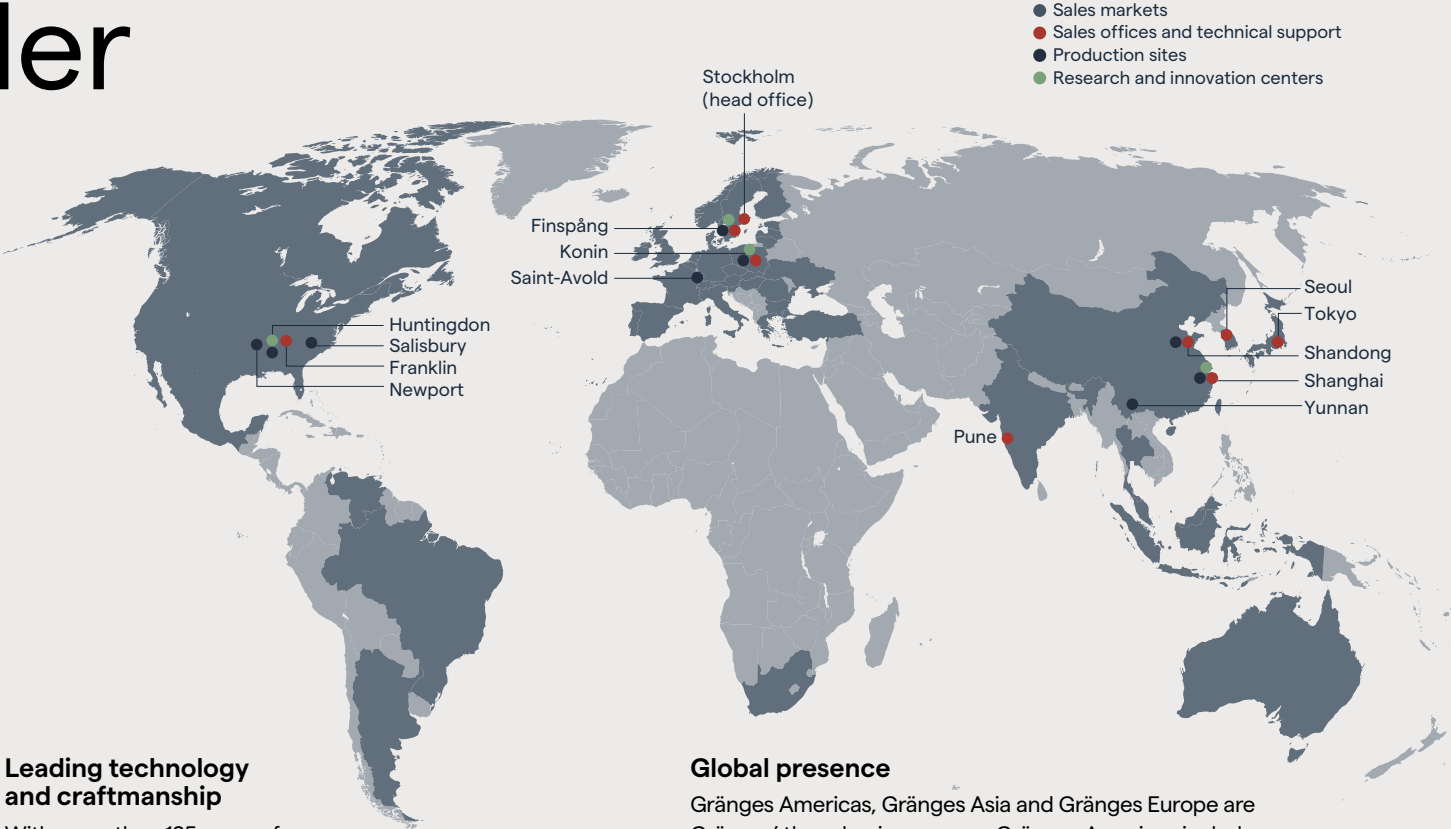
With customized product development, regional production, sales and technical support, Gränges meets customers globally in an efficient and sustainable way. Our solutions help customers grow and transition to climate neutrality. This also lays the foundation for our continued expansion.

Leading technology and craftsmanship

With more than 125 years of engineering and materials innovation, Gränges is a global leader in aluminium rolling and recycling. The long heritage as a supplier to the automotive industry makes us an experienced and trusted partner in delivering solutions with consistently high quality.

Global presence

Gränges Americas, Gränges Asia and Gränges Europe are Gränges’ three business areas. Gränges Americas includes North and South America where the main markets are the US and Mexico. Gränges Asia comprises Asia Pacific where China is the main market. Other key markets include India, Thailand, South Korea, and Japan. The largest markets for Gränges Europe are Poland, Czech Republic, Sweden, France, and Germany.



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617

Sales volume, ktonnes

28.4

Net sales, SEK billion

1.6

Adjusted operating profit, SEK billion

800

Total annual production capacity, ktonnes

-46%

Reduction in total carbon emissions intensity vs 2021

45%

Share of sourced recycled aluminium

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The aluminium potential

Aluminium plays an important role in the shift towards a circular economy.

With its light weight, infinite recyclability, durability, and strength, aluminium contributes significantly to the sustainability of a variety of products. It is for example used in making lightweight components for vehicles, energy-efficient buildings, and recyclable packaging. Through its inherent sustainable qualities, energy and emission savings can be achieved both operationally and in product use.

At the same time, the production of aluminium is highly energy intensive. The aluminium industry accounts for about two percent of the world's direct industrial carbon emissions. While overall demand for aluminium is expected to grow by almost 40 percent by 2030¹, increased demand for low-carbon aluminium solutions highlights the importance of aluminium in mitigating climate impact.

Inherent qualities



Light weight



Infinite
recyclability



Durability



Strength



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¹Report Reveals Global Aluminium Demand to Reach New Highs After Covid
– International Aluminium Institute.

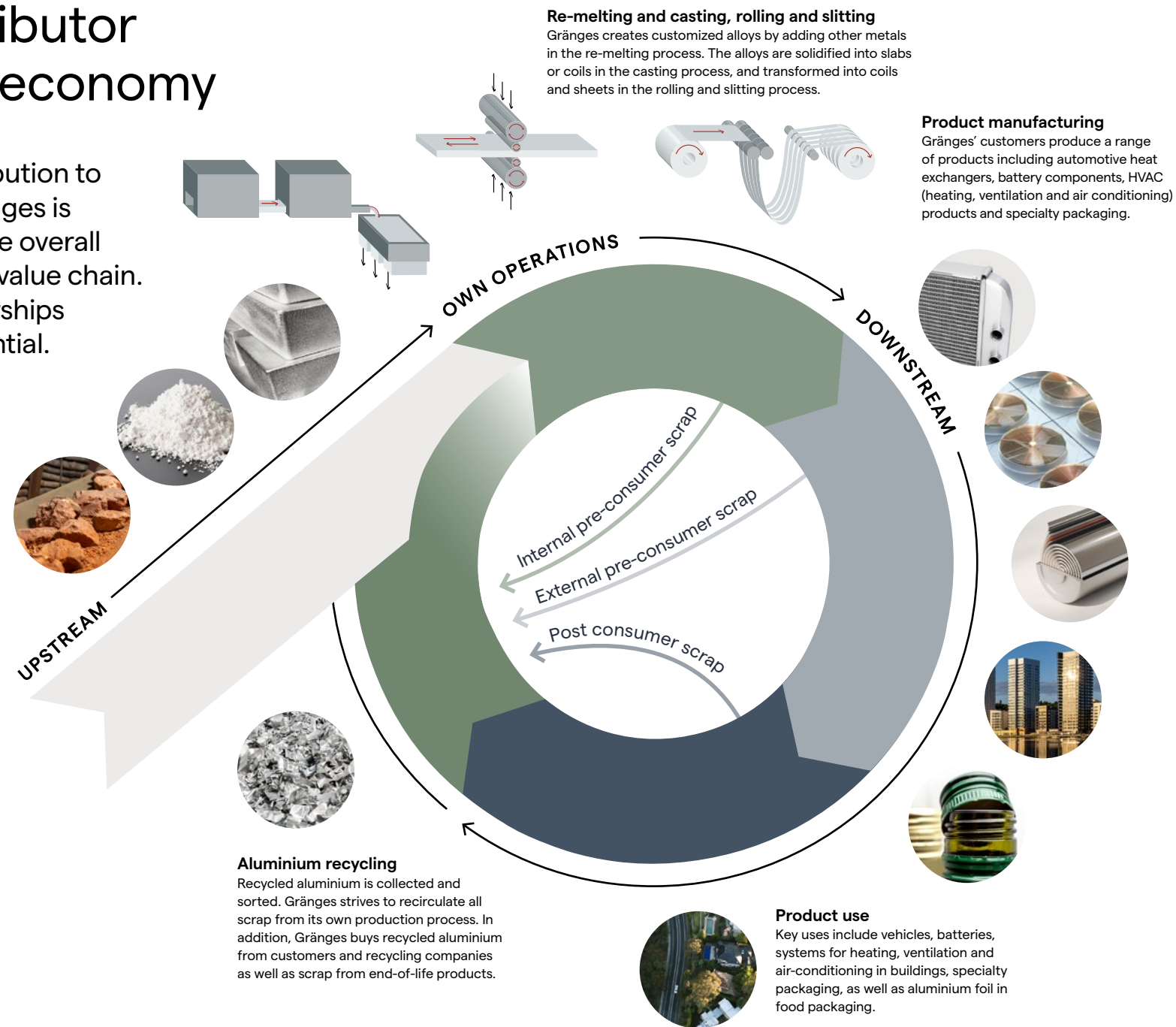


A strong contributor to the circular economy

To ensure a positive contribution to the circular economy, Gränges is committed to improving the overall footprint of the aluminium value chain. In this work, strong partnerships and collaboration are essential.

Primary aluminium production
Bauxite is extracted from mines and refined into pure aluminium oxide, called alumina. Molten aluminium is extracted from the alumina through an electrolytic process called smelting. Gränges buys primary aluminium from commodity traders and directly from smelters.

- Gränges' operations
- Customers and end-users
- Supply chain



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Solutions that enable a sustainable society



Gränges' aluminium solutions are used in some of the world's most demanding applications. Their properties, such as low weight and recyclability, support the transition to a more sustainable economy.

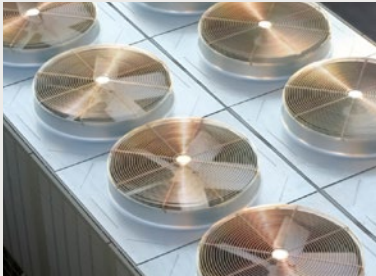


Efficient thermal management and climate control in vehicles ...

Gränges is a market leader in automotive heat exchanger material. Its products are in every other car produced today.

AUTOMOTIVE

- Radiators and heaters
- Battery cooling plates
- Condensers and evaporators
- Oil coolers and chillers
- Structural applications
- Heat shields



... and in buildings

Gränges' HVAC (heating, ventilation and air conditioning) materials are used in both industrial and domestic air conditioning and heat pump systems.

HVAC

- Evaporators
- Condensers
- Microchannel heat exchangers



Recyclable packaging

Aluminium foil provides a complete barrier to light, oxygen, moisture, and bacteria, making it ideal for packaging. Aluminium packaging is extremely versatile and is used in a wide range of applications for the food, beverage, and pharmaceutical industries.

SPECIALTY PACKAGING

- Food containers
- Bottle closures
- Household foil
- Converter foil

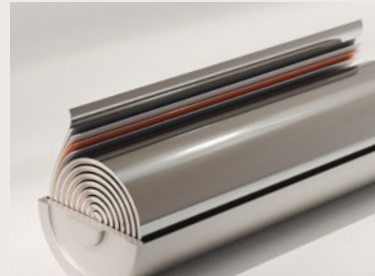


Light, durable material for buildings and more

Thanks to its versatile and durable properties, aluminium is used in a range of different applications in buildings and industrial applications for wind turbines, transformers, and heat exchangers.

OTHER NICHES

- General engineering coils and strips
- Wind turbine oil coolers
- Conductor strips for transformers
- Building products



Electrification and battery components

Aluminium is a key material in the electrification transition. Regional battery supply chains are being established and Gränges has a global footprint of cathode foil production since 2024.

- Battery: cathode foil, casing, boxes

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Case

Advanced aluminium solutions power the shift to electrification

Electrification is transforming the automotive industry, increasing demand for lightweight and high-performance aluminium that enables more efficient and sustainable vehicles. For Gränges, this shift represents a strategic growth opportunity and is a key enabler of a low-carbon future.

In 2025, Gränges expanded significantly in battery and EV applications, supplying advanced materials for battery casings, cooling plates, and other thermal management applications. These components are critical to vehicle performance and safety, especially as battery packs grow and fast-charging technologies become standard. In EVs, the aluminium heat exchanger material content is up to 80 percent higher than in comparable combustion vehicles, driving long-term demand for Gränges' solutions.



To capture this growth opportunity, Gränges continued to build capabilities across its regions. In Asia, the new facility in Shandong enhanced our ability to supply battery materials to leading automotive OEMs. In Europe, closer collaboration between the sites strengthened customer focus, improved product mix, and unlocked new business opportunities. These results build on Gränges' long history of meeting demanding automotive requirements through advanced alloy design, process technology, and consistent quality.

"Succeeding in the EV space requires technical excellence and the ability to support customers in respective market," said Fredrik Sundell, VP Commercial, Gränges Europe. "Our global capabilities give us a strong platform to meet rapidly evolving battery and thermal management needs."

Sustainability is integral to this growth strategy building on the electrification trend. These customer partnerships help reduce the carbon footprint of the end-user products while improving resource efficiency.

"Customers expect solutions that combine performance with low climate impact," Sundell added. "Our focus on circular alloys and responsible sourcing enables us to support their decarbonization ambitions."

As electrification accelerates, Gränges is well positioned to help shape the next generation of sustainable mobility – delivering technical performance, regional supply, and circular solutions that create lasting value.



Succeeding in the electric vehicle space requires technical excellence and the ability to support customers in their respective markets.

Fredrik Sundell
VP Commercial, Gränges Europe



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Reasons to invest in Gränges

01 A strong position in markets supported by long-term growth trends

- Clear alignment with global trends – sustainability, electrification and the shift towards regionalized supply chains
- Leading position in high-value, performance-critical niches
- Proven ability to deliver technically advanced aluminium solutions
- Balanced global footprint and strong local presence
- Sustainability – a key business driver, through decarbonization, circularity and responsible sourcing
- Strong entrepreneurial culture and engineering expertise support customer qualification and long-term partnerships

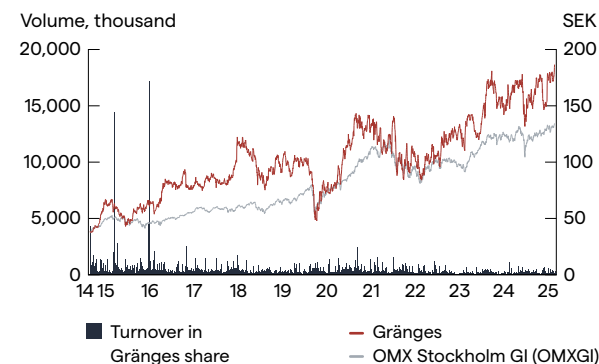
02 Financially attractive business model

- Long track record of stable margins, consistent profit growth, strong cash generation and solid returns
- Strong capability to manage aluminium price volatility and optimize metal flows
- Diversified portfolio across several growing end-markets, balancing demand shifts
- Reinforcing link between financial and sustainability performance
- Capital allocation focused on returns, long-term value and a competitive dividend

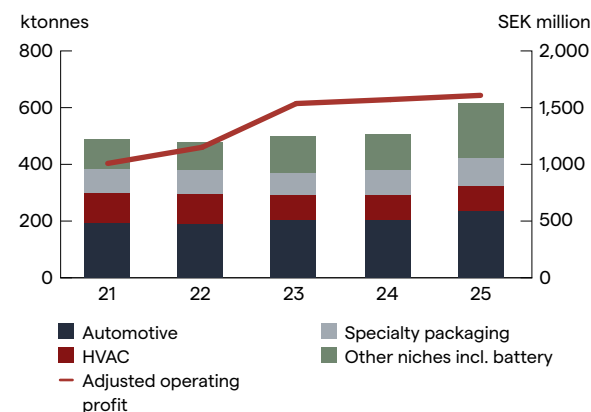
03 Navigate plan: Clear ambition and strong platform for sustainable growth

- Strengthened financial foundation and capacity for profitable growth
- Expanded footprint enables volume growth within existing capacity and with limited additional capex
- Building the world's leading aluminium flat-rolling and recycling company

Share price development vs. index



Sales volume and adjusted operating profit



36%

Proposed dividend's share of profit

377%

Total shareholder return since the stock listing 2014

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Remelting and casting

Aluminium scrap and primary metal are melted, alloyed, and cast into large slabs or coils. Careful control of composition and temperature ensures the desired properties for subsequent rolling processes.



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Our plan for long-term sustainable growth



Gränges' Navigate plan aims to build industry leadership and long-term sustainable growth. It leverages three accelerating megatrends – sustainability, electrification, and regionalization – to guide short- and long-term work.

The Navigate strategy was developed in 2022 to respond to the weaker financial performance following the pandemic and to push completion of the multi-year investment program started in 2018.

The foundation was restored by 2024. In 2025, Gränges accelerated the work to achieve leadership in aluminium rolling and recycling.



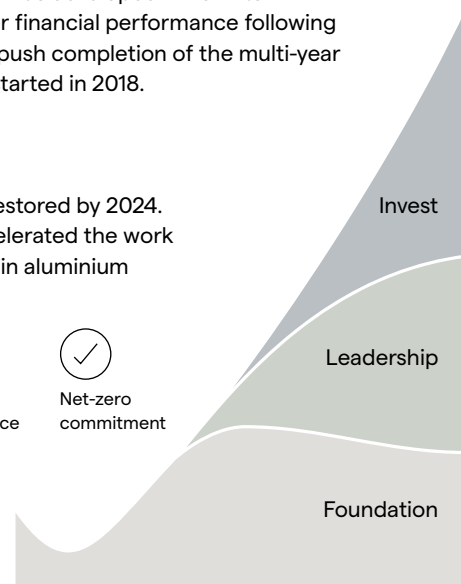
Finalized investment program



Restored performance



Net-zero commitment



+60%

Adjusted operating profit
(increase from 2021)

+40%

Annual production capacity
(increase from 2021)

-46%

Total carbon emission intensity
(reduction vs 2021)

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Three parts of Navigate



Invest

Leadership

Foundation

Invest

Gränges continuously evaluates investment opportunities that deliver stable and high returns, support long-term growth, and contribute positively to sustainability. Rather than investing in more capacity, the focus now shifts to realizing the full value

of current assets, for example by investing in debottlenecking or increased recycling. Partnerships and M&A are selectively considered as further options for value creation as well as returning more capital to shareholders.

Leadership

Gränges ambition is to build a world-leading aluminium flat-rolling and recycling company. Our commitment to leadership guides all parts of the business and drives our progress in key areas: Innovate & Grow, Safety, People, Improve, Sustainability, and Source Green & Recycle.

For customers and suppliers, leadership means that Gränges is a partner to grow with. In an increasingly circular industry, partnerships are essential to create value throughout the value chain.

By combining global and regional perspectives, we enable focus, entrepreneurship and accountability in each region, while driving the Group's overall strategy and performance.

During this phase, Gränges' focus shifts to utilization of production capacity as well as optimization of price, mix, and cost. Limited need for further capacity expansion strengthens our ability to generate free cash flow and good shareholder returns.



→ Read more on the following pages.

Foundation

The first phase of the Navigate plan aimed at strengthening Gränges' foundation. The result is a customer-focused organization of 3,500 engaged people worldwide. It is led by strong regional teams supported by a shared global plan, Code of Conduct, core values, and leadership expectations.

An updated risk management framework helps reduce risk throughout Gränges in areas such as safety, IT, metal /currency management and customer portfolio. Gränges is now a better place to work, and has more stable growth and earnings.

With the completion of Gränges' multi-year investment

program (2018–2024), a global capacity of 800 ktonnes was built, well balanced across Asia, Europe and the Americas. This gives ample room for growth.

During the Foundation phase, Gränges' also drove good growth by increasing market shares and significantly improved financial and sustainability performance.

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Global trends drive sustainable growth



Three global trends impacting businesses and society create large opportunities for Gränges.



Sustainability

The global shift toward a more sustainable society is reshaping industries, driven by the need to combat climate change and preserve resources. Circular business models, fossil-free energy, innovative materials, and large-scale recycling are becoming central to long-term success.

As this transition accelerates, customers in B2B supply chains are raising their demand for sustainable inputs, regulation is becoming stricter, and investors demand transparency and measurable sustainability performance.

Within this context, Gränges contributes through its leadership in recycling and sustainable aluminium solutions. By collaborating across the value chain, we enable customers and partners to grow while advancing toward climate neutrality.



Electrification

The global decarbonization imperative requires a rapid shift toward electrification. This fundamentally reshapes industries such as transportation, energy, and computing.

Growth in electric vehicles increases demand for battery solutions and more advanced thermal management. Rapid growth in wind and hydropower increases the need for energy storage, and the explosive growth in AI and cloud computing drives strong demand for HVAC applications.

This trend is strong in all our regions, but especially in Asia and the Americas. With decades of expertise in these applications and strong investment in battery technology, Gränges is well positioned for future growth.



Regionalization

Global trade patterns are shifting due to geopolitical tensions and technological change, leading many industries to prioritize shorter logistics routes and source closer to end markets.

For manufacturing companies, the regionalization of supply chains increases the importance of flexibility, local presence, and secure access to materials. It also creates new possibilities for companies that can combine regional responsiveness with global scale.

Gränges' presence in the Americas, Asia, and Europe with regional production and close customer relations serves local supply chains effectively. At the same time, our global setup makes Gränges an ideal growth partner for customers worldwide.

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Gränges' commercial strength builds on niche leadership and long-term customer partnerships. To achieve sustainable, profitable growth, it is essential to understand the markets and carefully choose where to play. This creates a customer portfolio with high and stable contribution. We build on a strong tradition of innovation for growth and performance, developed together with customers and partners. Within existing production capacity, our focus is to grow sales volume, improve the product mix, increase diversification, and advance sustainability – ensuring competitiveness, flexibility, and lasting customer value.



Gränges strengthened its niche leadership by securing multi-year agreements with both established OEMs and emerging manufacturers, reinforcing our preferred-supplier position and deepening alignment with customers' sustainability and innovation plans.



Gränges' commitment to sustainability leadership – reflected in increased recycling, energy-efficiency gains, and close customer partnerships – earned Sustainability Supplier of the Year awards from HVAC customers Daikin and Trane in the US.



Customer requirements for high-performance and sustainable solutions drive innovation. As one example, a new alloy was developed to meet demanding requirements in high-pressure bottle closure production while using more than 50 percent recycled content.

“

Gränges' focus on a customer portfolio with high and stable contribution enabled us to balance demand shifts across markets and gain share in high-value segments in challenging conditions.

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Safety



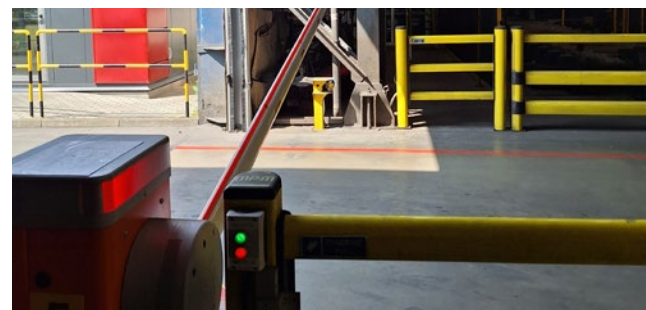
Gränges' commitment is clear: Always Safe! We work systematically to reduce risks and strengthen a proactive safety culture at all levels, supported by an effective safety management system. Safety is the foundation of operational excellence and central to our ambition of a zero-injury workplace. Our aim is industry-leading safety performance. A strong safety and leadership culture make this ambition visible across the organization, with 6S – a workplace organization and safety method – playing a key role in driving consistent practices. Across all locations, we engage people in safety every day – through training, leadership, and collaboration – to ensure that everyone goes home safely.



Gränges Asia sustained Group-leading safety performance while integrating the Shandong facility and onboarding 600 new employees, supported by on-site guidance from the Shanghai team and the roll-out of safety programs.



Safety Weeks across Gränges brought strong energy, engagement, and meaningful dialogue at all levels, reinforcing our shared responsibility and the importance of everyday safety.



Gränges Europe made strong progress in reducing risks between pedestrians and mobile equipment. Both sites upgraded walkways, crossings, traffic controls, and safety training to ensure safer movement across the facilities.



Gränges Americas significantly reduced recordable injuries and PSIF (Potential Serious Injury or Fatality) exposure by forming dedicated cross-site teams targeting key risks and employee engagement – driving ownership and safety culture.

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People



Skilled and experienced people are essential to efficient operations and to meeting our customers' high demands for advanced materials. That's why we say "People make the difference." A strong team and company culture are the foundation of Gränges and something that cannot easily be copied by competitors. Developing the right teams means effective onboarding, clear career paths, and continuous learning supported by empowering leadership at all levels. We aim to be the employer of choice in every location, offering a safe and inclusive workplace that fosters engagement, ownership, and pride.



Strengthening and empowering front-line leaders remained a priority in all regions, as capable leaders are critical to productivity, safety, and employee engagement. All sites conducted training focused on culture, leadership and values.



Gränges continued to build an attractive and inclusive workplace where local events like the Konin Family Festival and Chinese New Year celebrations in Shanghai and Shandong helped shape a strong sense of belonging across the organization.



Gränges' Senior Leadership Program – now completed by the entire global leadership team – has strengthened core leadership capabilities, built a cohesive global network, and deepened engagement in the Navigate plan.

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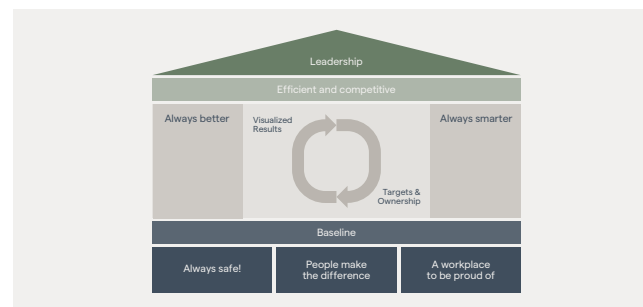
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Improve



Operational excellence, including high and stable capacity utilization, optimal mix, and strong cost productivity is essential for success and profitable growth. Our drive for efficiency and competitiveness is based on three cornerstones: “A workplace to be proud of”, “Always safe!”, and “People make the difference”. On this foundation, we build our two continuous improvement initiatives: always better and always smarter. To energize and enable the teams, we set clear targets, but allow each team to independently assume ownership and visualize results. We call this approach our “Operating Model”. This work is a key driver of efficiency and competitiveness, and necessary to reach leadership.



Our Operating Model was rolled out globally, providing a common tool to drive ownership, engagement, and higher productivity across all sites.



Optimization of coil head and tail reduced end losses and internal scrap, improving throughput, yield, and overall productivity across the operations.



Visual management dashboards were implemented, giving clear oversight of key metrics and enabling faster identification of trends, issues, and opportunities to support real-time decisions.



During 2025, we clarified expectations and increased engagement in all our sites. Going forward, our ambition is to go from engagement to sustained performance.

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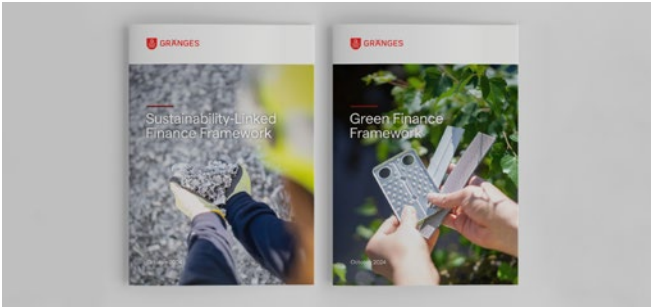
Sustainability



Sustainability is a key business driver for Gränges, and critical to our long-term competitiveness and value creation. We drive sustainable growth by developing circular aluminium solutions and partnerships that support customers' decarbonization ambitions. Our focus is to reduce carbon emissions, enhance circularity, and promote responsible business practices. Across all operations, we invest in energy efficiency, recycling capacity, and resource optimization. Collaboration with customers and suppliers is essential to create closed-loop systems and market-leading sustainable offerings driving towards our net-zero 2040 goal.



Gränges reduced its carbon footprint through higher recycling volumes, product development, strengthened value-chain partnerships, and increased use of low-carbon primary aluminium.



Gränges issued a SEK 600 million green bond to support its commitment to sustainability. The successful issuance reflected strong investor confidence in Gränges' strategic direction.



Global sustainability trainings for office and production employees, with 100 percent participation, supported by local initiatives, strengthened knowledge and engagement across all regions.

- 46%

Total carbon emission intensity, vs 2021

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Source Green & Recycle



Responsible, competitive, and strategic sourcing is vital to our operations and long-term sustainable growth. We aim to lead in green sourcing and recycling, and to be a globally recognized recycling company. Our main priorities are green sourcing of energy and metals, recycling, customer and supplier partnerships, and responsible business practices across the value chain aiming for 100 percent sustainable suppliers by 2030. By improving procurement efficiency, enhancing traceability, and forming long-term strategic partnerships, we reduce risk, secure supply, and increase circularity.



Gränges updated its responsible sourcing program, covering all spend categories and aiming for 100 percent supplier commitment to our Supplier Code of Conduct, ensuring we partner only with ethical and accountable suppliers.



Using its global leverage, Gränges secured long-term supply of green primary aluminium to all sites in Americas and Europe from one strategic partner, supporting future reductions in Scope 3 emissions and strengthening competitiveness.



Gränges increased the volume of sourced recycled aluminium by 20 percent versus last year, by increasing the share of recycled content across all production sites.

300 ktonnes

Sourced recycled aluminium
Target 500 ktonnes by 2030

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Case

Capacity built. Ready to grow.

In 2025, Gränges completed its multi-year capacity investment program which – coupled with the acquisition of a casting and rolling facility in Shandong – increased global capacity by 40 percent to 800 ktonnes. This marks the completion of the first phase of the Navigate plan, establishing a strong foundation for long-term growth.



Expansions completed in 2025:

- In Poland, new cold-rolling capacity was added to serve growing European demand for advanced aluminium solutions.
- In Sweden, new capabilities for production of battery cathode foil enable us to meet the regional demand from the fast-growing battery and electrification markets.
- In the United States, two new state-of-the-art recycling and casting centers significantly improve circularity and efficiency and enable near-zero aluminium solutions.

With the completed expansion, Gränges now has ample capacity to drive profitable growth through disciplined capital allocation and operational excellence. In the second phase of Navigate – Leadership – priority shifts to utilization and optimization by growing the customer base and improving the product mix, securing stronger earnings and cash flow.

“

The expansions were successfully completed thanks to our people's expertise and teamwork, giving Gränges ample capacity to drive profitable growth.

Fredrik Spens
President, Gränges Europe



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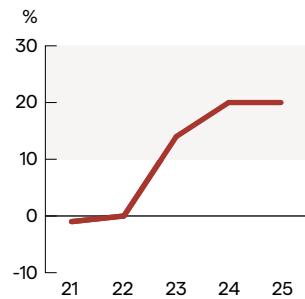
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Financial targets and results



Profit growth



— Profit growth¹

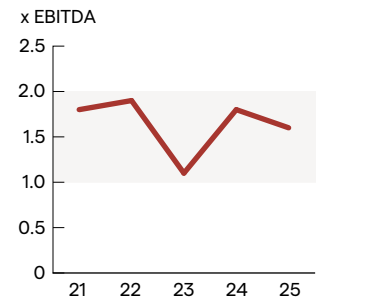
¹ Average 3y CAGR during the last three years.

TARGET

>10%

Average yearly operating profit growth above 10 percent

Capital structure

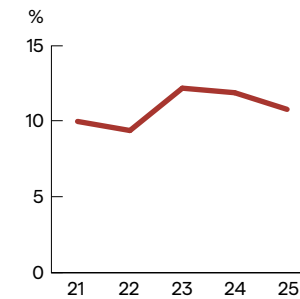


— Leverage (financial net debt / EBITDA)

1–2 X EBITDA

Financial net debt normally between 1–2 times adjusted EBITDA

Profitability

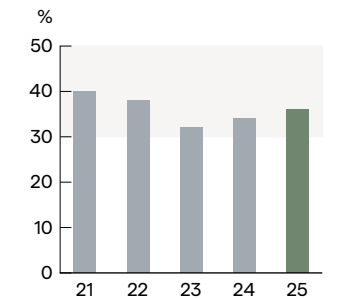


— Profitability (ROCE %)

>15%

Return on capital employed above 15 percent

Dividend



■ Dividend (% of profit for the year)

30–50%

Dividend between 30–50 percent of profit for the year

RESULTS

20%

Operating profit increased by 2.7 percent compared to previous year, corresponding to 20 percent average 3y CAGR during the last three years. The increase was primarily driven by market share gains and improved productivity.

1.6 X EBITDA

Financial net debt decreased by SEK 224 million to SEK 4,067 million, corresponding to 1.6 times adjusted EBITDA. The decrease was due to strong operating cash flow due to a gradual reduction of capital expenditure following the completion of several capacity expansion investments.

10.8%

Return on capital employed decreased by 1.1 percentage points to 10.8 percent. The decrease in return on capital employed was mainly due to added capital employed in Asia from the acquisition and ramp-up of the new production facility in Shandong.

36%

The Board of Directors proposes a dividend of SEK 3.40 (3.20) per share for the 2025 fiscal year, corresponding to 36 percent (34) of the profit attributable to owners of the parent company for the year.

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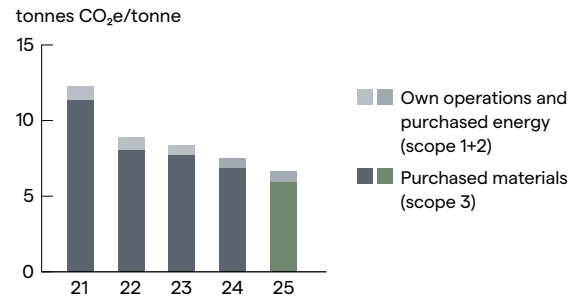
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Sustainability targets and results



Net-zero



TARGETS 2030

Scope 1+2

-42%

Minimum reduction in carbon emissions intensity versus baseline 2021.

Scope 3

-57%

TARGETS 2040

Scope 1+2+3

Net-zero

RESULTS

Scope 1+2

+8%

Scope 3

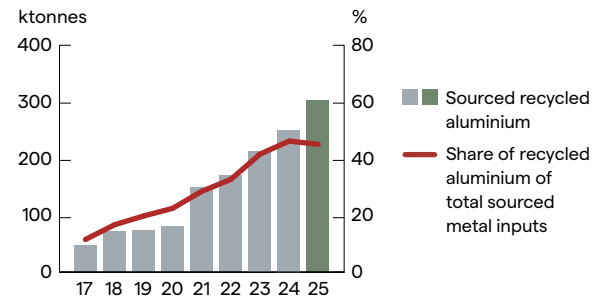
-14%

Scope 1+2+3

-12%

Scope 1+2 intensity increased by 8 percent to 0.70 tonnes CO₂e/tonne (0.64) driven by higher energy consumption as a result of the inclusion of the facility in Shandong and increased production in other business areas. Scope 3 decreased by 14 percent to 5.9 tonnes CO₂e/tonne (6.9) driven by increased use of low-carbon aluminium and an adjusted emission factor for primary aluminium in China. Total carbon emissions intensity (scope 1+2+3) has been reduced by 46 percent versus baseline 2021.

Circular



TARGET 2030

500 ktonnes (10× 2017)

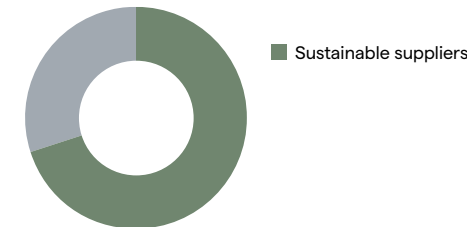
Share of sourced recycled aluminium

300 ktonnes

The share of sourced recycled aluminium decreased by 1.1 percentage points to 45.1 percent (46.2). The volume of sourced recycled aluminium increased by 20 percent to 300 ktonnes (249), which corresponds to 6.4 times the volume in 2017. This was driven by product and operational improvements and a continued focus on establishing long-term recycling partnerships.

Responsible

Share of sustainable suppliers, %



TARGET 2030

100%

Sustainable suppliers

70%

Gränges continued to implement the Responsible Sourcing Program during the year. The company had 70 percent of sustainable suppliers, measured as the share of purchase value from active suppliers who are approved as sustainable following the company's Responsible Sourcing Program.

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Case

A leading platform for industry collaboration in Asia

More than 300 customers, partners, and experts joined the 13th Gränges Technical Seminar in Jinan, China, during the fall 2025. Under the theme “Aluminium Empowers New Energy, Green Shapes Future,” the event highlighted the critical role aluminium solutions play in advancing thermal management across automotive, battery, HVAC, and industrial applications.

“The 13th Technical Seminar was a significant milestone, with an impressive history dating back to 1998. Over the years, the event has evolved into one of our most important platforms for collaboration, knowledge sharing of technical insights and innovate solutions with customers and industry leaders”, said Colin Xu, President Gränges Asia.



The program combined keynote insights, technical sessions, and a tour of the Gränges Shandong plant, giving participants an in-depth view of the company's production capabilities.

Industry leaders, including representatives from the China Association of Automotive Manufacturers' Thermal System Branch, emphasized Gränges' contributions to material innovation that supports the transition to cleaner mobility and higher energy efficiency. Technical experts from across the company shared advances in materials, processes, and system integration, while panel discussions explored emerging requirements in automotive and vacuum brazing.

Strengthening relationships is essential for securing long-term partnerships and ensuring that Gränges' solutions remain integrated into customers' future products.

Co-organized with key industry partners, the seminar continues to be a cornerstone supporting Gränges' sustainable growth across Asia's rapidly expanding markets.



The Technical Seminar has evolved into one of our most important platforms for knowledge sharing with customers and industry leaders.

Colin Xu
President, Gränges Asia



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Hot rolling

The cast slabs are preheated and rolled into coils in the hot mill. This step improves the quality and affects mechanical properties and surface quality while ensuring optimal thickness for cold rolling.

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Globally powered, locally committed

Gränges develops and produces advanced aluminium materials for performance-critical applications. With a balanced global footprint, we combine local presence with a strong, shared technology and engineering platform. Gränges focuses on high-value niches where performance, reliability, and sustainability matter.

Where capability makes the difference

Gränges operates in a global market for rolled aluminium materials ranging from highly advanced applications to more standardized products. Entry barriers are high, as the industry is capital-intensive and requires deep technical expertise, efficient production processes and the ability to deliver consistent quality at scale.

Technology, engineering know-how, and long-term customer partnerships are therefore critical. Meeting demanding performance, cost, time and volume requirements requires well-tuned manufacturing capabilities that have been optimized over many years. These capabilities, together with a global supply capacity in selected areas, differentiate Gränges in both advanced and more standardized segments.

Competition is fragmented and varies by region and end market. Global multi-region players such as Novelis and Constellium, operate alongside local competitors in each of our regions.

Strength in high-value niches, scale in standard markets

Gränges focuses on market segments where our material, process and engineering capabilities provide a strong competitive advantage. We prioritize high-value niches where performance, reliability and sustainability are essential, and where long customer qualification processes and joint development create high entry barriers.

Success in these industries relies on our technology, process control and ability to secure consistent quality, and provides us with scale and margin. At the same time, we maintain a strong presence in more standardized markets, where cost-efficient, reliable and flexible production enables us to meet changes in demand and maximize utilization.

This combination of leadership in high-margin niches providing global scale and a flexible presence in more standardized markets, supports our ambition of a high and stable utilization.

Global and regional footprint builds resilience

Gränges' regional operating model – spanning the Americas, Asia and Europe – is a key competitive advantage. Each region has largely self-sufficient value chains, producing and selling within the same geography.

This structure enables fast decision-making close to customers, which improves flexibility and strengthens relations. Increasingly, local production is also a key sales argument. At the same time, shared technology, engineering expertise and best-practice processes allow us to capture synergies and scale benefits across the group.

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Customer markets



Gränges serves a wide range of customers in Automotive, HVAC, Specialty packaging, Battery, and other high-value niches. Gränges' technology, process capabilities and regional operating model enable competitive and reliable aluminium solutions across these areas.



Automotive

The automotive market includes all vehicle types, from light to heavy, and covers vehicles with internal combustion engines (ICE), hybrids and electric vehicles. Electrification, lightweighting and rising efficiency requirements continue to increase the use of aluminium in thermal management and other performance-critical applications.

Gränges holds a leading global position in rolled aluminium for heat exchanger materials. Our engineering capabilities, strong process control and long customer relations give us a clear competitive advantage and support demand across both traditional and electric vehicle platforms.

Market dynamics vary across regions as customer production, downstream inventory levels and electrification rates vary over time.



HVAC

The HVAC market includes heating, ventilation and air conditioning systems across residential, commercial and industrial buildings. Demand is influenced by construction activity, replacement activity, as well as generally rising temperatures and increasing energy efficiency requirements. Data center construction is also emerging as a strong growth driver.

Gränges is a leading supplier of aluminium materials for brazed and mechanically assembled heat exchangers, with a strong position in North America – the company's most important HVAC market. Reliable performance, customer proximity and efficient regional production make HVAC a key driver of sales for Gränges Americas.



Specialty packaging

Aluminium is well suited for specialty packaging thanks to its barrier properties, formability and infinite recyclability. These characteristics make it ideal for food, beverage and pharmaceutical applications, where product protection, safety and sustainability are essential. The long-term trend toward more circular and recyclable packaging continue to support demand.

Gränges is a leading supplier of packaging foil in North America and aluminium sheet for closure applications in Europe. Efficient production, strong product quality and long-term customer partnerships provide a stable and competitive position in this market.

Market development differs by application, with demand shaped by sustainability requirements, customer preferences and packaging regulations.

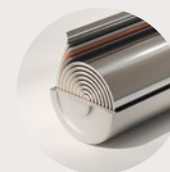


Other niches

Gränges also serves several smaller but strategically important industrial niches. These include materials for transformers, industrial heat exchangers, wind power, building applications, general engineering uses and specialty coil and sheet for distributor markets. Demand in these areas is supported by long-term trends such as electrification, infrastructure investment and the need for durable and recyclable materials.

These niches often require consistent material performance, strong process control and flexible production capabilities – areas where Gränges' technology, product quality and engineering expertise provide a strong competitive fit. Distributor-oriented products also support capacity utilization across the Group.

Activity in these niches varies with sector investment and customer-specific business cycles, while long-standing relationships support stable demand.



Battery

Aluminium plays an important role in battery applications due to its conductivity, lightweight properties, and recyclability.

The battery market is developing rapidly as electrification expands across automotive and industrial applications, although short-term EV demand varies between regions. Long-term growth is supported by increasing requirements for efficient, reliable and recyclable materials and continued investment in energy storage technologies.

Gränges supplies key battery-related materials by leveraging its automotive expertise, technology platform and regional operating model. Recent investments, including the Shandong facility, strengthen our capability to support customers in this segment and enable continued participation in electrification projects across our regions.

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Gränges Americas

Gränges Americas delivered solid performance in 2025 despite a challenging market environment. While demand varied across end markets, increased sales volume was driven by market share gains in HVAC, Specialty Packaging and Other niches. Improved productivity and pricing offset decreased aluminium scrap margins and negative currency effects, resulting in improved operating profit. Continued focus on efficiency, recycling and customer partnerships further strengthened the region's position.

Performance summary

Financial summary	2025	2024	Change
Sales volume external, ktonnes	239.1	229.8	4.0%
Sales volume internal, ktonnes	-	-	-
Total sales volume, ktonnes	239.1	229.8	4.0%
Net sales, external, SEK million	13,248	11,414	16.1%
Net sales, internal, SEK million	-	-	-
Total net sales, SEK million	13,248	11,414	16.1%
Adjusted operating profit, SEK million	1,175	1,068	10.0%
Adjusted operating profit per tonne, kSEK	4.9	4.6	0.3
Return on capital employed, %	20.6	19.1	1.5 pp

Sustainability summary	2025	2024	Change
Total carbon emissions intensity (scope 1+2+3), tonnes CO ₂ e/tonne	4.0	4.6	-14%
Carbon emissions intensity (scope 1+2), tonnes CO ₂ e/tonne	0.98	1.02	-3%
Carbon emissions intensity (scope 3), tonnes CO ₂ e/tonne	3.0	3.6	-17%
Sourced recycled aluminium, ktonnes	147	136	8%
Sourced recycled aluminium, %	63	62	2%
Sustainable suppliers, %	76	n/a	-

SALES VOLUME

239

ktonnes

ADJUSTED OPERATING PROFIT

1,175

SEK million

CARBON EMISSIONS

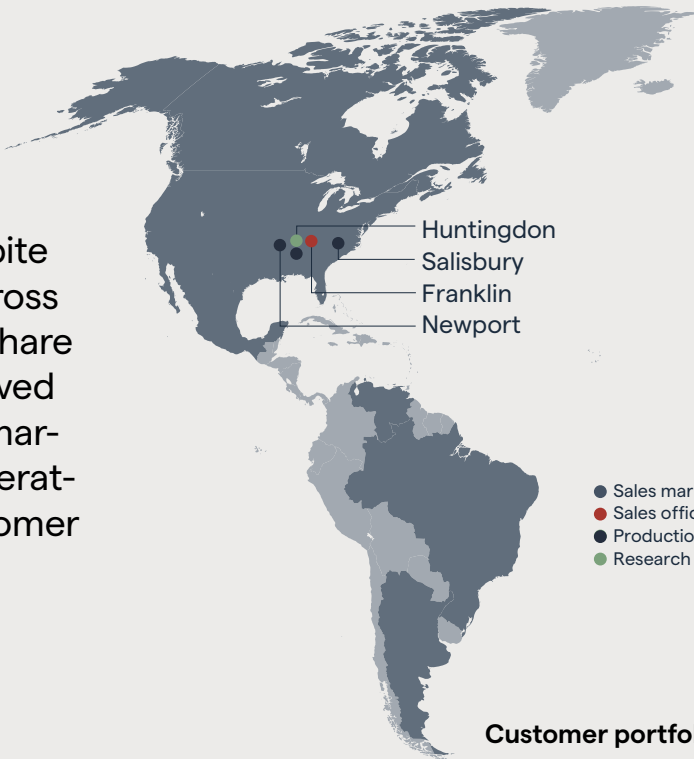
-14%

Reduction in total carbon emissions intensity vs. 2024

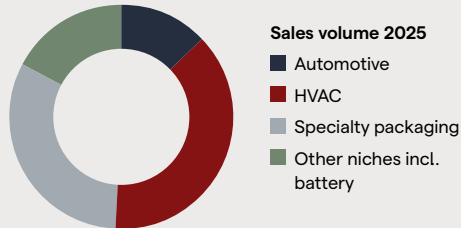
RECYCLED ALUMINIUM

63%

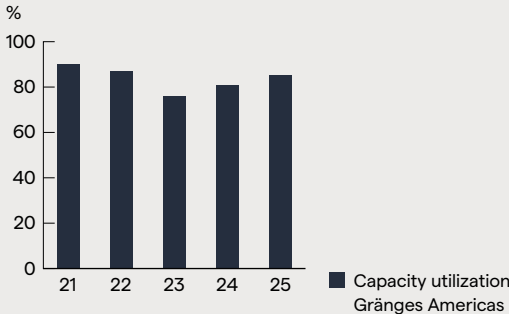
Share of sourced recycled aluminium



Customer portfolio



Capacity utilization



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Highlights

- Strengthened our market position through share gains in key customer segments.
- Delivered higher productivity and operational stability across all US production facilities.
- Expanded the use of recycling and casting capacity to strengthen long-term competitiveness.

Market and sales

Gränges Americas experienced mixed market conditions in 2025. HVAC demand declined from the strong levels in 2024, reflecting softer consumer activity and destocking among manufacturers and distributors. Demand for Specialty Packaging and Other niche products increased slightly, while Automotive demand weakened due to lower overall vehicle production.

Despite these mixed market trends, Gränges Americas achieved higher total sales volume, supported by market share gains in HVAC, Specialty Packaging and Other niches. Total sales volume increased by 4 percent to 239.1 ktonnes (229.8).

Record adjusted operating profit

Adjusted operating profit for 2025 increased by 10 percent to SEK 1,175 million (1,068), corresponding to an adjusted operating profit per tonne of 4.9 kSEK (4.6). Higher sales volume, price increases and improved productivity more than offset the impact of decreased aluminium scrap margins, cost inflation and negative currency translation effects.

Progress towards sustainability targets

In 2025, Gränges Americas continued to improve the sourcing and use of recycled aluminium, both in collaboration with scrap processing companies and through closed-loop customer partnerships. The volume of sourced recycled aluminium reached 147 ktonnes or 63 percent of total sourced metal inputs. This, together with an increased use of low-carbon primary aluminium and renewable electricity, led to a 14 percent reduction in total carbon emissions intensity compared with 2024.

Successful ramp-up and utilization of new recycling and casting capacity

Following the completion of two state-of-the-art recycling and casting centers, 2025 efforts focused on maximizing utilization and improving cost efficiency across all three US sites. The increased use of recycling capacity and more stable casting operations enhanced productivity and operational reliability.

Market share gains in challenging market conditions

2025 was marked by trade tensions and volatile market conditions. Despite softer and uncertain demand in many markets, particularly in Automotive, Gränges Americas strengthened its market position by securing new business and expanding volumes with existing customers. These gains helped offset weaker activity in some markets and reinforced Gränges' position for future growth.

Case

Industry advocacy that supports our customers



Gränges Americas plays an active role in the Aluminum Foil Container Manufacturers Association to strengthen regional value chains and support customers that rely on stable, and local supply. As a key supplier to North American manufacturers, Gränges contributes both expertise and leadership.

"We stay close to our customers and the issues that shape their business," said Brad Thomas, SVP Strategy, Sales & Marketing.

This engagement helped secure important trade decisions that restored fair competition for domestic producers.

"Advocating for fair trade is about ensuring a level playing field so our customers and industry can thrive," Thomas said.

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Gränges Asia

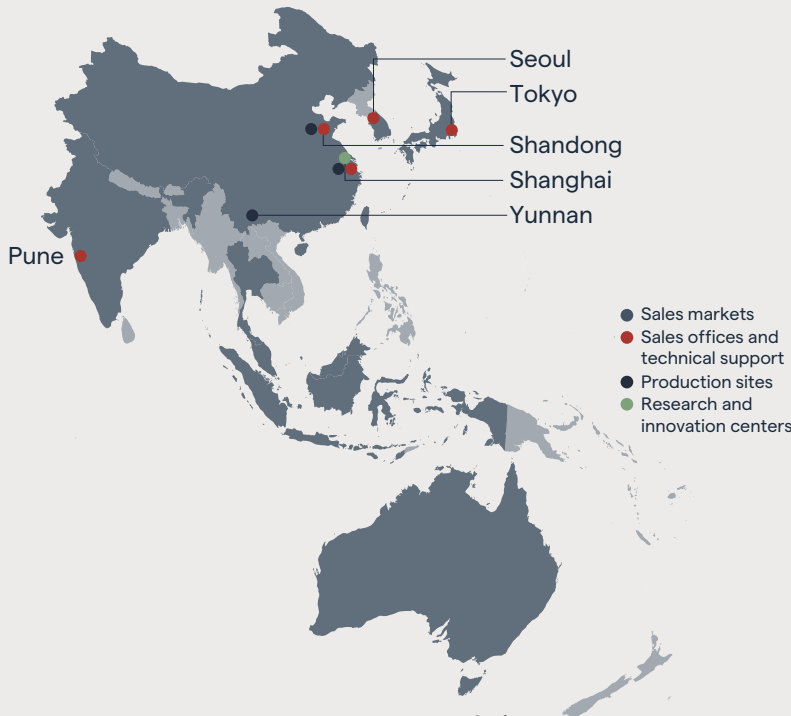
Gränges Asia delivered strong performance in 2025, supported by higher sales volumes and continued improvements in operational efficiency. Market share gains across several customer segments and the successful ramp-up of the Shandong facility contributed to the strong growth in 2025. An optimized price and business mix, combined with productivity initiatives, supported higher operating profit despite a competitive market environment.

Performance summary

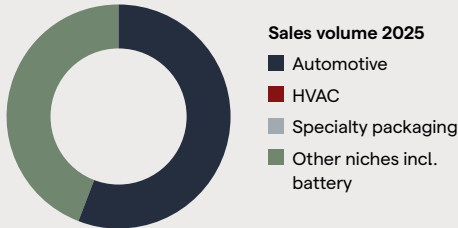
Financial summary	2025	2024	Change
Sales volume external, ktonnes	198.1	112.9	75.5%
Sales volume internal, ktonnes	7.2	7.9	-8.9%
Total sales volume, ktonnes	205.3	120.8	70.0%
Net sales, external, SEK million	7,163	4,731	51.4%
Net sales, internal, SEK million	298	373	-20.2%
Total net sales, SEK million	7,461	5,104	46.2%
Adjusted operating profit, SEK million	341	278	22.8%
Adjusted operating profit per tonne, kSEK	1.7	2.3	-0.6
Return on capital employed, %	9.3	10.2	-0.9 pp

Sustainability summary ¹	2025	2024	Change
Total carbon emissions intensity (scope 1+2+3), tonnes CO ₂ e/tonne	12.0	17.1	-30%
Carbon emissions intensity (scope 1+2), tonnes CO ₂ e/tonne	0.64	0.24	166%
Carbon emissions intensity (scope 3), tonnes CO ₂ e/tonne	11.3	16.9	-33%
Sourced recycled aluminium, ktonnes	58	28	110%
Sourced recycled aluminium, %	27	22	24%
Sustainable suppliers, %	71	n/a	-

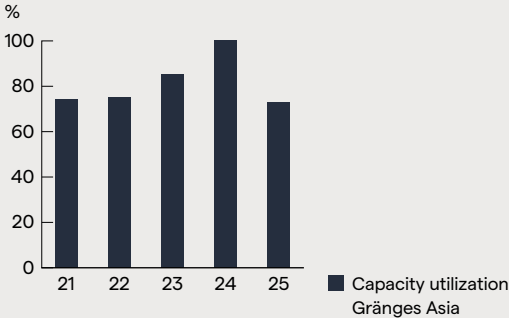
¹ The facility in Shandong, China, is included in the sustainability data 2025. Historical data has not been updated. An adjustment of the emission factor for primary aluminium in Asia has been made, having a positive impact on the result.



Customer portfolio



Capacity utilization



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SALES VOLUME

205

ktonnes

ADJUSTED OPERATING PROFIT

341

SEK million

CARBON EMISSIONS

-30%

Reduction in total carbon emissions intensity vs. 2024

RECYCLED ALUMINIUM

27%

Share of sourced recycled aluminium

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Highlights

- Delivered strong sales growth through market share gains.
- Successfully integrated and ramped up the Shandong facility.
- Improved productivity and strengthened regional capabilities.

Market and sales

Gränges Asia experienced stable demand in 2025. Sales to Automotive customers increased by 8 percent, supported by market share gains and new business in electric vehicle applications. The successful ramp-up of the Shandong facility contributed to significantly higher volumes in Other niches and strengthened the region's commercial position. Total sales volume increased by 70 percent to 205.3 ktonnes (120.8).

Increased adjusted operating profit

Adjusted operating profit for Gränges Asia increased to SEK 341 million (278) in 2025. Higher sales volume and improved productivity offset the impact of a lower average fabrication price, increased fixed cost, and negative currency translation effects. Adjusted operating profit per tonne decreased to 1.7 kSEK (2.3), due to the addition of new, lower-margin business associated with the rapid Shandong ramp-up, and to negative currency translation effects. Excluding these factors, adjusted operating profit per tonne remained stable.

Progress towards sustainability targets

In 2025, the production sites in Asia continued to make progress towards the 2030 sustainability targets. Aluminium recycling increased to 58 ktonnes, driven by well-developed sourcing channels and strengthened scrap supplier partnerships.

Total carbon emissions intensity decreased by 30 percent compared to 2024, mainly driven by increased use of low-carbon primary aluminium and an updated emission factor for primary aluminium in Asia. This reflects new information on China's green transition and revised government policy implemented in 2025.

A new chapter for Gränges Asia

The integration and ramp-up of the new production facility in Shandong marked an important step for Gränges Asia in 2025. The facility contributed significantly to the region's sales volume growth by enabling new business in electric vehicle applications and increased penetration in Automotive HEX applications. Shandong performed in line with the ambition of reaching an annual run-rate of 90 ktonnes at improving profitability, and the IT integration with the Shanghai site was successfully completed.

The expansion strengthened Gränges Asia's market position by broadening the product portfolio and enabling growth in battery cooling plate materials, battery casing applications and selected niche segments. The organizational work required to support the new site, including capability building, cultural integration and operational efficiency initiatives, continues to be a central focus area for the region.

Case

Investing in people powers regional growth



The acquisition of the Shandong facility marked a key step in the Navigate plan to achieve profitable and sustainable growth, meeting increased customer demand in Asia. Through a clear integration strategy – investing in people, transparency, training, and cultural inclusion – Gränges Asia successfully onboarded over 600 employees while maintaining operational continuity and customer delivery.

“Culturally meaningful activities, including global trainings, had the biggest impact in retaining and onboarding key talents,” said Jessie Yao, VP HR Gränges Asia. “Our Opening Ceremony and first Annual Party built pride and belonging.”

Close cross-functional collaboration between the teams in Shanghai and Shandong was key to the successful integration, which earned Gränges Asia the internal 2025 People Award. The effort enabled a rapid ramp-up of sales and production, enabling growth in new customer segments. Breakeven was achieved already in the first quarter, followed by improved profitability throughout the year.



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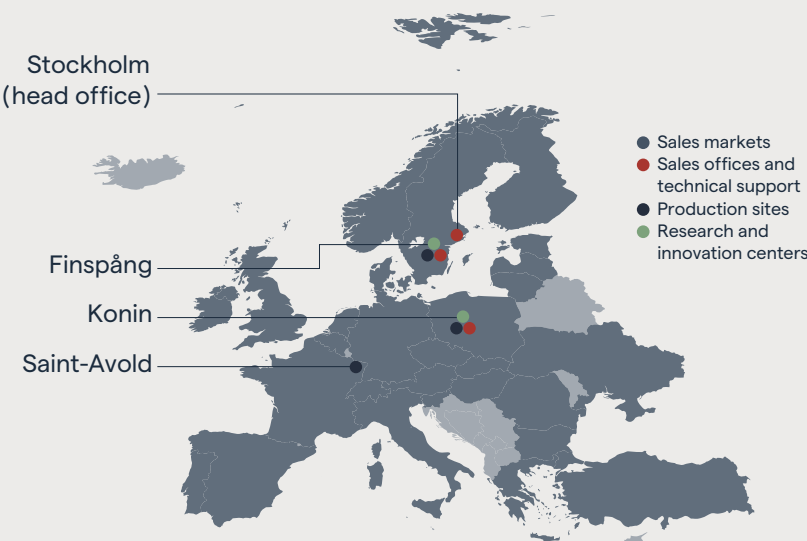
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Gränges Europe



Gränges Europe delivered solid sales volume growth in 2025 despite weak demand in several end markets. Market share gains, particularly in Automotive and electric vehicle applications, supported higher volumes amid a year of geopolitical uncertainty and softer industrial activity. Decreased aluminium scrap margins and adverse currency effects weighed on operating profit, partly offset by higher volumes and improved cost productivity. Continued market share gains and systematic improvement work across sites strengthened Gränges' competitive position in Europe.

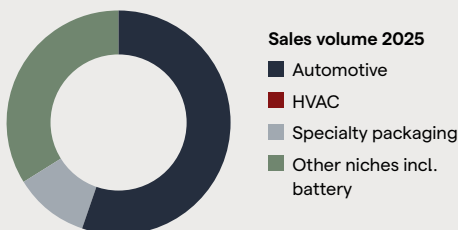


Performance summary

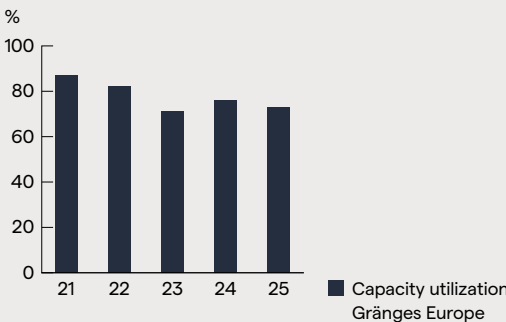
Financial summary	2025	2024	Change
Sales volume external, ktonnes	179.4	163.1	10.0%
Sales volume internal, ktonnes	10.9	10.9	-0.5%
Total sales volume, ktonnes	190.2	174.0	9.3%
Net sales, external, SEK million	7,951	7,360	8.0%
Net sales, internal, SEK million	649	632	2.8%
Total net sales, SEK million	8,600	7,992	7.6%
Adjusted operating profit, SEK million	275	353	-22.1%
Adjusted operating profit per tonne, kSEK	1.4	2.0	-0.6
Return on capital employed, %	4.5	6.3	-1.8 pp

Sustainability summary	2025	2024	Change
Total carbon emissions intensity (scope 1+2+3), tonnes CO ₂ e/tonne	4.0	4.5	-12%
Carbon emissions intensity (scope 1+2), tonnes CO ₂ e/tonne	0.44	0.46	-4%
Carbon emissions intensity (scope 3), tonnes CO ₂ e/tonne	3.5	4.1	-13%
Sourced recycled aluminium, ktonnes	94	85	10%
Sourced recycled aluminium, %	44	45	-2%
Sustainable suppliers, %	62	n/a	-

Customer portfolio



Capacity utilization



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SALES VOLUME

190

ktonnes

ADJUSTED OPERATING PROFIT

275

SEK million

CARBON EMISSIONS

-12%

Reduction in total carbon emissions intensity vs. 2024

RECYCLED ALUMINIUM

44%

Share of sourced recycled aluminium



Highlights

- Delivered higher sales volume through market share gains.
- Completed major expansion projects in Konin and Finspång.
- Further strengthened the commercial position in Automotive and Specialty Packaging.

Market and sales

Gränges Europe faced soft demand across most markets in 2025. Despite these challenging conditions, the region increased sales volume through market share gains in Automotive, including new business in electric vehicle applications, and through higher sales in Specialty Packaging and Other niches. Total sales volume increased by 9 percent to 190.2 ktonnes (174.0).

Currency headwinds and decreased scrap margins weighed on operating profit

Adjusted operating profit for Gränges Europe decreased to SEK 275 million (353) in 2025, corresponding to an adjusted operating profit per tonne of 1.4 kSEK (2.0). Higher sales volume and productivity improvements only partly offset decreased aluminium scrap margins, currency headwinds and timing effects on metal premiums.

Progress towards sustainability targets

In 2025, Gränges Europe continued their decarbonization progress in the production sites in Finspång and Konin. The volume of sourced recycled aluminium increased by 10 percent to 94 ktonnes. Total carbon emissions intensity decreased by 12 percent compared to 2024, mainly driven by a higher share of low-carbon primary aluminium.

Completion of expansion projects

During 2025, the construction of the two remaining large expansion projects in Europe was completed. The new cold rolling mill in Konin began ramping up production in the first quarter and increased productivity gradually throughout the year. The new battery foil production facility in Finspång was inaugurated during the second quarter and is preparing for a ramp-up of commercial deliveries during 2026.

New business wins and market share gains in challenging markets

Gränges Europe continued to secure new business and strengthen its customer base in 2025. The region gained market share in several customer segments, driven by strong commercial efforts and new customer wins. In Automotive, Gränges secured multiple contracts for next-generation electric vehicle platforms as well as for traditional thermal management applications. Market share gains were also achieved in Specialty Packaging, supported by the ramp-up of a new customer program.

Case

Built for performance – positioned for growth



The new cold-rolling mill in Konin adds critical capacity to support growth and expansion in automotive applications such as battery casings, cooling plates, and structural components – areas demanding high-strength, lightweight, and circular materials.

The new mill adds 30 ktonnes of capacity and features advanced technology to improve material yield, reduce energy consumption, and enhance rolling efficiency. Delayed by a fire in 2022, the mill now features cutting-edge systems and is fully operational.

“Building within an active production site required precision and close coordination,” said Piotr Szeliga, Managing Director Gränges Konin. “We’ve succeeded in creating a safer, more advanced, and more sustainable production.”

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Recycling

Recycling includes both externally sourced aluminium scrap and internal process scrap. By remelting and reusing the material, Gränges reduces carbon emissions and increases circularity across the value chain.

Sustainability



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A key business driver

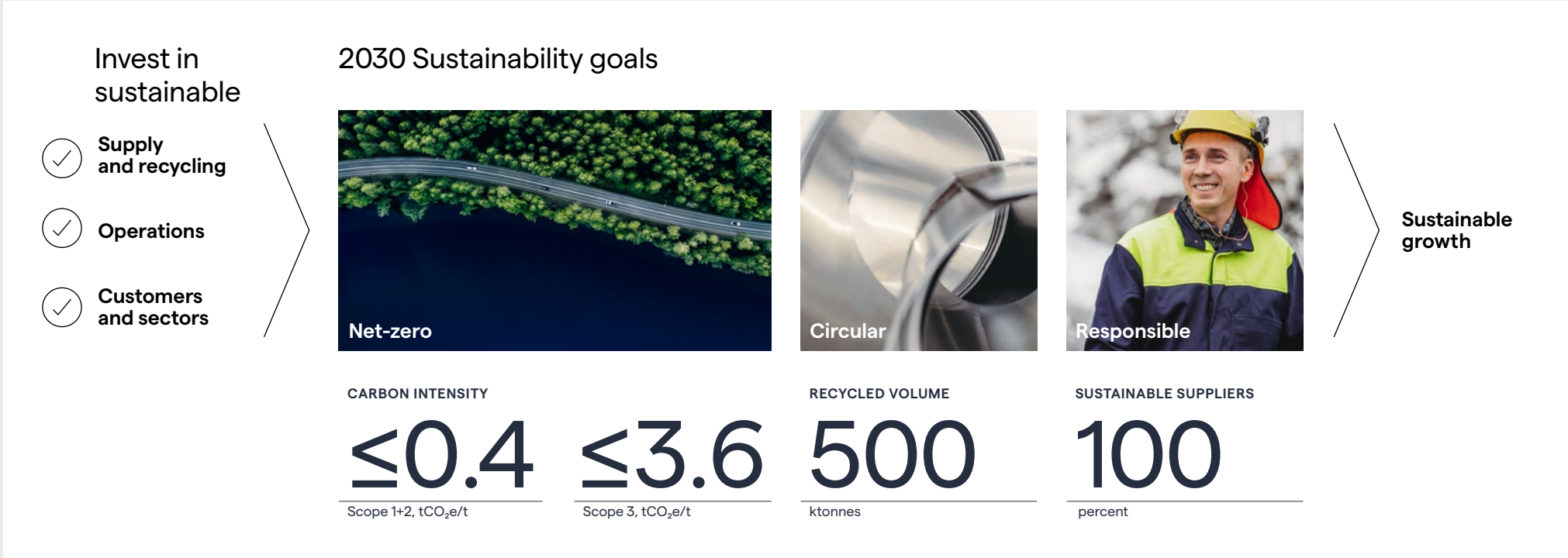


Gränges’ ambition is to create circular and sustainable aluminium solutions for a better future. Sustainability, alongside people and safety, is a key driver of the company’s long-term competitiveness and value creation. These elements are at the core of Gränges’ business and strategy, emphasizing their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

Gränges’ sustainability plan promotes the development of sustainable and circular aluminium solutions to drive long-term growth. The plan is built around three main focus areas, each supported by long-term goals that guide the company’s

sustainability efforts. In addition, the plan upholds the ten principles of the UN Global Compact and supports the United Nations’ Sustainable Development Goals.

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Net-zero

Gränges is committed to mitigating climate change and has set a goal to reach net-zero by 2040. The company strives to reduce the climate impact along the value chain.

Gränges’ climate impact

As a manufacturer of rolled aluminium products, Gränges’ largest climate impacts originate in its value chain, particularly from sourcing metals. In 2025, 11 percent of the company’s total carbon emissions originated from own operations (scope 1+2) and 89 percent from the value chain (scope 3).

The company is committed to reaching net-zero carbon emissions by 2040, with mid-term 2030 goals for scope 1+2 and scope 3 in place. These goals have been validated by the Science Based Targets initiative to align with the Paris Agreement.

During the year, Gränges has successfully integrated the facility in Shandong into Gränges’ carbon emissions reporting. This ensures comprehensive and transparent accounting of the company’s environmental impact across all operational sites.

Continued execution on the net-zero plan

Gränges’ decarbonization plan focuses on five key pathways, with recycling growth, low-carbon primary aluminium, and renewable electricity as the main drivers. During the year, all regions continued to execute on the plan. Actions to reduce own emissions (scope 1+2) include operational efficiency improvements to reduce energy consumption and increase the use of renewable electricity. Gränges’ facility in Shanghai sources 100 percent renewable electricity since 2023 through a supplier-issued renewable electricity certificate. The facility in Finspång sources specified electricity from 100 percent hydro power since 2020 and the facility in Konin sourced 72 percent renewable electricity from hydro power through guarantees of origin in 2025. Newport, Salisbury and Huntington source 100 percent, 27 percent and 16 percent respectively of their electricity from solar power through renewable energy credits (RECs).

Improved sourcing conditions and continued operational progress were the main drivers in reducing scope 3 emissions, including increased use of low-carbon primary aluminium.

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TARGETS

Net-zero

By 2040

-42%

Reduction in absolute scope 1+2 carbon emissions by 2030 vs. 2021

-57%

Reduction in carbon emissions intensity from scope 3 by 2030 vs. 2021

-19%

Reduction in absolute scope 1+2 carbon emissions vs. 2021

-48%

Reduction in scope 3 carbon emissions intensity vs. 2021

RESULTS 2025

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Gränges' net-zero journey



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Gränges' five pathways to net-zero and prioritized activities

1	2	3	4	5
Net-zero Gränges	Net-zero electricity	Recycling growth	Net-zero primary aluminium	Net-zero solutions and sectors
Scope 1	Scope 2	Scope 3	Scope 3	
PRIORITIES				
• Increase material and energy efficiency • Reduce and phase-out natural gas and non-renewable fuels • Deploy decarbonization technologies	• Form value chain partnerships • Renewable electricity certificates • Generate own renewable electricity	• Form value chain partnerships • Invest in recycling capabilities and capacity • Develop circular alloys	• Form value chain partnerships • Support suppliers' decarbonization plans	• Invest in growth from sustainable sectors • Collaborate with customers and OEMs • Develop sustainable and circular alloys
AMBITIONS				
100% net-zero fuels by 2040	100% renewable electricity by 2030	500 ktonnes recycling by 2030	100% net-zero primary aluminium by 2040	Enabler for net-zero and sustainable growth

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Circular



Gränges is committed to circularity, integrating practices in its operations to keep materials and resources in use for as long as possible through recycling, reuse, design and circular business models.

Increased recycling drives decarbonization

Focusing on circularity is essential to decarbonizing the aluminium value chain. By increasing the use of recycled aluminium Gränges reduces its dependency on carbon-intensive raw material and enables a closed-loop production model. With up to 95 percent less energy required than primary production, recycled aluminium offers an effective path to lower carbon emissions and drive more sustainable operations across the industry.

Gränges aims to reach 500 ktonnes of recycling volumes by 2030, a tenfold increase from the 2017 baseline.

Record-high recycling volumes

In 2025, Gränges achieved 300 ktonnes of recycled aluminium, representing a 6.4 times increase from the 2017 baseline. This success was driven by strong recycling partnerships, product development and increased recycling capacity.

During the year, the casting and recycling center in Gränges Americas was ramped-up enabling increased use of recycled

aluminium. Also, the inclusion of Shandong has enabled increased use of recycled aluminium in Asia, given a product mix enabling more scrap.

Gränges experiences a tougher scrap market with strong demand and increased prices on clean scrap, which may impact Gränges' transition to net-zero negatively. The company will continue to focus on long-term partnerships to secure access to recycled aluminium.

Partnership to secure low-carbon primary aluminium

In addition to recycling, a key driver for reducing scope 3 emissions is to expand the sourcing of low-carbon primary aluminium. Gränges relies on the primary aluminium sector's transitioning to low-carbon products and production to reach its net-zero target. Availability currently varies by geography and renewable energy conditions.

To increase the use of low-carbon primary aluminium, Gränges focuses on long-term supplier partnerships. The joint

venture with Shandong Innovation Group in Yunnan secures supply to the Shanghai facility with the first batches delivered during the year. In addition, Gränges secured supply of green primary aluminium to all sites in Americas and Europe from one strategic partner, supporting future reduction in scope 3 emissions.

Innovation to improve recycling rate

Gränges focuses on alloy design and innovation to improve recycling rates and alloy recyclability, enabling the use of both pre- and post-consumer scrap. The company collaborates with customers in key markets to develop circular alloys that meet sustainability requirements. During the year, Gränges' continued to execute on product development projects with the result of significant reduction of primary aluminium use enabling a higher share of recycled aluminium in Gränges' products.

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TARGET 2030

500_{ktonnes}

Volume sourced recycled aluminium

RESULTS 2025

300_{ktonnes}

Sourced recycled aluminium

45%

Share of sourced recycled aluminium

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Responsible

Gränges is committed to responsible business practices in all aspects – towards employees, partners, communities, and the environment.

Business ethics

Gränges upholds high ethical standards, guided by its Code of Conduct and core values – Sustainable, Action oriented, and Committed. These principles guide employees in their daily actions and establish the foundation for responsible and ethical business conduct.

Workplace safety

Gränges continuously works to improve the work environment and increase the health and safety awareness and behavior among employees. Focus areas include preventing and mitigating key safety risks, improving physical safety environment, fostering a leadership culture in safety as well as building safety skills and knowledge across the organization.

Motivating and inclusive workplace

At Gränges, a strong team and company culture are key to success. Local people plans focus on engagement, team development, and a strong safety and leadership culture. The company is also committed to being an open and inclusive employer, with zero tolerance for discrimination.

Responsible sourcing

Gränges’ global network of suppliers means the company significantly influences environmental and social sustainability.

To address this, Gränges actively collaborates with suppliers to enhance sustainability and manage supply chain risks. Gränges’ Responsible Sourcing Program sets out comprehensive principles and requirements to guide responsible sourcing practices.

Corruption prevention

Gränges has zero tolerance and acts rapidly, stringently, and vigorously if discovering corruption or unethical behavior. Gränges’ Anti-Corruption Policy outlines anti-corruption principles, and annual trainings are conducted to equip white-collar employees with the knowledge how to act in specific situations.

Transparency and traceability

Transparency is a cornerstone in Gränges’ sustainability approach. It helps to manage risks, improve efficiency, and build trust with stakeholders and partners. The company collaborates with organizations such as SBTi, EcoVadis, ASI, and CDP to verify its sustainability commitments and claims.

Community involvement

Beyond being an employer, Gränges plays an active role in supporting strong and resilient communities. Regular stakeholder dialogues ensure alignment with sustainability goals and address key concerns.



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TARGET 2030

RESULTS 2025

100%

Sustainable suppliers

70%

Sustainable suppliers

95%

Supplier Code of Conduct commitment

82

Engagement index (2024)

100%

Participation in Code of Conduct training

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Partnering across the value chain accelerates circularity

Circularity means moving beyond the old use-and-dispose mindset and embracing a system where materials stay in circulation through reuse, recycling, and collaboration across the entire value chain. Partnerships are a key enabler of Gränges' ambition to build a circular and low-carbon aluminium industry. Together with primary aluminium suppliers, customers and recycling companies, Gränges Americas has formed a value-chain partnership to accelerate decarbonization and resource efficiency.

Connecting upstream and downstream – closing the loop

- Strategic collaboration with Rio Tinto secures access to low-carbon primary aluminium produced with renewable hydropower, reducing carbon footprint of raw materials.
- With customer Daikin, closed-loop recycling systems are implemented, where HVAC materials are collected, remelted, and reintroduced into production.
- Recycling partners Scepter and The Federal Metal Company enable recovery and reuse of post-industrial and post-consumer scrap, turning waste into valuable recycled aluminium.

Together, these partnerships have helped reduce Gränges Americas' carbon footprint by 50 percent compared with 2017.

"Partnerships are the foundation of circularity. Together with our suppliers and customers, we've proven that collaboration is not just good for sustainability – it's good for business," says Rosa Laxamana, VP Sustainability, Gränges Americas.

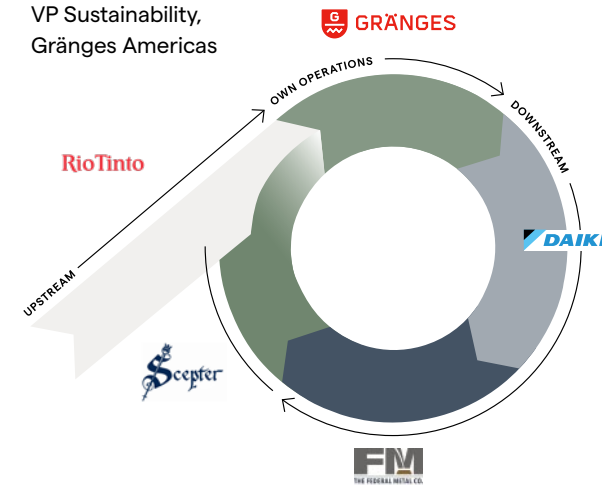
About the partners

- Rio Tinto – One of the world's largest mining and metals companies
- Daikin Industries, Ltd. – Global leader in HVAC and refrigerant/fluorochemical technologies.
- The Federal Metal Company – Produces high-purity brass, bronze, and copper-based cast alloys, and recycles non-ferrous scrap (especially aluminium) into certified ingots.
- Scepter Inc. – A second generation secondary aluminum smelter and an industry leader in dross and scrap recycling.



A circular approach transforms the aluminium industry from a linear model into a more resilient, sustainable, and economically viable system.

Rosa Laxamana
VP Sustainability,
Gränges Americas



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Cold rolling

In the cold rolling process, the aluminium strip is further reduced to the final thickness. Repeated rolling and annealing steps enhance strength, precision, and surface finish according to customer requirements.

Risk management



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Robust risk management, a cornerstone of our foundation

As a group with operations in different parts of the world, Gränges is exposed to various risks and uncertainties. Gränges' risk management process aims to identify, assess, and reduce risks related to the Group's business and operations.

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

Gränges also promotes a risk awareness culture where employees are encouraged to speak up and propose improvements and actions to mitigate risks, recognizing that transparency is essential for managing risks effectively.

Gränges' risk management process requires all regional management teams to review, rank and prioritize risks annually and to maintain updated risk mitigation plans. The regional risk assessment and mitigation plans also form the basis for an annual risk review in the Group Management Team. The purpose of this review is to ensure that effective risk mitigation plans and processes are in place from a Group perspective, including whether a specific risk should be owned and managed by the Group Management Team or by the regional Presidents.

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Market risks



Macro and regulatory

With its global production footprint and customer base, Gränges is exposed to macroeconomics and regulatory risks. Such risks relate to external impact that could change the dynamics of the demand for Gränges' products or affect Gränges' ability to meet demand for its products. Examples of such external impact are general economic downturn, cost inflation, pandemics, war, other force majeure events, access to labor, geopolitical events, political priorities, trade barriers, sanctions, protectionism, and environmental legislation. Changes in macro environment and regulations could result in financial losses and/or cause other harm to the company or its customers. On the other hand, Gränges could also benefit from such changes.

Risk-mitigating activities

- **Continuous monitoring and rigorous contingency plans:** Gränges continuously monitors legislative and regulatory developments in different markets, and proactively assesses external risks and opportunities that may influence the company's strategy and operations. Rigorous contingency planning is a standard part of the annual planning cycle.
- **Global presence:** Gränges' presence in three regions balances the shift in demand throughout the economic cycle. It also provides flexibility to transfer production and re-route supply flows if macro or regulatory changes should have a negative impact on the current setup.
- **Diversified portfolio:** A diversified product portfolio reduces Gränges' cyclicity and reduces the company's dependence on a specific industry should macroeconomic or regulatory changes cause disruption.

Commercial

Commercial risks are primarily related to Gränges' relations with customers and external market competition, which can have a direct negative impact on financial performance. Examples of such risks include customer relations, reputation and brand, contract risk, pricing, competition and substitution, quality, technology and R&I, as well as M&A and partnerships. The most evident consequences from realized commercial risks are loss of ability to obtain new customers, suppliers and partners, as well as to maintain such existing relationships.

Risk-mitigating activities

- **Customer collaboration:** Gränges works closely with customers in product development for future applications to ensure a continued high quality and adherence to customer requirements.
- **Operational excellence programs:** Gränges ensures high-quality products and efficient production processes through established programs for 6S and lean operations.
- **Competitive cost level:** Gränges works to maintain a low cost level based on its global presence, which enables competitive pricing.
- **Research and innovation:** Extensive research and innovation enable Gränges to continue to develop advanced materials and solutions to meet new demands.
- **Strategy for partnerships and acquisitions:** Gränges adheres to an established process for finding and executing acquisitions and partnerships, validated through several historical corporate acquisitions.

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Supply chain

Supply chain risks include critical suppliers’ failure to deliver quality or material to Gränges, sustainability risks in the value chain as well as legal risks. Gränges’ products use large amounts of input materials. Insufficient supply or inadequate quality of products delivered would imply that Gränges cannot produce certain products of the quality expected from customers. Reductions or shutdowns of larger suppliers could also impact Gränges’ ability to manufacture and deliver products.

Social risks and human rights violations are mainly related to indigenous rights in the extraction, mining and smelting activities. Extractive activities also carry a risk of forced and child labor, although there are few reports of this in bauxite mining. Environmental risks mainly occur in mining activities where there are risks related to, for instance, biodiversity loss, leakage and air emissions. Further, refining and smelting activities are energy- and water-intensive processes. Corruption risks are mainly linked to mining approvals, regardless of the country’s level of economic development or political system. Mismanagement of these risks may lead to undesirable effects on operational and financial results, such as increased costs, delayed deliveries, and possible claims from customers. It can also lead to reputational damage.

Risk-mitigating activities

- **Supplier agreements:** Gränges has agreements with suppliers in each market to ensure deliveries based on estimated volumes.
- **Own production:** Gränges has its own cast houses in the production facilities which makes the company less sensitive to supply issues regarding for example aluminium slabs.
- **Responsible Sourcing Policy and program:** All sites are to operate a local responsible sourcing program covering suppliers with an annual spend exceeding 500 kSEK or equivalent in local currency. The program is used as a platform to enforce sustainable practices, ensure continuous improvement, develop collaboration, and build supplier relationships.
- **Risk screening:** Potential supplier-specific sustainability risks are identified based on environmental, social, and corruption risks associated with the supplier’s country of origin and sector. The risk scoring model used is validated by a third party.
- **Supplier Code of Conduct:** Suppliers are requested to commit to Gränges’ Supplier Code of Conduct. By committing, suppliers declare to observe applicable laws and regulations, including the principles of the UN Global Compact, and to promote the implementation of these principles in their own supply chains.
- **Sustainability assessment:** Suppliers are subject to third-party audits or third-party desktop assessments to further disclose sustainability performance – depending on the suppliers’ business impact and sustainability risk.
- **Analysis, corrective actions and continuous development:** Suppliers are contacted to discuss mitigation actions if non-compliances are noted. Training is provided as applicable to support suppliers and help them improve.

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Operational risks



Workplace safety

Health and safety risks mainly relate to incidents or accidents in the cast house, rolling mills, and slitting, which can cause damage to fingers, hands, feet, and legs. Other risks are exposure to chemicals and the risk of fire, which can be hazardous to employees' health. Further, employees and other individuals may be injured if the implementation of safety procedures is unsuccessful or inefficient. Unsafe workplaces can lead to increased employee turnover as well as higher operating costs, and production interruptions. The facilities may be interrupted if Gränges fails to implement safety processes or if implemented processes are not efficient and, if they are not remedied quickly and time efficiently, could prevent normal execution of the work. All of the above examples can have a negative impact on Gränges' operations, reputation, financial position, and results.

Risk-mitigating activities

- **Occupational Health & Safety (OHS) Policy:** Gränges' Occupational Health & Safety Policy covers principles regarding safety performance. All employees and contracted workers are required to follow the policy.
- **Safety certifications:** Gränges aims to have all its sites certified in accordance with ISO 45001 safety management standards. All sites except Gränges Powder Metallurgy has been certified.
- **Global OHS Key Risk Standards:** Gränges has standards issued for identified key risk areas of the business. Gap assessments and action plans relative to the global standards are conducted annually.

- **Daily monitoring and management:** Gränges has strict safety routines and continuously invests in safety measures to prevent and mitigate workplace accidents and injuries. A 6S system has been implemented to ensure a clean, orderly and safe work environment.
- **Incident reporting:** Gränges focuses on preventing workplace injuries and ensuring safe behavior. Workplace safety analysis is carried out and all incidents are registered and classified in incident reporting systems.
- **Health and safety training:** Gränges arranges comprehensive health and safety training for all employees at least annually. Targeted safety training is also carried out for specific safety aspects.
- **Best practice sharing:** Gränges shares safety experiences and best practices through internal cross audits and safety meetings.

Employee

Employee risks are mainly related to lack of access to, and difficulty to attract and retain qualified and skilled employees, due to high competition in the labor market. Gränges operates in a traditional industry where competition for qualified employees is high. Job opportunities are located outside metropolitan areas which tends to reduce the number of available qualified candidates. There are also risks relating to not having a diverse workforce as this is a prerequisite for a productive and innovative organization. If Gränges fails to attract, develop, retain and motivate qualified personnel needed in the business, it would make it more difficult for the company to deliver goods and services in accordance with customers' expectations. As a result, it could lead to significant future loss of revenue, increased costs and lack of diversity, which may have a significant negative impact on Gränges' operations, earnings, and financial position.

Risk-mitigating activities

- **Attractive workplace:** Gränges offer good working conditions and interesting career development opportunities to attract, develop and retain qualified employees.
- **Structured recruitment process:** The company runs a structured recruitment process to ensure that the company hires competent and skilled employees.
- **Leadership development:** Gränges conducts regular performance and development discussions to ensure motivated and engaged employees. The company also works actively with training opportunities, talent management and succession planning as well as strengthening the corporate culture and core values.

- **Local diversity plans:** Gränges supports an inclusive work environment which leverages employees' different perspectives, experiences, and ideas. Training is regularly held on the importance of inclusion and having a diversified workplace.
- **Health and wellbeing:** Gränges offers its employees occupational and non-occupational health services including access to occupational health care, regular health checks, and access to medical care.

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Environmental and climate

Environmental risks are mainly related to emissions to water, soil and air or releases of environmentally hazardous substances resulting from incidents and accidents in Gränges' production facilities, such as fire, oil spill, or leakages. Such events may have financial, non-financial, as well as regulatory repercussions. Other environmental risks are related to natural resource scarcity. Climate transition risks include emerging regulation to incentivize reduced carbon emissions as well as carbon pricing mechanisms which could lead to higher costs for Gränges, for example increased costs in carbon taxes. Other transition risks include shifting customer and consumer preferences towards products carrying a lower climate impact, which could reduce the demand for Gränges' products if not addressed properly. Regulatory restrictions on air pollution is another transitional risk which could result in demands for reduced production at Gränges' production facilities. Climate physical risks are mainly related to acute physical risks with increased severity and frequency of extreme weather events. This could disturb not only direct operations but also the infrastructure supporting the production, including electricity supply and transportation. The potential financial consequences may include decreased revenue from reduced sales volumes and increased costs to repair potential damages at the sites.

Risk-mitigating activities

- **Environmental Policy:** Gränges Environmental Policy covers principles regarding environmental performance. All employees and contracted workers are required to follow the policy.
- **Environmental management certifications:** Gränges aims to have all its sites certified in accordance with ISO 14001 (environmental management) and ISO 50001 (energy management) standards. All sites are certified against ISO 14001. The sites in Finspång, Saint-Avold, Shanghai, Huntingdon, Salisbury, and Newport are certified against ISO 50001.
- **Ambitious climate agenda:** Gränges works actively to take product stewardship and has committed to net-zero emissions by 2040.
- **Daily monitoring and management of emissions:** Gränges monitors and manages emissions to air as part of the daily operations. Local authorities continually monitor compliance to ensure that emissions of nitrogen oxides, sulfur dioxide, particulate matter, volatile organic compounds (VOC) and, in some regions, oil emissions, are within permissible limits.
- **Incident reporting:** Gränges' employees report environmental risk observations in site-specific incident management systems. Risks are managed in accordance with standardized routines and integrated as part of daily operations. Key risks are raised to the regional management teams and mitigation activities are implemented accordingly. Gränges takes a precautionary approach to environmental risks.
- **Continuous monitoring of legislation:** Gränges closely monitors changes in environmental policy and legislation.
- **Emergency planning:** Emergency planning and preparations are integrated in management systems, maintained at the site level including assessment of emergency situations and crisis management action plans.

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Production and disruption

Production risks are related to critical machine breakdowns, both hardware or software, as well as major incidents such as a fire or explosion occurring in the production sites. Critical machine breakdowns could give rise to production stops, preventing or making it more difficult for Gränges to meet its commitments to its customers. Unplanned stops in production facilities could also result in defective products or products of inferior quality. Power failures or cuts could lead to breakage in the coils in the cold-rolling process, resulting in the need to discard the coils, or could lead to sparks, which increases the risk of fire.

Risk-mitigating activities

- **Maintenance plans and machinery:** Gränges has maintenance plans to manage critical machinery. The company also ensures access to spare parts and service staff to continually maintain critical machinery. Furthermore, Gränges has invested in state-of-the-art fire protection systems and customary insurance policies.
- **Fire protection:** Gränges works diligently with internal and external resources to strengthen its fire protection programs, including equipment upgrades and training. Gränges also continues to work closely with relevant fire departments at each facility to stage fire drills, improve response times, and define clear points of contact in case of an emergency.



Ethical and compliance

Gränges operates in many different complex markets, with local laws and regulations. Misconduct, fraud, violation of laws and regulations and internal policies, or other improper acts carried out by Gränges' employees, representatives or partners could have an adverse effect on Gränges' business, reputation, profit and financial position. Such action could involve a breach of applicable regulations on, for example, public procurement, secrecy, contractual costs, internal control of financial reporting, the environment and trade. The risk of corruption and bribery exists in some markets where Gränges conducts business. Corruption can prevent economic development, distort competition, lead to increased costs and destroy confidence, reputation and brand.

Risk-mitigating activities

- **Code of Conduct:** Gränges Code of Conduct outlines ethical principles and gives guidance to employees on how to act and conduct business. All employees and board members, as well as temporary staff, must follow the principles. All employees conduct annual training in the Code of Conduct.
- **Anti-Corruption Policy:** Gränges Anti-Corruption Policy outlines principles to prevent bribery and other types of corruption. All Gränges' employees and board members must adhere to the policy.
- **Whistleblower Function:** Gränges has a Whistleblower Function which is managed by an external company and can be accessed online or via telephone anonymously.

- **Continuous monitoring and management:** Gränges continuously monitors legislative and regulatory developments through external partners, and through membership in various industry organizations.
- **Global trainings:** Gränges regularly informs its employees of relevant changes that the company must follow. All white-collar employees are also trained annually in anticorruption to ensure good knowledge and enhance understanding of appropriate action in various situations.

IT

IT risks relate to disruptions in important IT systems or the digital infrastructure, which could have a direct impact on production, financial reporting and other important business processes. Gränges is therefore exposed to risk relating to interruptions and disruptions in its IT infrastructure caused by computer viruses, power failure, human or technical errors, sabotage, weather or nature-related events, or problems caused by failures in care and maintenance. IT attacks, errors or damage to IT systems, operational disruptions and incorrect or faulty deliveries of IT services from Gränges' IT providers leading to extensive production stops could have a material adverse effect on Gränges' business. It could lead to an inability to deliver products or services in time to customers or other stakeholders, which could lead to financial and reputational losses. Errors in the handling of financial systems could affect the company's financial reporting. The risk of unauthorized intrusion into Gränges' systems may result in financial losses and other damage. Failure to adequately restrict access to information may result in unauthorized knowledge or use of confidential information.

Risk mitigating activities

- **Information Technology Policy:** Gränges has an established Information Technology Policy which outlines how IT is governed in Gränges and establishes roles, responsibilities, decision mandates and key principles.
- **Information Technology Security Policy:** Gränges has an established Information Technology Security Policy which all employees and contractors must adhere to.
- **IT security management:** Gränges has implemented processes to handle IT security and to mitigate risks related to incidents. These processes are continuously improved according to the latest best practice. The IT environment is proactively monitored 24/7 and abnormal patterns are immediately acted upon.

- **Regular internal audits:** Gränges conducts yearly internal audits to identify IT security risks, covering internal and external perspectives. These risks are reported to Group Management and mitigation activities are implemented accordingly.
- **Global trainings:** Gränges conducts mandatory annual training and informs its employees and contractors continuously to create awareness and understanding of information and cyber security.

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Financial risks



Currency

Currency risk arises when Gränges' revenues and costs are denominated in different currencies. Sales are primarily conducted in USD, EUR, and CNY, depending on customer location, while costs are mainly incurred in USD, CNY, PLN, and SEK. Fluctuations in foreign exchange rates therefore affect Gränges' income statement, balance sheet, and cash flow. Over time, these exchange rate movements may also influence the company's long-term competitiveness and earnings capacity.

Risk-mitigating activities

- **Financial Management Policy:** The Financial Management Policy is the governing policy that regulates the Group's management of foreign exchange risk.
- **Financial instruments:** Gränges uses financial instruments, mainly forward contracts, to mitigate its exposure to fluctuations in foreign exchange rates. Currency exposure is partially hedged for up to 24 months in advance, depending on currency.

Commodity price

Commodity price risk is primarily related to the price of aluminium, which is Gränges' most important input and its largest cost component. Besides aluminium, Gränges uses smaller volumes of various alloying metals in the production, such as manganese, magnesium and silicon. In addition to the global metal prices, regional premiums that reflect the local availability of material also influence Gränges' commodity price exposure. Changes in the prices of aluminium and alloying metals may negatively affect operating profit if these costs cannot be passed on to customers.

Risk-mitigating activities

- **Metal Management Policy:** The Metal Management Policy is the governing policy that regulates the Group's management of metal price risk. The guiding principle is that metal price risk should be passed on to customers and that Gränges should minimize any open exposure arising from timing differences or other imbalances.
- **Market-based pricing in contracts:** Aluminium is a standardized, exchange-traded commodity. Gränges uses market prices quoted on the London Metal Exchange (LME) and Shanghai Futures Exchange (SHFE) as the basis in both purchases and sales to ensure hedgeable terms in contracts.
- **Natural hedge:** Where possible, Gränges uses matching price clauses in purchases and sales contracts to reduce exposure to metal price fluctuations.
- **Financial instruments:** Gränges uses financial instruments to manage metal price risk. These hedges are applied solely for risk reduction purposes and not for speculation.

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Energy price

Energy price risk mainly relates to fluctuations in energy prices that may adversely affect Gränges' operating profit. Re-melting and casting of aluminium are energy-intensive processes and energy is Gränges' third largest cost item, after metal and personnel expenses. Gränges primarily use natural gas, electricity, and liquefied petroleum gas, mainly in furnaces for aluminium re-melting. Energy prices may vary due to political and economic factors beyond Gränges' control, such as supply and demand in local and regional markets, government regulations and changes in energy taxation.

Risk-mitigating activities

- **Financial Management Policy:** The Financial Management Policy is the governing policy that regulates the Group's management of energy price risk.
- **Hedging and delivery agreements:** Gränges uses hedging and delivery agreements to secure future energy prices and ensure supply.
- **Energy price clauses in customer contracts:** Gränges is able to mitigate the impact of rising energy prices through pricing mechanisms in customer contracts.
- **Energy intensity reduction:** Gränges is actively working on reducing energy consumption in its operations and thereby reducing energy price exposure. Furthermore, Gränges is diversifying and optimizing the energy mix by reducing the dependence on natural gas.

Interest rate

Gränges' interest rate risk primarily relates to the Group's interest-bearing liabilities. The majority of the interest-bearing debt has a floating interest rate and is denominated in SEK, USD, and CNY. Changes in interest rates may affect the Group's earnings, cash flow and the fair value of financial assets and liabilities.

Risk-mitigating activities

- **Financial Management Policy:** The Financial Management Policy is the governing policy that regulates the Group's management of interest rate risk and defines the target duration of the interest-bearing debt portfolio.
- **Financial instruments:** Gränges may adjust the duration of the debt portfolio by fixing interest rates in underlying agreements or by using financial instruments such as interest rate swaps to reduce the exposure to market rate fluctuations.
- **Continuous monitoring:** Gränges monitors the development of interest rates and their impact on earnings continuously, and sensitivity analyses are performed regularly.

Liquidity

Liquidity risk relates to Gränges' ability to meet all payment obligations. Key factors affecting liquidity risk include cash flow from operations, future payment commitments, available cash, and access to credit facilities.

Risk-mitigating activities

- **Financial Management Policy:** The Financial Management Policy is the governing policy that regulates a minimum level of available liquidity, including committed bank credit facilities. The liquidity risk is monitored at Group level.
- **Liquidity forecasts:** Gränges forecasts liquidity for the upcoming 12 months regularly to ensure sufficient available liquidity. Excess liquidity is managed by the Group's treasury function.

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Credit

Credit risk arises when counterparties fail to meet their financial obligations to Gränges, potentially resulting in financial losses. Credit risk mainly relates to trade receivables from customers and exposures toward financial counterparties such as banks and other financial institutions.

Risk-mitigating activities

- **Continuous monitoring:** Gränges' trade receivables exposure is managed and monitored continuously in local credit committees. The need for provisions is tested every quarter, or when necessary, according to pre-defined criteria.
- **Credit ratings and agreements:** Gränges manages credit risk toward financial counterparties by selecting counterparties with strong credit ratings, limiting exposure per counterparty and using agreements such as ISDA Master Agreements.

Refinancing

Refinancing risk refers to the risk that existing loans and financing arrangements cannot be renewed or replaced at maturity, potentially leading to liquidity constraints. It also includes the risk that new financing may only be obtained at significantly higher costs, negatively affecting profitability and financial stability.

Risk-mitigating activities

- **Financial Management Policy:** The Financial Management Policy is the governing policy that regulates refinancing risk.
- **Financial planning:** Refinancing risk is limited through adequate financial planning, a robust financing strategy, and a defined leverage target.

Property damage

Property damage risk refers to potential damage to Gränges' production facilities, including buildings, machinery, equipment, inventories, and other assets, caused by events such as fire, flood, storms, or other hazards. Such damage may result in production losses, increased costs and unexpected financing needs, which could affect Gränges' ability to obtain financing at a reasonable cost.

Risk-mitigating activities

- **Insurance:** Gränges has customary insurance policies to minimize financial exposure in the event of property damage and business interruption.

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Quality control

Throughout production, quality is monitored using advanced measuring technique and inspection methods. Each coil is verified to meet strict customer specification for mechanical properties, dimensions, and surface quality.

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Interview with the Chair of the Board

Dear shareholder, 2025 was an eventful year for Gränges. Chairman of the Board, Fredrik Arp, gives his view.



How would you summarize Gränges' development and performance in 2025?

From the Board's perspective, 2025 was quite a strong year for Gränges. We increased our market share in all regions and delivered our best-ever financial and sustainability results. Growth was especially strong in Asia, helped by the integration of the new facility in Shandong. This acquisition gave us the capacity and capability to enter new markets in a capital-efficient way. At the same time, work continued to improve in Europe and to further optimize performance in the Americas.

In addition to the good operational results, we made good progress on strengthening internal systems, processes and teams. Together, these improvements contributed to an even stronger foundation for the future. The combination of strong results and investment in future competitiveness is particularly important in today's environment.

As the world becomes more regionalized, what key risks and opportunities do you see for Gränges?

Trade tensions and geopolitical developments are reshaping global trade patterns, driving uncertainty and complexity.

Supply chains are becoming more regional which works to our advantage as manufacturing is located close to our customers in all regions. Customer proximity enables fast decision-making, tight integration, and flexibility. But in this new landscape, it also offers our customers security of supply and reduces their dependence on uncertain international trade corridors. The Board sees this balanced regional footprint as an important strength in a more fragmented environment.

On a more general note, global turbulence has been a

constant feature of our industry at least since 2020 – a global pandemic, shocks to cost and demand, global supply chain convulsions, and a changing trade landscape. The Board feels that Gränges has shown remarkable resilience in the face of these developments. This is visible, for instance in the steady improvement of the financial and sustainability results, year by year.

You mention sustainability. How does the Board view its relation to long-term competitiveness?

Sustainability is closely linked to competitiveness. A higher share of recycled aluminium reduces climate impact, enhances circularity and cost efficiency, and strengthens long-term customer and supplier relationships. We therefore continue to expand circular material flows with customers and partners. We have also made continued progress in safety, which is fundamental for a well-functioning industrial business. A strong safety culture and structured ways of working are essential parts of long-term performance. We intend to improve further and most importantly, we need excellent and motivated people. We continue to invest in training, improving retention, and developing our best people on all levels to their full potential. All in all, we have built a very strong foundation for sustainable growth.

With a strengthened foundation, what are Gränges' priorities?

The focus is now on improving performance within the existing structure by increasing utilization and optimizing product and customer mix for higher returns. This approach reflects a new direction for Gränges. After several years of significant capacity expansion investments, we now have new capabilities and a well balanced global footprint with ample capacity. Now, we need to

emphasize getting more out of existing capacity rather than adding to it. We believe this approach will support stronger cash generation in the years to come.

In 2025, you visited the Americas operations, including the Huntingdon production facility. What were your impressions?

I was impressed by the strong and long-standing customer relationships, many of which we have enjoyed for decades. It is also good to see the team's ability to develop new business while maintaining established partnerships. In 2025, Americas showed an excellent ability to flexibly adjust to changing market demand. I was also struck by the importance of the people on site – their competence, professionalism, and customer focus. Having this strong team is of course a key reason for the region's excellent performance.

What gives you confidence in Gränges' future development?

My confidence is based on the foundation Gränges has built – industrially, commercially and organizationally. The company has a clear direction, strong teams, and a proven capacity for growth and operational improvement within its existing footprint. There is still potential to improve utilization, efficiency, and mix. Combined with increasing circularity and strong partnerships, this can drive even better performance over time. The competence, engagement and commitment of our people and teams are an important part of this.

In summary, the Board has strong confidence in Gränges' ability to continue its strong development in the coming years.

Stockholm, March 2026
Fredrik Arp, Chairman of the Board of Directors

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Corporate governance in Gränges

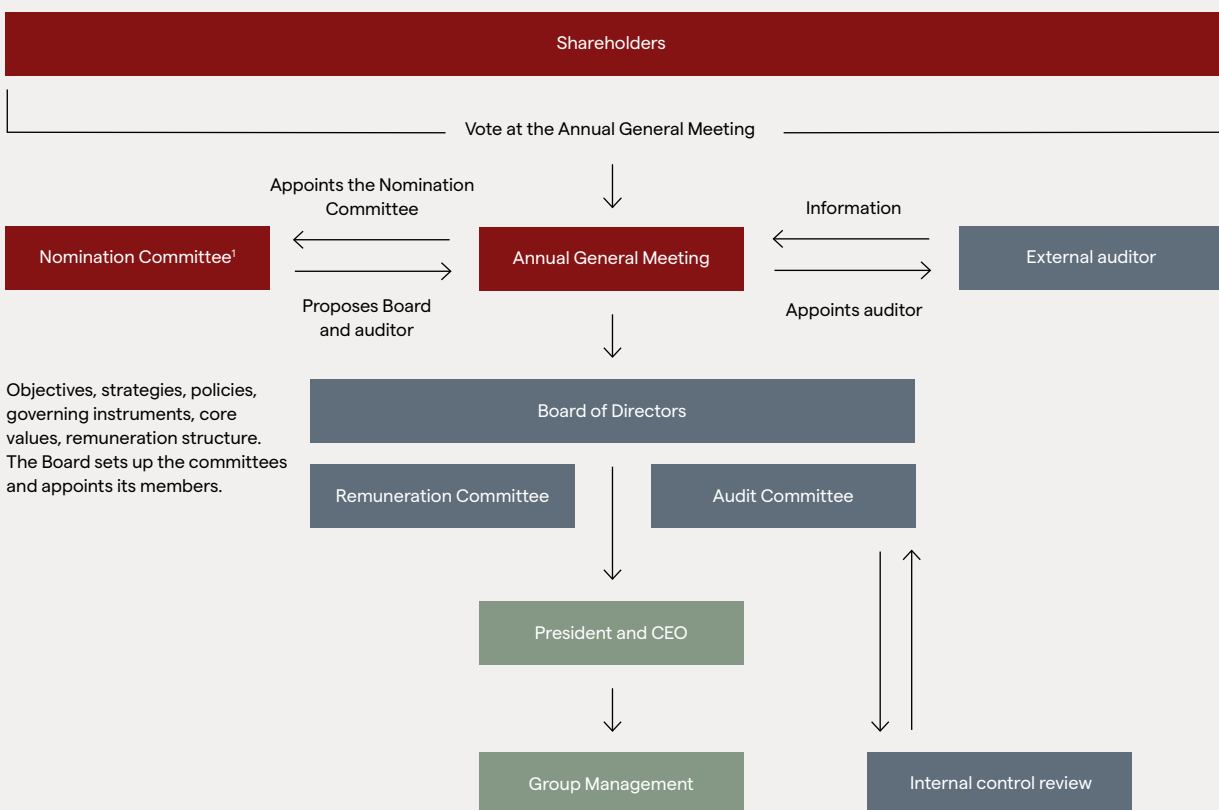
Good and sound corporate governance ensures that the company is run as responsibly, efficiently and sustainably as possible in the interests of the shareholders. Good corporate governance creates order and system for the Board of Directors and management and contributes to increased trust and confidence among existing and potential owners, customers, legislators, the public and other stakeholders. In this way, the business sector's freedom to develop is ensured, as is the supply of capital and competence.

Gränges' corporate governance is based on Swedish regulations and Swedish legislation, primarily the Swedish Companies Act and the Swedish Annual Accounts Act, Nasdaq Stockholm's regulatory structure for issuers, the Swedish Corporate Governance Code ("the Code"), the Articles of Association as well as other relevant internal and external regulations and policies.

Gränges complies with the Swedish Corporate Governance Code and this Corporate Governance Report has been prepared as part of Gränges' application of the Code. Gränges does not report any deviations from the Code regarding the financial year 2025. The company's auditors have made a statutory examination of this corporate governance report. The Code is available on www.bolagsstyrning.se.

During 2025, Gränges has followed Nasdaq Stockholm's regulatory framework for issuers and good practice in the stock market. No violations of applicable stock exchange rules or good practices in the stock market have been reported regarding Gränges by the Nasdaq Stockholm Disciplinary Board or the Stock Market Board in 2025. The President and CEO has no external commitments that can be considered contrary to the company's interests. All relevant corporate governance related information is available on Gränges' website.

The governance, management, and control of Gränges are distributed among the shareholders at the Annual General Meeting, the Board of Directors and the CEO under Swedish Company Law, the Swedish Code of Corporate Governance, and the Articles of Association.



1. Appointed in accordance with an instruction for the Nomination Committee decided by the Annual General Meeting.

Examples of external steering instruments

- Swedish Companies Act
- Swedish Annual Accounts Act and IFRS
- ESRS
- Nasdaq Stockholm's regulatory structures for issuers
- EU Market Abuse Regulation, no 596/2014 (MAR)
- Swedish Corporate Governance Code ("The Code")

Examples of internal steering instruments

- Articles of Association
- Rules of Procedure for the Board of Directors and committees, instructions for CEO
- Code of Conduct
- Whistleblower Policy
- Insider Policy
- Financial Management Policy
- Accounting Policy
- Communication Policy
- Anti-Corruption Policy

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Organization

Gränges is a global leader in aluminium rolling and recycling in selected niches. Gränges is committed to creating circular and sustainable aluminium solutions in partnership with our customers and suppliers – for a better future. The solutions help customers grow and transition to climate neutrality. They are used for efficient thermal management and climate control in transportation and buildings, electrification and battery components, recyclable packaging, and more.

The Group has 3,500 employees and generated SEK 28.4 billion in revenue in 2025. Gränges operates production facilities and conducts sales in Asia, Europe, and North and South America. The total annual production capacity amounts to 800 kton. Production facilities are located in Finspång, Sweden; Konin, Poland; Saint-Avoid, France; Shanghai and Shandong, China; and in Huntingdon (Tennessee), Salisbury (North Carolina), and Newport (Arkansas), USA. Furthermore, Gränges holds, taking into account non-controlling interests, a 39.2 percent ownership interest in a recycling and casting operation in Yunnan, China, and a 40 percent ownership interest in a metal stamping company in Shanghai.

Gränges has three business areas; Gränges Americas, Gränges Asia and Gränges Europe.

Gränges Americas includes the production facilities in Huntingdon, Salisbury and Newport in the United States, with a combined annual rolling capacity of 260 ktonnes. Key end-customer markets are HVAC heat exchanger materials and specialty packaging. The business area also distributes automotive heat exchanger materials from Gränges Europe and Gränges Asia to the American market.

Gränges Asia comprises the Shanghai and Shandong facilities, the jointly owned recycling and casting center in Yunnan and the stamping company in Shanghai. The business area has an annual rolling capacity of 280 ktonnes, and the automotive industry is the dominant market. An external partner holds a 20 percent minority interest.

Gränges Europe includes operations in Finspång (Sweden), Konin (Poland) and the Powder Metallurgy unit in Saint-Avoid (France), with a total annual rolling capacity of 260 ktonnes. The primary market is automotive heat exchanger materials.

The Group's parent company, Gränges AB, is a Swedish publicly listed company with reg.no. 556001-6122. Its registered office is in Stockholm with its head office at Linnégatan 18.

The share and shareholders

Gränges' share was listed on Nasdaq Stockholm on October 10, 2014, and in January 2025, Gränges was upgraded to the Large Cap segment. The share capital in Gränges amounts to SEK 143 million, distributed among 106,462,154 shares that give the right to an equal number of votes and an equal share in the company's assets and profit. On December 31, 2025, the number of known shareholders totaled 13,704. The Fourth Swedish National Pension Fund (AP4) was the largest shareholder, followed by AFA Insurance and Handelsbanken Funds. 78.8 percent of the shareholders held 500 shares or fewer and the ten largest shareholders held 49.2 percent of the total number of shares. Foreign-based share ownership amounted to 44.0 percent of the capital. No shareholder had a holding of more than 10 percent of the total number of shares. There are no restrictions on how many votes each shareholder may represent and represent at a general meeting.

The Annual General Meeting (AGM) held on May 12, 2025 decided to authorize the Board of Directors to, on one or more occasions until the AGM 2026, issue new shares. The AGM also authorized the Board to acquire own shares.

Information about the shareholdings of the Board and Group Management can be found on pages 65–68. More information about the Gränges share and shareholders, including a table of shareholdings as of December 31, 2025, can be found on pages 179–180.

Annual General Meeting

The Annual General Meeting (AGM), which is the company's highest decision-making body, allows all shareholders to exercise the influence that their respective shareholdings represent.

Annual General Meeting 2025

Gränges' Annual General Meeting 2025 was held on 12 May 2025 at IVA Conference Center in Stockholm. At the meeting, 55.1 percent of the shares in the company were represented.

The AGM resolved to re-elect Fredrik Arp, Steven Armstrong, Mats Backman, Martina Buchhauser, Gunilla Saltin, Mikael Bratt and Cecilia Daun Wennborg as members of the Board of Directors. The AGM also re-elected Fredrik Arp as Chair of the Board. The AGM further granted discharge from liability to the Board members and the President and CEO for the administration of the company during 2024.

The AGM re-elected the registered public accounting firm

Ernst & Young AB as the company's auditor, with Authorized Public Accountant Andreas Troberg appointed auditor in charge.

The AGM adopted the income statements and balance sheets for the Parent Company and the Group for 2024 and resolved on a dividend of SEK 3.20 per share, to be paid in two installments. The Board shall continue to comprise seven AGM-elected directors with no alternates, and Board and committee fees were determined in accordance with the Nomination Committee's proposal. Auditor's fees shall be paid in accordance with approved invoices.

The AGM approved the Board's remuneration report and adopted the long-term incentive program LTI 2025, comprising a combination of warrants (actual or synthetic) and restricted share units. The program includes up to 1,000,000 warrants to be issued free of charge, whereby a market-based premium calculated according to the Black & Scholes Option Pricing Model shall be paid upon transfer. The number of restricted share units shall not exceed 500,000.

Furthermore, the AGM authorized the Board of Directors to, on one or more occasions until the next AGM, resolve on the issue of new shares and/or convertible bonds, with or without deviation from the shareholders' pre-emption rights. The number of shares to be issued, or that may be issued through conversion of convertible bonds issued pursuant to the authorization, may not exceed ten percent of the total number of shares in the company after utilization of the authorization.

The AGM also authorized the Board of Directors to, on one or more occasions until the next Annual General Meeting, resolve on the acquisition and/or transfer of the company's own shares. Acquisitions may be made of such number of shares that the company's holding of its own shares at any time after the acquisition does not exceed ten percent of all shares in the company. Transfers may be made of up to the total number of own shares held by the company at any time, including the right to resolve on deviation from the shareholders' pre-emption rights.

The minutes from the Annual General Meeting, including all resolutions in full, are available at www.granges.com.

Nomination Committee

The Nomination committee represents Gränges' shareholders and proposes nominations for Chairman of the Board, Board members, auditor and auditor's fee, chairman of the AGM, as well as fees for Board and committee work to the AGM. In



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addition, the Nomination Committee shall submit proposals for Nomination Committee instructions if required.

Gränges' Nomination committee for the AGM 2026 consists of representatives of the company's three largest shareholders as of August 31, 2025 and the Chairman of the Board. The member representing the largest shareholder shall be Chairman of the Nomination committee, unless the Nomination Committee agrees otherwise.

As of August 31, 2025, Gränges' three largest shareholders were: The Fourth Swedish National Pension Fund (AP4), AFA Insurance and Handelsbanken Fonder which were invited to nominate candidates for the Nomination Committee. The Nomination Committee ahead of the AGM 2026 had the following composition: Jannis Kitsakis (AP4), Anna Hääger (AFA Insurance), Niklas Johansson (Handelsbanken Fonder), and Fredrik Arp (Chairman of the Board of Gränges). The Chairman of the Nomination Committee is Jannis Kitsakis.

Nomination Committee for the 2026 AGM

Appointed by / Name	Percentage of votes on December 31, 2025
AP4 / Jannis Kitsakis ¹	7.3
AFA Insurance / Anna Hääger ¹	6.9
Handelsbanken Fonder/ Niklas Johansson ¹	5.9
Chairman of the Board of Gränges AB/ Fredrik Arp ^{1, 2}	0.0

1. Independent in relation to the company and company management.

2. For exact number of shares, see page 68.

Shareholders have been able to submit proposals and comments to the Nomination Committee until January 31, 2026. The Nomination Committee's proposals are published through the notice to the AGM. In connection with the notice, the Nomination Committee publishes a motivated statement on the company's website that supports its proposals to the Board and a report on how the Nomination Committee's work has been conducted.

Work of the Nomination Committee ahead of AGM 2026

Since the Nomination Committee was constituted in the autumn of 2025, it has held two documented meetings. In addition to these meetings, the nomination committee has had several shorter non-documented video meetings as well as communication through email and telephone. The Nomination Committee has taken note of the results from the evaluation of the board's work that was carried out in autumn 2025. The

result of the evaluation was predominantly positive and also provided the nomination committee with insight into the competencies present in the board. The Nomination committee has also had discussions with the CEO of Gränges and a selection of board members, and has concluded that the board's work has been carried out in a very good and satisfactory manner.

Through the Nomination Committee, Gränges applies the rule 4.1 of the Code as diversity policy when preparing proposals for Board members. The rule means that the Board of Directors shall have a composition that is appropriate to the company's operations, stage of development and other circumstances, characterized by versatility and breadth regarding competence, experience and background of the members elected by the AGM. Gender balance shall be pursued.

Ahead of the 2026 Annual General Meeting, the Nomination Committee has assessed whether the composition of the current Board meets the requirements of the Code's diversity policy and has found that this is the case. However, the Nomination Committee also works continuously with the identification and evaluation of potential new Board members in order to broaden the Board in terms of background and competencies.

An assessment has also been made, as previous year, of each individual board member's ability to devote sufficient time and commitment to the work in the Board and the assessment has turned out positively.

The Board of Directors

The main responsibility of the Board of Directors is to manage Gränges' affairs in the best interests of the company and shareholders, as well as to safeguard and promote a good corporate culture. The Board is also responsible for that there is an appropriate system for follow-up and control of the Company's operations and the risks associated with its operations.

The Board continuously assesses Gränges' financial position and ensures that the company's financial position can be satisfactorily verified. The Board decides on issues related to the Group's strategic direction and organization, and decides on key acquisitions, investments and divestments. The Board continuously evaluates the work of the CEO and Group Management.

The basis for the Boards work is the Board's Rules of Procedure, the CEO instructions and the principles for division of duties between the CEO, Chairman of the Board, the Board and various committees established by the Board. The Board's Rules of Procedure and the CEO instructions are revised and

updated annually. Through a systematic and structured process, the Board annually evaluates its work to develop procedures and efficiency. In 2025, the evaluation was carried out under the leadership of the Chairman of the Board. The outcome of the evaluation was consistently positive.

At the statutory Board meeting, following directly on the 2025 AGM, the Board's Rules of Procedure including Rules of Procedure for the Remuneration and Audit Committees was established, as well as the CEO instructions. The Rules of Procedure governs the work and responsibilities of the Board, the frequency of Board meetings, as well as the division of duties between the Board members, between the Board committees, and between the Board and the CEO.

Prior to each Board meeting, the members receive an agenda and basis for decisions. Each Board meeting includes a review of current business conditions, as well as the Group's earnings, financial position, and outlook. Other issues addressed include competition and market conditions. The Board regularly reviews the general risk situation from various aspects, and the Group's work on health and safety, including accident statistics. The Board also has a system for continuous follow-up of decisions and outstanding matters.

Composition of the Board of Directors

According to the Articles of Association, Gränges' Board of Directors shall consist of at least four and at most eight AGM-elected members with a maximum of four deputies. The Board has a quorum if more than half of the board members, including employee representatives, are present. The Board should consist of a well-balanced mix of the competencies required to manage Gränges' work responsibly and successfully. The assessment is that Gränges' Board has a suitable composition, regarding the company's operations, development phase and general circumstances, characterized by versatility and breadth regarding the competence, experience and background.

In accordance with the law on Board representation of private sector employees, staff is entitled to appoint two Board members and two deputy Board members. The employee organizations have exercised this right in 2025.

Information about Board members can be found on pages 65–67 and at www.granges.com.



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Chairman of the Board

The Chairman of the Board of Directors has a special responsibility to ensure that the work of the Board is well organized and conducted efficiently, and that the Board fulfills its duties and obligations. The Chairman of the Board organizes and leads the work, is responsible for contacts with the owners in ownership matters and ensures that the work of the Board is evaluated annually. The Chairman of the Board of Directors is responsible for the day-to-day contact with CEO. To enable the work, the Chairman ensures that there are appropriate instructions on the division of duties between the Board on one hand, and the CEO and the bodies set up by the Board on the other.

The work of the Board of Directors in 2025

In 2025, eight documented board meetings were held, and the board was quorate on all occasions. Gränges' CEO and Deputy CEO, who also serves as CFO, participated in all meetings. On one occasions, the Board held sessions without the presence of representatives from the Group Management Team.

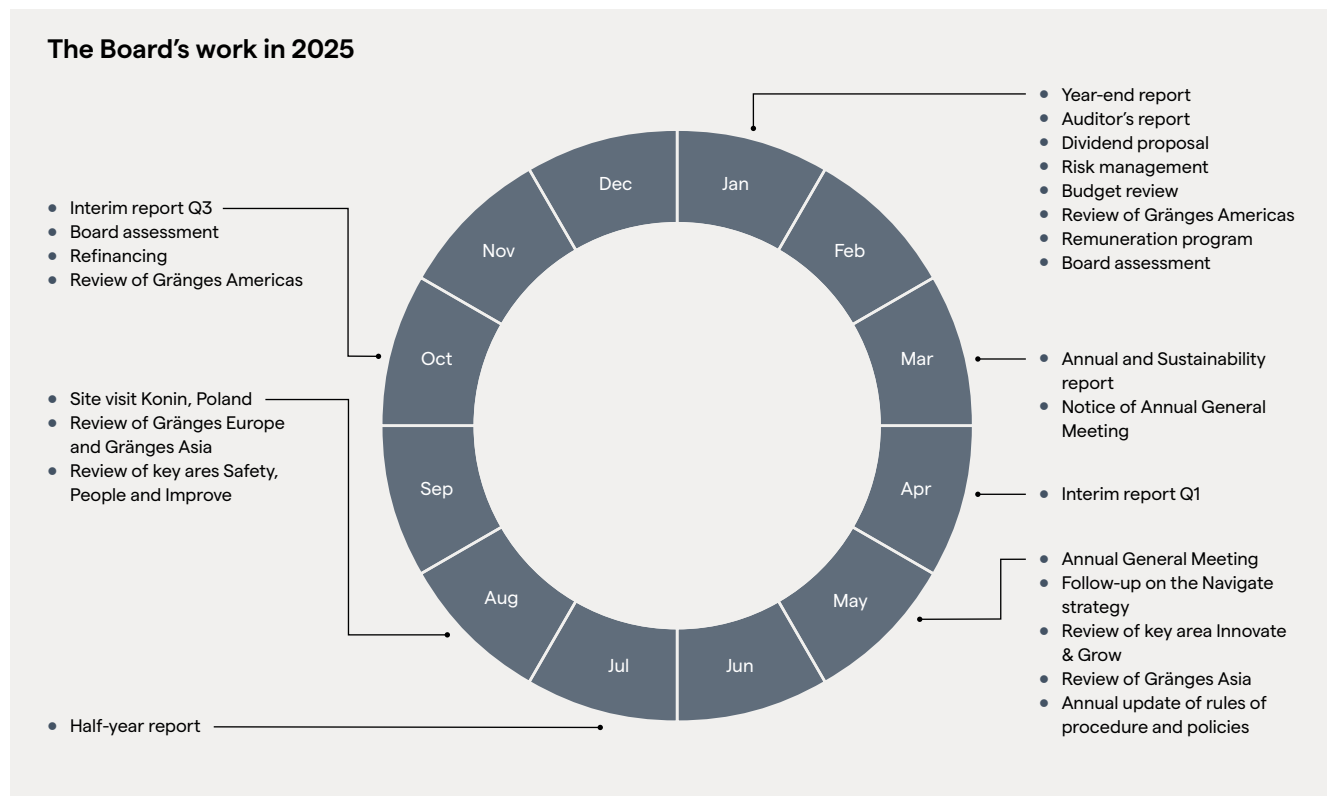
Among the most important matters addressed by the Board during the year were the ongoing follow-up of the Navigate strategy, the continued focus on products for the battery market, and several decisions aimed at strengthening the company's competitiveness, driving sustainable transformation, and reducing climate impact.

A significant area of focus during the year was also the continued integration of the acquired operation in Shandong, China, where the Board monitored both operational progress and strategic synergies. As part of the Board's oversight of the business, a visit was also made to Gränges' facility in Poland, with particular attention to production, investments, and local development initiatives. The Board also prioritizes health and safety and monitors it continuously.

Remuneration Committee

According to the Rules of Procedure for the Board of Directors, the Remuneration Committee shall consist of the Chairman of the Board and one or more Board members who are independent in relation to the company and Group Management. During the year, the committee comprised four members at one meeting and three members at the other.

The Remuneration Committee prepares matters relating to the remuneration and terms of employment for the CEO and establishes the framework for remuneration to other members



of Group Management through the remuneration guidelines. The committee also reviews the application of these guidelines. In addition, the committee monitors and evaluates ongoing, and during the year completed, variable remuneration programs for Group Management.

The committee oversees the company's long-term incentive programs to ensure that they remain aligned with the company's strategic objectives and support the recruitment, retention, and long-term engagement of key personnel. Further information regarding the long-term incentive programs and previously resolved remuneration not yet payable is provided in the Board of Directors' Report.

During the year, the committee also reviewed the results of the company's employee survey. Particular attention was given to employee engagement, leadership, and organizational performance. The conclusions from this review supported the

Board's oversight of the company's initiatives related to culture, talent development, and the broader employee experience.

A description of remuneration to senior executives is presented in Note 10. Information about members of the Remuneration Committee can be found on pages 65–66.

Audit Committee

According to the Rules of Procedure for the Board of Directors, the Audit Committee shall consist of at least three Board members elected by the General Meeting, the majority of whom shall be independent in relation to the company and Group Management. The Board appoints the Chairman of the Committee, who may not be the Chairman of the Board. The Committee meets prior to each quarterly report and additionally when required. The Audit Committee supports the Board in its responsibilities concerning internal control, risk management,



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Board composition, attendance and remuneration 2025

Name	Elected year	Independent in relation to the company/owners	Attendance			Board of Directors' fees, SEK	Audit Committee fees, SEK	Remuneration Committee fees, SEK	Total fees, SEK
			Board meetings	Audit Committee meetings	Remuneration Committee meetings				
Fredrik Arp	2020	X	8/8	n/a	2/2	923,333	-	72,000	995,333
Steven Armstrong	2022	X	8/8	n/a	2/2	388,333	-	36,333	424,667
Mats Backman	2018	X	8/8	5/5	n/a	388,333	203,333	-	591,667
Mikael Bratt	2024	X	8/8	n/a	2/2	388,333	-	36,333	424,667
Martina Buchhauser	2021	X	7/8	5/5	n/a	388,333	86,667	-	475,000
Peter Carlsson ¹	2016	X	3/4	n/a	1/1	125,000	-	11,667	136,667
Cecilia Daun Wennborg	2024	X	8/8	5/5	n/a	388,333	86,667	-	475,000
Gunilla Saltin	2023	X	8/8	5/5	n/a	388,333	86,667	-	475,000
Tobias Johansson	2023		8/8	4/5	n/a	-	-	-	-
Jennie Bjerner	2024		7/7	n/a	n/a	-	-	-	-
Åke Larsson	2024		6/7	n/a	n/a	-	-	-	-
Emma Hansen Lamprecht ²	2023		7/7	n/a	1/1	-	-	-	-
Total fees						3,378,333	463,333	156,333	3,998,000

1. Resigned as Board member on May 12, 2025.

2. Resigned from the role of employee representative on the Board in 2025.

accounting, and the quality assurance of the company's financial and sustainability-related reporting.

The Audit Committee analyzes and follows up on significant accounting matters affecting the Group and oversees the financial and sustainability reporting processes to ensure their quality. The Committee reviews the company's impairment tests and the key assumptions underlying these. In connection with the quarterly reviews, the Committee also considers Management's judgements in areas where estimates have a material impact on the financial statements.

The company's risk management process is structured based on the organisation's production processes and operational flows. The Audit Committee considers the risk areas identified and, based on these, determines the scope and direction of the internal control reviews and approves the annual internal control plan. Gränges' internal control review function ensures that the company has adequate internal control systems for financial and sustainability-related reporting. The reviews are carried out on an ongoing basis by the Group Finance function in cooperation with the finance functions of the subsidiaries, except for the operation subject to the review.

Cross-functional review activities are used to promote knowledge sharing and establish best practices within the Group, and an external party is engaged to ensure regularity and provide an independent perspective.

In 2025, internal control reviews were carried out at Gränges' operations in Finspång, Sweden, and in the US.

The Audit Committee assists the Nomination Committee in preparing proposals for auditors and audit fees and evaluates the independence and work of the external auditor. The auditor participated in all of the Committee's meetings during the year and reported on the audit plan and the results of the audit work performed.

During the year, the Committee also placed particular focus on matters related to external financial reporting, including the company's preparations for the implementation of IFRS 18 Presentation and Disclosure in Financial Statements, the review of the segment reporting, and the work to ensure compliance with CSRD.

Information about members of the Audit Committee can be found on pages 65–66.

Auditor

The auditor, elected at the AGM, is responsible for reviewing the annual accounts and accounting, and examining the Board's and CEO's management of the company.

According to the Articles of Association, Gränges should have at least one and at most two auditors. Registered auditing firms may be appointed as auditors. At the 2025 AGM, Ernst & Young AB was appointed auditor and announced that the authorized public accountant Andreas Troberg is auditor in charge until the 2026 AGM.

The external audit of the parent company and Group accounts, and of the administration of the Board of Directors and CEO, is conducted according to International Standards on Auditing (ISA), and with generally accepted auditing standards in Sweden. The auditor conducts a general review of the quarterly report for the third quarter and audits the Annual Report and the consolidated accounts. The auditor reports the results of the audit of the Annual Report and consolidated accounts as well as the review of the Corporate Governance Report through the auditor's report and a special report on the Corporate Governance Report, which is presented to the AGM. In addition, the auditor submits reports on audits performed to the Audit Committee several times a year and to the Board once a year.

Information about auditor fees can be found in Note 12.

CEO and Group Management

The CEO is appointed by the Board of Directors and is responsible for the day-to-day management of the company in accordance with the Board's instructions and guidelines. Group Management is responsible for developing and implementing the Group's overall strategies, for example product and customer strategies, acquisitions and divestments. The matters are prepared by Group Management to be decided upon by the Board.

Gränges' Group Management comprises six members; President and CEO, Deputy CEO and CFO, President Asia, President Europe, President Americas and SVP Sustainability. Group Management holds monthly meetings to review the results and financial position of the Group.

More information about Group Management can be found on page 68. Information about remuneration to senior executives can be found in Note 10.



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Sustainability governance

Gränges' Group Management, which includes the SVP Sustainability, ensures that Gränges' global sustainability strategy, long-term targets and policies are aligned with the company's vision and strategy. Group Management also reviews and monitors regional sustainability performance against sustainability targets, as well as makes decisions related to global sustainability priorities. Gränges' CEO regularly presents global sustainability performance to the Board of Directors, who reviews and monitors performance against the company's targets. The Board of Directors is the body which approves the company's global sustainability strategy, long-term targets, and policies, and adopts the annual sustainability report.

The Group Sustainability function, headed by the SVP Sustainability, is responsible for leading the development and execution of Gränges' global sustainability plan and long-term targets as well as issuing sustainability-related policies. Other responsibilities include regular communication and reporting on Gränges' sustainability performance and progress to internal and external stakeholders as well as coordinating a continuous stakeholder dialogue. The SVP Sustainability also chairs two cross-regional teams within Sustainability and Source Green & Recycle (SG&R), in which all regional sustainability and SG&R leads are represented. The teams are responsible for leading Gränges' global sustainability and SG&R efforts. Ensuring best practice sharing across the organization is also a key objective for both of the teams.

The regional Presidents are responsible for developing and executing local sustainability plans and targets, aligned with the global strategy and local needs. A systematic follow-up of all

regions' sustainability efforts is done as part of the regional semi-annual Business Boards, chaired by the CEO and represented by the GMT.

Gränges has published a sustainability report each year since 2015 and will continue to publish a report annually. The sustainability information in this report has been prepared in accordance with the Swedish Annual Accounts Act, which implements the EU Corporate Sustainability Reporting Directive (CSRD), and in accordance with the European Sustainability Reporting Standards (ESRS). The report and its contents have been subject to a limited assurance review by the company's auditors EY

The statutory sustainability report in accordance with the Swedish Annual Accounts Act has been issued by Gränges' Board of Directors, see details on page 72. The report relates to the financial year 2025 and covers all fully-owned operations of the Group at the start of 2025.

Internal control and risk management regarding financial reporting

The Board of Directors has, in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, the overall responsibility for ensuring that the company maintains effective internal control and that the financial reporting is prepared in compliance with applicable laws, accounting standards, and the requirements for listed companies. The internal control is followed up on an ongoing basis through a structured review process carried out by the Group Finance function in cooperation with the finance functions of the subsidiaries, and with the support of an external party to ensure an independent perspective.

During the year, the Audit Committee assessed that this process provides an adequate level of assurance for the company's current needs, even though it does not fully meet the formal requirements that may be placed on an internal audit function. In accordance with section 8.1 of the Swedish Corporate Governance Code, the Audit Committee therefore resolved not to establish a separate internal audit function at this time. The Committee will continue to monitor and evaluate the effectiveness of the control process and, if necessary, reconsider the need to establish an internal audit function.

Framework

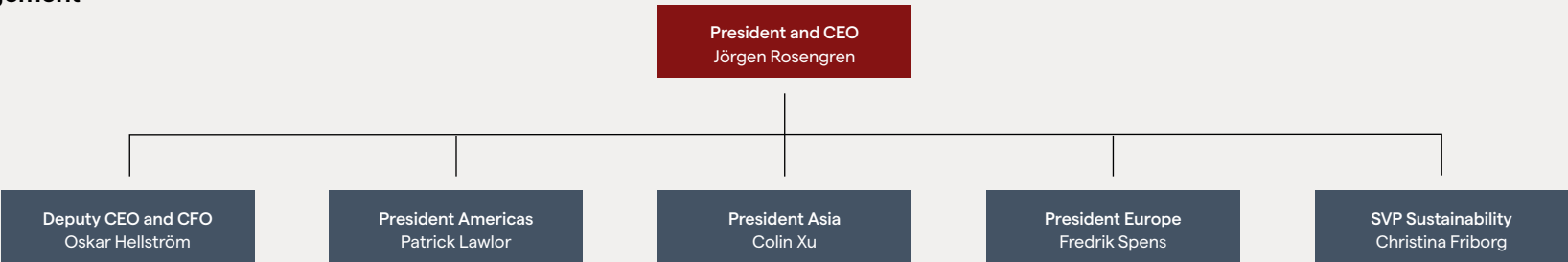
Gränges' internal control complies with the established international framework Internal Control Integrated Framework, published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). According to the COSO model, review and assessment are carried out in the areas of Control environment, Risk assessment and risk management, Control activities, Information and communication, and Monitoring and follow-up.

Gränges' process for internal control is designed to ensure with reasonable assurance the quality and accuracy of financial reporting and ensure that reporting is prepared in accordance with applicable laws and regulations, accounting standards, and other requirements for listed companies in Sweden. This requires a healthy control environment, reliable risk assessment, established control activities, and that information, communication, and monitoring works satisfactorily.



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1. Control environment

The control environment is defined by the Group's organizational structure, Group Management's working methods and values, and other roles and responsibilities within the organization. The Audit Committee assists the Board of Directors with essential accounting issues and monitors the internal control of the financial reporting. To maintain an effective control environment and robust internal controls, the Board has delegated the day-to-day responsibility to the CEO, who in turn has allocated responsibilities to other Group Management members.

Quality in the financial reporting is ensured through different measures and routines. The company has policies and procedures for financial reporting, including the Financial Management Policy, the Metal Management Policy, the Investment Policy and the Group Accounting Policy, which are reviewed annually. In addition to the above, there are important group-wide steering documents such as the Code of Conduct, the Insider Policy and the Information Policy. There is a continuous work to further develop policies and procedures.

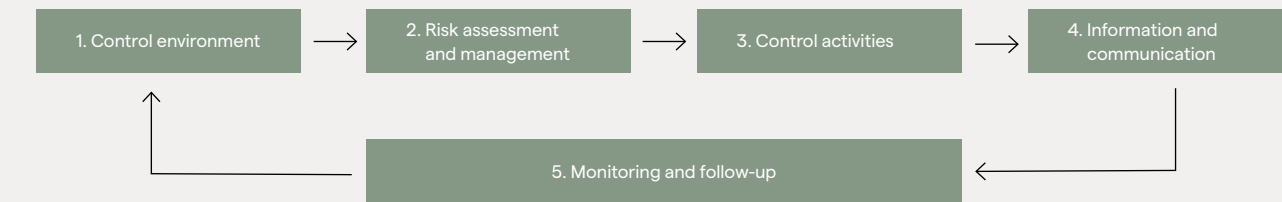
Gränges has an externally managed Whistleblower Function which can be accessed via the company's intranet, the external website, by telephone or by mail. The function aims to detect irregularities that may seriously harm Gränges' business or employees, and it enables employees and external business partners to provide information anonymously and without fear of retaliation. By quickly discovering and remedying irregularities, Gränges is in a better position to deal with the underlying causes before they become unmanageable. Gränges takes great consideration of the protection of personal privacy and handles submitted information in line with applicable legislation and regulation.

In 2025, 9 cases (12) were reported through the Whistleblower Function, of which 2 cases were investigated as qualified whistleblower cases in accordance with current Swedish legislation. The investigations revealed no case of irregularities.

2. Risk assessment and management

To handle the internal and external risks that Gränges' organization is exposed to, regular risk assessments are carried out. Risks that may affect financial reporting are identified, measured, and managed. This is an integral part of the daily reporting to Group Management and the Board and forms the basis for assessing risks of errors in financial reporting.

Internal control and risk management



Gränges' operations are characterized by processes with established routines and systems. Risk assessment therefore often occurs within the framework of these processes. Managers identify, monitor, and evaluate risks, which creates the basis for making well-rounded and correct business decisions at all levels. Financial risks such as currency, commodity, refinancing, and counterparty risk, as well as interest rate and credit risk, are mainly handled by the parent company's accounting and finance functions according to the Financial Management Policy, the Metal Management Policy and Group Accounting Policy.

A description of the Group's risks and risk management can be found on pages 45–54.

3. Control activities

The main purpose of control activities is to prevent and discover material errors in financial reporting at an early stage, thereby being able to manage and resolve them. Control activities are conducted at a general level as well as at more detailed levels throughout the Group and are both manual and automated in nature. Routines and activities have been designed to manage and resolve material risks related to financial reporting, which are identified in the risk assessments. Depending on the character and type of control activity, corrective action, implementation, documentation, and quality assurance, occur at a group or subsidiary level. As is the case for other processes, each manager is responsible for the completeness and accuracy of the control activities.

The Group has a common consolidation system, where the legal entities report, which provides good internal control of financial reporting. Most controls and processes are automated and authorization to access IT systems is limited. Control activities are performed at all levels of the Group. One example is the established controller function that analyses and monitors deviations and reports its findings to the Group.

Group Management has regular meetings with the subsidiary managers to discuss operations, financial position, and results, as well as key financial and operational metrics. The Board continually analyses reports on operations in which Group Management describes the previous period, and comments on the Group's financial position and results. Significant fluctuations and deviations are therefore followed up, which limits the risks of errors in the financial reporting.

The closing of the books and work on the annual reporting are processes where there are further risks of errors in financial reporting. Naturally, this work is less repetitive and often includes several parts where estimates are made. Important control activities include ensuring there is a well-functioning reporting structure in which subsidiaries report using standardized models, and important income and balance sheet items are specified and commented.

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4. Information and communication

Effective and correct internal and external information is important to ensure full and accurate financial reporting on time. Gränges' financial reporting follows the Group guidelines and policies and is updated and communicated regularly by the Group Management to all relevant employees.

The accounting function has operational responsibility for day-to-day financial reporting, and works to ensure that the Group's guidelines, policies, and instructions are applied uniformly across the Group. The accounting function also identifies and communicates deficiencies in financial reporting.

Policies, guidelines, and manuals are regularly updated and are available on the company's intranet.

All communication from Gränges must be timely, reliable, correct, and up to date. External communication should be in accordance with the Group's Information Policy, Nasdaq's regulatory framework for issuers, and other applicable regulations. The financial information should provide the capital and equity markets with a comprehensive and clear picture of the company, its financial position, development, and strategy. All financial reports and press releases are published simultaneously to Nasdaq Stockholm, Finansinspektionen (FI) and the company's external website.

5. Monitoring and follow-up

The Board's follow-up of the internal control over financial reporting is carried out primarily through the Audit Committee, including through the review of the internal control process performed by the Group Finance function in cooperation with the finance functions of the subsidiaries and with the support of an external party. The external auditors annually review selected areas of the internal control as part of the statutory audit and report their observations to the Audit Committee and Group Management. Significant observations are also reported to the Board of Directors.

Auditor's report on the corporate governance statement

To the general meeting of the shareholders of Gränges AB (publ), corporate identity number 556001-6122

Engagement and responsibility

It is the Board of Directors who is responsible for the corporate governance statement for the year 2025 on pages 55-68 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm 16 March 2026
Ernst & Young AB

Andreas Troberg
Authorized Public Accountant

Internal steering documents

Gränges' has a number of steering documents in form of Policies and Procedures that apply to all Gränges Group employees. These documents provide a framework and serve as a guide for the conduct of business at Gränges, delineating the distribution of responsibilities among the Board, Group Management, and employees. The adoption of Group Policies occurs either through approval by the Board or Group Management.

In addition to these overarching global steering documents, Gränges has local steering documents that specifically outline mandatory local requirements, unique tasks, roles, or functions within individual local organizations. These documents also encompass standards, procedures, or instructions applied at the local level to ensure alignment with regional contexts. This two-tiered approach enables Gränges to uphold a unified global standard while addressing the specific nuances and requirements of diverse local environments.

Global policies

The global policies set out the mandatory requirements and principles for all Group companies and employees of Gränges Group. Gränges has the following global policies:

- Code of Conduct
- Accounting Policy
- Anti-Corruption Policy
- Authorization Policy
- Business continuity emergency and crisis Policy
- Environmental Policy
- Financial Management Policy
- Global Privacy Policy
- Information Policy
- Information Technology Policy
- Information Technology Security Policy
- Insider Policy
- Insurance Policy
- Internal Control Policy
- Investment Policy
- Metal Management Policy
- Occupational Health & Safety Policy
- Responsible Sourcing Policy
- Supplier Code of Conduct Policy
- Whistleblower Policy including procedure



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Board of Directors



Name and position	Fredrik Arp Chairman of the Board	Martina Buchhauser Board member	Steven Armstrong Board member	Cecilia Daun Wennborg Board member
Born	1953	1966	1964	1963
Education	M.Sc. Economics and Ec. Doctor h.c., Lund University.	M.Sc. Management, Stanford University.	BA (Hons) in Business Studies & Economics, East London University.	BS. in Business Administration, Stockholm University.
Position	Chairman of the Board since 2020. Chairman of the Remuneration Committee.	Board member since 2021. Member of the Audit Committee.	Board member since 2022. Member of the Remuneration Committee.	Board member since 2024. Member of the Audit Committee.
Other assignments	Chairman of the Board in Bravida Holding AB and Nolato AB.	Senior advisor at H&Z Management Consulting and member of the Advisory Board at NextSource Materials Inc.	Chairman of the Board in Morgan Motor Company. Member of the Board of Governors of the University of East London.	Board member of, among others, Getinge AB (publ), Loomis AB (publ), Bravida Holding AB (publ), Atvexa AB (publ) and Chairman of the Board for Almi AB, and member of Swedish Securities Council.
Previous positions	Chairman of the Board in, among others Ahlsell AB, Bröderna Edstrand AB, Munksjö AB, Thule AB, Parques Reunidos SA and Qioptiq SA. Board member of, among others Swedfund International AB, Vattenfall AB, Getinge AB and Technogym S.p.A. CEO for PLM AB, Volvo Personvagnar AB and Trelleborg AB.	Member of the Advisory Board at OP Mobility and Sono Motors. Chief Procurement Officer of Volvo Cars Corporation and member of the management team. Senior Vice President Purchasing and Supplier Network for Interior at BMW. Vice President of Procurement at MAN Truck & Bus. Various executive roles in the Purchasing, Supply Chain and Quality area of Opel and General Motors.	Various management positions within Ford, among others Corporate Officer at Ford Motor Company, President at Changan Ford, Ford Brazil and Ford South America. Chairman, President and CEO at Ford Europe. SVP Purchasing and COO at Volvo Cars. COO at Getrag Ford Transmissions.	Deputy CEO and CFO of Ambea AB, CEO and CFO of Carema Vård och Omsorg AB, acting CEO of Skandiabanken, Head of Swedish Operations at Skandia and President of Skandia Link, and among others Board member of Oncoceptides AB (publ), Hotell Diplomat AB, Eleda AB, Atos Medical Holding AB (publ), Hoist Finance AB (publ), Sophiahemmet and ICA Gruppen AB (publ).
Own and related parties' shareholding	13,636 shares	0 shares	0 shares	5,000 shares

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Board of Directors



Name and position	Mats Backman Board member	Mikael Bratt Board member	Gunilla Saltin Board member
Born	1968	1967	1965
Education	B.Sc. Business Administration, Stockholm University.	Studies in Business Administration, University of Gothenburg.	Ph.D. in chemical engineering, University of Idaho, MBA from the Stockholm School of Economics, and M.Sc. in chemical engineering from the Royal Institute of Technology, Stockholm.
Position	Board member since 2018. Chairman of the Audit Committee.	Board member since 2024. Member of the Remuneration Committee.	Board member since 2023. Member of the Audit Committee.
Other assignments	Executive Vice President Group Finance and CFO in Volvo Group.	President, CEO and member of the Board of Directors of Autoliv Inc. Member of the Advisory Board of the United Nations Road Safety Fund.	Board member of Billerud AB (publ).
Previous positions	Operating Partner Triton. Group CFO in Trustly. CFO and Executive Vice President of Financial Affairs in Veoneer, Inc. CFO at Autoliv, Inc. Various management positions within Sandvik Group, including CFO.	President Passive Safety, Autoliv. Various management positions within Volvo Group, including CFO and part of the Group executive management. Board member of Högabä AB.	Managing Director of Tata Steel Nederland's Downstream business and Member of the Management Board. Board member of LKAB. CEO of Mondi's Uncoated Fine Paper business. Various positions at Södra Group, for example, the positions as Executive Vice President Södra Cell and Site Manager Södra Cell Värö.
Own and related parties' shareholding	15,000 shares	5,100 shares	4,000 shares

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Board of Directors - Employee representatives



Name and position	Tobias Johansson Board member – Employee representative	Jennie Bjerner Board member – Employee representative	Åke Larsson Deputy board member – Employee representative	Andreas Troberg Auditor in charge Ernst & Young AB
Born	1976	1984	1969	1976
Education	Natural Resource Use Program (Upper Secondary School)	Bachelor in Industrial Engineering and Management, Jönköping university.	Industrial Technology Program, High School.	
Description	Process operator, employed at Gränges since 1998. Employee representative of the Board since 2024 and deputy since 2023.	Product development engineer, employed at Gränges since 2014. Employee representative of the Board since 2025 and deputy since 2024.	Material inspector, employed at Gränges since 1988. Deputy employee representative of the Board since 2024.	Authorized public accountant and member of FAR.
Other assignments	Board member of IF Metall at Gränges Finspång.	Board member of Sveriges Ingenjörer/ Academics Association representing Gränges Sweden.	Board member of IF Metall at Gränges Finspång.	Alfa Laval, Munters and Lantmännen.
Own and related parties' shareholding	0 shares	30 shares	0 shares	

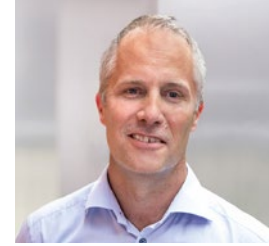
Auditor



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Group Management



Name and position	Jörgen Rosengren President and CEO	Oskar Hellström CFO and Deputy CEO	Christina Friborg SVP Sustainability	Patrick Lawlor President Americas	Fredrik Spens President Europe	Colin Xu President Asia
Born	1967	1979	1969	1964	1975	1976
Education	M.Sc. Electrical Engineering, Lund Institute of Technology.	M.Sc. Engineering, Linköping University and B.Sc. Business Administration & Economics, Stockholm University.	Master of Laws, Uppsala University.	B.Sc. Economics and certified Accountant, College of Commerce, Dublin.	M.Sc. Engineering, Royal Institute of Technology, Stockholm.	M.Sc. Economics and Business Administration, MBA, China Europe International Business School.
Position	President and CEO since 2021. Member of Group Management since 2021.	CFO since 2013 and Deputy CEO since 2017. Member of Group Management since 2013.	SVP Sustainability since 2025. Member of Group Management since 2025.	President Americas since 2016. Member of Group Management since 2016.	President Europe since 2022. Member of Group Management since 2022.	President Asia since 2013. Member of Group Management since 2013.
Other assignments	Board member in OEM International.	Board member in Beijer Alma AB.	–	Board member in Aluminium Association in the US.	–	Supervisor in Shanghai Realman Energy Technology Co.
Previous positions	President & CEO at Bufab Group, 2012–2021. Vice President, Global Category Manager at Husqvarna Group, 2004–2011, Electrolux 2003, McKinsey & Company, 1997–2002, Philips Electronics 1993–1997.	CFO at Sapa Heat Transfer, 2011–2013. Director Group Development & Control at Sapa Group, 2009–2011. Strategy Manager at Sapa Group, 2008–2009. Consultant at Booz Allen Hamilton, 2005–2008.	EVP & Head of Sustainability at SSAB 2018–2025, Head of Sustainable business and other leading positions at Sandvik 2012–2018, Founder and sustainability advisor, Ethos International, 2005–2012, UN coordinator at Sida 2002–2005.	President Americas at Sapa Extrusions, 2010–2015. CFO at Sapa Extrusion North America, 2009–2010. CFO at Indalex, Inc., 2007–2009. Several management positions at Norsk Hydro, 1997–2007.	MD at Gränges Finspång AB, 2020–2022. VP Sales and Marketing, Gränges Finspång AB, 2017–2020. Head of Product Area Primary Products in Sandvik Materials Technology, 2014–2017, different senior positions at Sandvik, 2006–2014. Consultant at BTS, 2000–2006.	MD at Sapa Heat Transfer Shanghai, 2011–2013. Sapa Heat Transfer Shanghai, 2001–2010, with several leading management positions since 2003.
Own and related parties' shareholding	210,000 shares, 57,780 restricted share units and 487,400 warrants.	85,000 shares, 42,220 restricted share units, and 240,150 warrants.	2,535 restricted share units, 75,150 warrants.	102,337 restricted share units, and 242,650 synthetic warrants.	37,234 shares, 28,776 restricted share units and 236,250 warrants.	35,414 restricted share units and 236,250 synthetic warrants.

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Slitting

Slitting divides the rolled coils into narrower widths (rings) to match customer specifications. The process ensures tight tolerances, burr-free edges, and consistent coil geometry for efficient downstream use.

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Board of Directors' Report



The Board of Directors and the Chief Executive Officer of Gränges AB (publ), corporate registration number 556001-6122, hereby submit the annual accounts and consolidated accounts for the financial year January 1–December 31, 2025.

Operations

Gränges is a global leader in aluminium rolling and recycling in selected niches and is committed to creating circular and sustainable aluminium solutions in partnership with its customers and suppliers. The solutions help customers grow and transition to climate neutrality and are used for efficient climate control in transportation and buildings, electrification and battery components, recyclable packaging, and more.

The product range comprises a variety of rolled aluminium for thermal management systems, specialty packaging and other niche markets, and a comprehensive range of clad and unclad rolled aluminium products used for applications with high demands on functionality and performance.

Gränges has long-term customer relationships and in 2025, the company's ten largest customers accounted for 34 percent of the net sales.

Gränges' geographical end-customer markets are Asia Pacific, Europe, and North and South Americas. The end-customers are found in the automotive, HVAC, specialty packaging, and battery industries as well as in other niche markets such as transformers and wind turbines.

Gränges has eight production facilities located in Shanghai and Shandong in China, Finspång in Sweden, Konin in Poland, Saint-Avoid in France as well as in Huntingdon (Tennessee), Salisbury (North Carolina), and Newport (Arkansas) in the US. The production facilities in Finspång, Shanghai, Huntingdon and Konin also have important centers of excellence for research and innovation, working in close partnership with customers.

The annual production capacity amounts to 800 ktonnes.

Gränges has three business areas: Gränges Americas, Gränges Asia and Gränges Europe. Gränges Americas uses continuous casting technology and includes three production facilities in Huntingdon, Salisbury, and Newport in the US. Gränges Europe has two production facilities with direct chill casting and hot rolling technology in Finspång (Sweden), Konin (Poland), as well as the Gränges Powder Metallurgy business unit in Saint-Avoid (France). Gränges Asia have two facilities, one in Shanghai and one in Shandong (China). Gränges business areas are headed by regional Presidents, who are members in the Group Management Team.

In addition, Gränges owns, taking into account non-controlling interests, 40 percent of a Shanghai-based company, engaged in metal stamping. Further, it owns, taking into account non-controlling interests, 39.2 percent of a company working on developing a recycling and casting operation in Yunnan, China, a province known for its abundant hydropower.

The Group's parent company, Gränges AB, is a Swedish publicly listed company with its head office on Linnégatan 18, Stockholm.

The Gränges share is listed on Nasdaq Stockholm and is part of the Large Cap segment since January 2025.

Summary of the year

Gränges delivered its strongest results to date in 2025, despite an uncertain and volatile external environment. Sales volume increased by 22 percent, driven by market share gains across all regions and the ramp-up of the Shandong facility.

In Asia, sales volume increased by 70 percent, supported by new capacity and continued market share gains. In the Americas, a sharp decline in HVAC demand was offset by market share gains, a broader customer mix and high capacity utilization, contributing to improved profitability. In Europe, sales volumes increased by 9 percent despite continued challenging market conditions, supported by a strengthened market position and improved efficiency.

Adjusted operating profit amounted to SEK 1,614 million, the highest in the company's history. Strong volume growth, improved price/mix and productivity offset negative currency effects and lower scrap margins. Cash flow was strong for the full year, supported by gradually lower capital expenditure.

Sustainability performance reached new milestones. Carbon emissions intensity was the lowest to date and recycling volumes the highest in the company's history. Compared with the 2017 baseline, the total carbon footprint of products has been reduced by 45 percent, excluding Shandong. Recycled aluminum now accounts for close to half of total sourced metal.

During the year, the multi-year investment program was completed. All new production facilities were brought into full operation during the second half of 2025, resulting in annual capacity of 800 ktonnes, 40 percent higher than in 2021, well balanced across the Americas, Europe and Asia. With the major investment phase behind, the focus is on increasing capacity utilization, optimizing price and mix, and strengthening cash generation.

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Strategy

Gränges' Navigate plan covers three parts - foundation, leadership and invest - and aims to build industry leadership and long-term sustainable growth.

The first phase of the Navigate plan aimed at strengthening Gränges' foundation. The result is a customer focused organization, with more stable growth and earnings with increased market share. Gränges ambition is to build a world-leading aluminium flatrolling and recycling company. Gränges commitment to leadership guides all parts of the business and drives progress in key areas: innovate & grow, safety, people, improve, sustainability, and source green & recycle. Gränges continuously evaluates investment opportunities that deliver stable and high returns, support long-term growth, and contribute positively to sustainability.

Financial targets

As part of the strategy, Gränges has four financial targets:

- **Profit Growth:** Average yearly adjusted operating profit growth above 10 percent.

In 2025, adjusted operating profit increased by 2.7 percent compared to last year, corresponding to 20 percent average 3y CAGR during the last three years. The increase was primarily driven by market share gains and improved productivity.

- **Capital structure:** Financial net debt normally between 1–2 times adjusted EBITDA.

In 2025, financial net debt decreased by SEK 224 million to SEK 4,067 million, corresponding to 1.6 times adjusted EBITDA. The decrease was due to strong operating cash flow due to a gradual reduction of capital expenditure following the completion of several capacity expansion investments.

- **Profitability:** Return on capital employed above 15 percent. In 2025 return on capital employed decreased by 1.1 percentage points to 10.8 percent. The decrease in return on capital employed was mainly due to added capital employed in Asia from the acquisition and ramp-up of the new production facility in Shandong.

- **Dividend:** Dividend between 30–50 percent of profit for the year.

The Board of Directors proposes a dividend of SEK 3.40 (3.20) per share for the 2025 fiscal year, corresponding to 36 (34) percent of the profit attributable to owners of the parent company for the year.

Market

Gränges is a global leader in aluminium rolling and recycling in selected niches and supplies products and solutions for thermal management systems, specialty packaging, and selected niche applications. Gränges' key markets are Automotive currently representing 38 percent, HVAC representing 15 percent, Specialty packaging 16 percent and Other niches representing 31 percent of the sales volume in 2025.

Short-term sales to the Automotive industry are primarily driven by the number of vehicles produced. In the medium and long term, the increasing share of electric vehicles is expected to have a further positive impact on demand for Gränges' products. Sales to the HVAC industry are influenced in the short term by consumer confidence and the general activity within building and construction. In the medium and long term, increased requirements on energy efficiency of HVAC units are expected to have a further positive impact on the demand for Gränges' products. The demand for materials for Specialty packaging tends to be relatively stable in its nature and sales to Other niche applications are largely driven by the general economic activity.

Sales

For 2025, Gränges' sales volume increased by 21.9 percent to 616.6 ktonnes (505.8) compared to the previous year. Net sales amounted to SEK 28,362 million (23,506) and changes in foreign exchange rates had a net negative effect on net sales of SEK 1,685 million.

Operating profit

For 2025, adjusted operating profit increased to SEK 1,614 million (1,571), and adjusted operating profit per tonne was 2.6 kSEK (3.1). Changes in foreign exchange rates had a net negative impact of SEK 161 million compared with the corresponding previous year. At constant currencies, adjusted operating profit per tonne was 2.9 kSEK during the year.

Operating profit increased to SEK 1,614 million (1,523) and includes no items affecting comparability (-).

Profit for the period and earnings per share

During 2025, profit before tax increased to SEK 1,317 million (1,251). Profit or loss from associates and joint ventures amounted to SEK -17 million (-8) and finance income and costs was

SEK -280 million (-265). Income tax for the year was SEK -259 million (-240) which corresponds to an effective tax rate of 20 percent (19).

The profit for the year increased to SEK 1,058 million (1,010) and diluted earnings per share attributable to owners of the parent company was SEK 9.54 (9.51).

Cash flow

For 2025, operating cash flow was SEK 841 million (-484). Changes in working capital had a negative impact on cash flow of SEK 853 million. This includes approximately SEK 500 million of adverse impact from an increased aluminium price. Total capital expenditure amounted to SEK 773 million of which SEK 476 million referred to investments to maintain and improve efficiency in current production facilities and SEK 297 million referred to investments related to the expansion of the production facilities.

Income taxes paid amounted to SEK -272 million (-352) in 2025. Cash flow from financing activities was SEK -750 million (1,913) and includes a dividend payment of SEK -340 million, new loans of SEK 5,399 million and repayment of loans of SEK -5,567 million.

Cash and cash equivalents amounted to SEK 547 million (850) on December 31, 2025.

Financial position

Gränges' total assets amounted to SEK 20,634 million (21,396) on December 31, 2025.

Financial net debt was SEK 4,067 million (4,292) on December 31, 2025, corresponding to 1.6 (1.8) times adjusted EBITDA.

Gränges Americas

Market and sales

Gränges Americas experienced varied market conditions in 2025. HVAC demand declined from the strong levels in 2024, reflecting softer consumer activity and destocking among manufacturers and distributors. Demand for Specialty Packaging and Other niche products increased slightly, while Automotive demand weakened due to lower overall vehicle production. Despite these mixed market trends, Gränges Americas achieved higher total sales volume, supported by market share gains in HVAC, Specialty Packaging and Other niches. Total sales volume increased by 4 percent to 239.1 ktonnes (229.8).



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Adjusted operating profit

Adjusted operating profit for 2025 increased by 10 percent to SEK 1,175 million (1,068), corresponding to an adjusted operating profit per tonne of 4.9 kSEK (4.6). Higher sales volume, price increases and improved productivity more than offset the impact of decreased aluminium scrap margins, cost inflation and negative currency translation effects.

Gränges Asia

Market and sales

Gränges Asia experienced stable demand in 2025. Sales to Automotive customers increased by 8 percent, supported by market share gains and new business in electric vehicle applications. The successful ramp-up of the Shandong facility contributed to significantly higher volumes in Other niches and strengthened the region's commercial position. Total sales volume increased by 70 percent to 205.3 ktonnes (120.8).

Adjusted operating profit

Adjusted operating profit for Gränges Asia increased to SEK 341 million (278) in 2025. Higher sales volume and improved productivity offset the impact of a lower average fabrication price, increased fixed cost, and negative currency translation effects. Adjusted operating profit per tonne decreased to 1.7 kSEK (2.3), due to the addition of new, lower-margin business associated with the rapid Shandong ramp-up, and to negative currency translation effects. Excluding these factors, adjusted operating profit per tonne remained stable.

Gränges Europe

Market and sales

Gränges Europe faced soft demand across most markets in 2025. Despite these challenging conditions, the region increased sales volume through market share gains in Automotive, including new business in electric vehicle applications, and through higher sales in Specialty Packaging and Other niches. Total sales volume increased by 9 percent to 190.2 ktonnes (174.0).

Adjusted operating profit

Adjusted operating profit for Gränges Europe decreased to SEK 275 million (353) in 2025, corresponding to an adjusted operating profit per tonne of 1.4 kSEK (2.0). Higher sales volume and productivity improvements only partly offset decreased

aluminium scrap margins, currency headwinds, and timing effects on metal premiums.

Outlook

Market conditions are expected to remain challenging and difficult to predict. Changes in the global trade landscape and continued geopolitical tensions contribute to increased complexity.

Gränges will continue to adapt its operations to prevailing market conditions, with a focus on increasing capacity utilization, improving cost efficiency, and optimizing price and product mix. At the same time, currency effects and developments in raw material prices may impact earnings and cash flow.

Employees

The average number of employees was 3,467 (2,926) during 2025.

Research and development

Gränges actively focuses on alloy design and research and development to improve the recycling ratio and enhance alloy recyclability. The company ensures that the chemical composition allows both pre- and post-consumer scrap to be remelted, meeting customer demand for sustainable products. Gränges collaborates with customers in the heat exchanger, HVAC, and battery markets to jointly develop sustainable and circular alloys aligned with customers' material characteristics and requirements.

The Group is running a large number of development projects but the criteria for recognizing the projects as intangible assets are currently not met. Total costs for research and development projects in 2025 amount to SEK 70 million (72).

Sustainability

Sustainability is central in Gränges' business and strategy. Gränges has a strong commitment to minimize the environmental impact of its operations, uphold ethical business practices, and provide a safe and good working environment. The aim is to develop sustainable and circular aluminium solutions.

As part of the strategy, Gränges has three sustainability targets:

- **Net-zero:** Reduce carbon emissions intensity from scope 1+2 by at least 25 percent and from scope 3 by at least 30 percent by 2025. Gränges long-term goal is to reach net-zero by 2040.

In 2025, scope 1+2 intensity increased by 8 percent to 0.70 tonnes CO2e/tonne (0.64) and scope 3 intensity decreased by 14 percent to 5.9 (6.9). Total carbon emissions intensity (scope 1+2+3) has been reduced by 45 percent versus baseline 2017, excluding Shandong.

- **Circular:** Increase the share of sourced recycled aluminium to at least 30 percent of total sourced metal by 2025. Gränges ambition is to reach 500 ktonnes recycled aluminium by 2030. In 2025, the share of sourced recycled aluminium decreased by 1.1 percentage points to 45.1 percent (46.2). The volume of sourced recycled aluminium increased by 20 percent to 300 ktonnes (249), which corresponds to 6.4x the volume in 2017.
- **Responsible:** 100 percent sustainable suppliers by 2030. In 2025 Gränges had 70 percent of sustainable suppliers, measured as the share of purchase value from active suppliers who are approved as sustainable following the company's Responsible Sourcing Program.

Gränges' 2025 sustainability statement has been prepared in accordance with the Swedish Annual Accounts Act, which implements the EU Corporate Sustainability Reporting Directive (CSRD), and in accordance with the European Sustainability Reporting Standards (ESRS). The statutory sustainability statement according to the Swedish Annual Accounts Act is found on pages 76-130. For Gränges' reporting according to the EU taxonomy see pages 97-101.

Parent company

Gränges AB is the parent company of the Gränges Group. The operations include Group Management and Group functions such as finance, treasury, sustainability, and communications. For the 2025, net sales in the parent company was SEK 203 million (174). Profit for the year was SEK -42 million (59). Prior year's result included a dividend from subsidiaries of SEK 55 million.

The Gränges share and ownership

The share capital in Gränges amounts to SEK 143 million, divided into 106,462,154 shares, each with a quota value of SEK 1.339775. Gränges only has one class of shares.

In 2025, the number of shares and votes increased by 153,536 as a result of the exercise of warrants issued under the IP 2022 incentive program. As a result of the exercise, the share capital increased by SEK 205,703.

At December 31, 2025 Gränges had no shareholder that owned more than 10 percent of Gränges' capital and votes.

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Operating risks and uncertainty factors

As a Group with operations in different parts of the world, Gränges is exposed to various risks and uncertainties such as raw material price risk, market risk, operational and legal risk, as well as financial risks related to foreign exchange rates, interest rates, liquidity, and refinancing. Gränges' risk management process entails to identify, assess and reduce risks related to the Group's business and operations. In the section risk management on pages 45–54 Gränges' risks and risk management is further described. For a more comprehensive description of the financial risks, see Note 31.

Authorizations granted by the 2025 Annual General Meeting

The 2025 Annual General Meeting resolved to authorize the Board of Directors to, on one or more occasions until the next AGM, resolve on the issue of new shares and/or convertible bonds, with or without deviation from the shareholders' pre-emption rights. The number of shares to be issued, or that may be issued through conversion of convertibles issued pursuant to the authorization, may not exceed ten percent of the total number of shares in the company after utilization of the authorization.

The AGM further resolved to authorize the Board of Directors to, on one or more occasions until the next AGM, resolve on the acquisition and/or transfer of the company's own shares. Acquisitions may be made of such number of shares that the company's holding of its own shares at any time after acquisition does not exceed ten percent of all shares in the company. Transfers may be made of up to the total number of own shares held by the company at any time, including the right to resolve on deviation from the shareholders' pre-emption rights.

Current guidelines for remuneration to senior managers

Current guidelines for remuneration to senior managers were adopted at the Annual General Meeting on June 14, 2023. Senior managers refer to the CEO and the Deputy CEO of the Group, and senior managers included in Gränges' Group Management.

Gränges shall offer remuneration levels and terms of employment which are necessary to recruit, develop, and retain individuals in Group Management. These individuals shall possess the expertise, motivation and capacity required to

uphold, develop, and implement overall value-additive strategic targets for the Gränges Group and, moreover, to support its long-term interests. To obtain this, it is important to sustain fair and internally balanced terms that are at the same time competitive on the market with respect to structure, scope and remuneration levels. These guidelines ensure that individuals in Group Management, regardless of geographical market, may be offered competitive total remuneration, and are aimed at creating increased transparency on remuneration issues. Applicable laws and other relevant regulatory frameworks (both Swedish and foreign) in this area must be complied with at all times.

The basic principle is that the remuneration must be competitive and consist of a balanced combination of fixed salary, variable remuneration, pension benefits, other benefits and terms for dismissal/severance payment. Furthermore, the Board of Directors may prepare, and the General Meeting resolve on, share and share-price related incentive programs. Such a combination of remuneration fosters and supports management and achievement of objectives in both a short and long-term perspective. The various types of remuneration that may be paid out are described below.

Fixed salary

The fixed salary shall consist of customary base salary. The salary shall be based on responsibility, performance, expertise and the complexity and scope of the task. In the event of full payment of variable remuneration, the fixed annual base salary shall comprise 40 percent of the total cash remuneration, with the exception for persons holding the position as Regional President, where the percentage is no less than 33.33 percent.

Variable remuneration – STI and LTI

The variable remuneration shall comprise both short-term and long-term incentives, without there being any guarantee of variable remuneration.

An annual short-term incentive program (STI), which provides a cash variable remuneration, shall be offered to the Group Management. The outcome of STI shall be governed by financial and non-financial parameters for the Gränges Group. The financial objective must be related to value creation and the non-financial objective must be linked to the carbon footprint of the business, which is a long-term sustainability goal. The objectives must be designed so that they both promote the

Group's business strategy and long-term sustainability goals. At the end of the measurement period for fulfilment of the predefined parameters for payment of STI, a comprehensive evaluation shall be conducted to assess the extent to which these parameters have been met. With regards to financial objectives, the evaluation will be based on the latest financial information made public by the company. With regard to the sustainability objectives, the assessment shall be based on what the company has stated in the sustainability report.

Maximum remuneration for STI is 60 percent of the fixed annual base salary for each individual in Group Management, with exception for the persons holding the position as Regional President, for whom the maximum remuneration can be up to 100 percent of the fixed annual base salary.

The Board shall annually evaluate whether a long-term incentive program (LTI) is to be adopted or, if a share or share price-related LTI program, is to be proposed to the Annual General Meeting. These programs can be cash-based or related to the share/share price. Share or share price-related LTI programs are resolved upon by the Annual General Meeting and are therefore not covered by these guidelines. All LTI programs must have a clear connection to the Group's business strategy and long-term sustainability goals.

The company does not have any potential deferral periods, but has according to agreements, possibility to reclaim variable remuneration.

Pension

Pension shall be paid in accordance with the relevant national legislation of the country in which each person in Group Management operates and it shall be on market terms.

The pension shall be based on a defined contribution pension plan, except for cases where a defined benefit pension is required by law or collective bargaining agreement. The pensionable salary shall comprise the fixed annual base salary and, when required by law or collective bargaining agreement, variable remuneration.

For the CEO, the pension premiums shall amount to 35 percent, calculated on fixed monthly remuneration, and are thus premium defined. The retirement age for the CEO is 65 years of age.



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For other individuals in Group Management, the pension provision shall not amount to more than 30 percent of the base salary, unless a higher percentage arises due to law or collective bargaining agreement. The retirement age for other individuals in Group Management is 60–68 years, depending on the country of employment.

Other benefits

Benefits which are not directly related to fixed salary and variable remuneration, for example a company car and medical care benefits, shall promote the performance of the work and be consistent with standard practice on the market for this target group. The total costs as a consequence of such benefits may not exceed 20 percent of the fixed annual base salary.

For employments governed by rules other than Swedish, other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Special remuneration

Additional cash variable remuneration may be paid out under extraordinary circumstances, provided that such extraordinary arrangements are limited in time, and may only be awarded on an individual basis either for the purpose of recruiting or retaining individuals in Group Management or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 20 percent of the fixed annual base salary and may not be awarded more than once per year and per individual. Any resolution on such remuneration shall be adopted by the Board of Directors based on a proposal from the Remuneration Committee.

Remuneration to directors

In certain cases, board directors elected by the General Meeting should be able to receive fees and other remuneration for work carried out on behalf of the company, alongside their work on the Board of Directors. Fees at market rates, approved by the Board of Directors, may be payable for such services.

Terms for termination etc.

There is a mutual notice of termination period of six months as between the CEO and the company. Upon termination by the company, severance remuneration without set-off is also paid

for an additional twelve months. The mutual notice of termination period for the Deputy CEO and other individuals in Group Management shall correspond to six months. Upon termination by the company, severance remuneration for an additional twelve months is paid, without setting off the first six months.

Salary and terms of employment for other employees

In the preparation of the guidelines, salary and terms of employment for employees of the company have been taken into account by including information on the employees' total remuneration, the components of the remuneration, and increase and rate of increase of remuneration over time, in the Remuneration Committee's and the Board of Director's basis of decision when evaluating the reasonableness of the guidelines and appurtenant limitation.

The decision-making process to determine, review and implement the guidelines

The Board of Directors resolves, after preparation by the Remuneration Committee, on the structures of remuneration systems, as well as levels and forms of remuneration to individuals in Group Management. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting for adoption. The guidelines shall be in force until new guidelines are adopted by the General Meeting.

The Remuneration Committee shall monitor and evaluate programs for variable remuneration for individuals in Group Management, the application of the guidelines, and the current remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent of the company and company management. The CEO and other members of Group Management do not participate in the Board of Directors' and/or the Remuneration Committee's processing of, and resolutions regarding, remuneration-related matters insofar as they are affected by such matters. Conflicts of interest are counteracted in all resolutions and any potential conflicts of interest are handled in accordance with the company's framework for governance, consisting of a Code of Conduct, policies and guidelines.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case

there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, part of the work of the Remuneration Committee is to prepare the Board of Director's resolutions regarding remuneration issues, which includes resolutions on derogations from the guidelines.

Long-term incentive program – LTI 2025

The Board of Directors considers it important, and in the interest of all shareholders, to align the interests of senior managers and other key individuals, who are deemed important for the Company's continued development, with the shareholders' interest in a positive development of the value of the Gränges share over time. A share-based long-term incentive program is further expected to enhance the Company's ability to attract, recruit and retain key personnel, provide competitive compensation and align the interests of shareholders and management.

At the Annual General Meeting held on 12 May 2025, it was resolved, in accordance with the Board of Directors' proposal, to adopt a share-based long-term incentive program in the form of a combination of warrants and restricted share units, LTI 2025, through an issue of warrants and approval of transfer of such warrants as well as an issue of restricted share units to senior managers and other key individuals in Gränges AB (publ) and its subsidiaries.

To facilitate participation in the program, a contribution has been paid which, after deduction of tax and other applicable charges, amounts to 50 percent of the premium paid for each warrant (the "net grant"). Should a participant resign, be terminated, or transfer warrants acquired under LTI 2025 within three years from the payment of the warrant premium, an amount corresponding to the net grant shall be repaid to Gränges. The repayment obligation shall, however, be reduced in proportion to the participant's period of employment in Gränges during the term of the warrants and in relation to the number of transferred warrants.

Participation in LTI 2025 requires participants to invest in Gränges warrants. The number of restricted share units allocated and their value depend, inter alia, on the number of warrants acquired and performance against the targets for Financial Value Creation and Sustainability within STI 2025. The value of restricted share units may not exceed the maximum value set out in the Board of Directors' proposal. If a participant refrains

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from acquiring the maximum number of warrants offered, the value of restricted share units shall be reduced pro rata in relation to the proportion of warrants acquired.

A cash-settled alternative has been designed for participants outside Sweden who are not able to invest in Gränges warrants.

Restricted share units are allocated based on the outcome of STI 2025 and are converted into a number of shares by dividing the allocated amount by the volume-weighted average price of the Gränges share on Nasdaq Stockholm during the ten (10) trading days immediately following the publication of the year-end report for 2025.

Payment is made proportionally on an annual basis over three years, provided continued employment within the Gränges Group.

Information on previously resolved remuneration which is not yet payable

Following resolutions by the Annual General Meetings in 2022, 2023 and 2024, senior executives and other key personnel have been offered participation in long-term incentive programs (IP 2022, LTI 2023 and LTI 2024). The programs are intended to align the interests of key personnel with the shareholders' interest in a good long-term development of the value of the Gränges' share and to enhance the Company's ability to attract, recruit and retain key personnel.

The long-term incentive structure consists of long-term investment programs in which participants invest their own funds in warrants at a market-based premium determined in accordance with a generally accepted valuation model, and restricted share units (RSU) linked to the outcome of the annual incentive program (STI). RSU are subject to a three-year vesting period, provided continued employment within the Gränges Group, and their value is related to the development of the Gränges share.

Under the warrant programs, participants have received a grant (net grant) from the Company. Repayment of the net grant is required if employment is terminated or if the warrants are transferred within three years from the acquisition, in accordance with the terms and conditions of the respective program.

Events after the end of the year

On February 23, 2026, the number of shares and votes in Gränges increased as a result of the exercise of warrants issued under the IP 2022 incentive program, as resolved by the Annual General Meeting on May 4, 2022.

As a result of the exercise, the number of shares and votes increased by 29,227, from 106,462,154 to 106,491,381. The share capital increased simultaneously by SEK 39,158, from SEK 142,635,356 to SEK 142,674,514.

No other significant events have occurred after the end of the year.

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General disclosures



General basis for preparation of the sustainability statement (BP-1)

The information presented in the sustainability statement relates to the financial year 2025 and covers all fully owned operations of the Gränges Group at the start of 2025. Refer to Note 10 for the parent company for a list of group companies. The scope of consolidation follows the same principles as the financial statements. The report has been prepared in accordance with the EU Corporate Sustainability Reporting Directive (CSRD), in line with the applicable European Sustainability Reporting Standards (ESRS).

The sustainability statement is based on the results from Gränges' Double Materiality Assessment. Gränges' sustainability plan covers the full value chain, and the information related to each sustainability topic is extended to include value chain information where material. Information relating to the upstream value chain is included for Responsible sourcing, Resource use and circular economy, and Climate. Information relating to the downstream value chain is material for Resource use and circular economy. Gränges has not omitted any information corresponding to intellectual property, know-how or the results of innovation.

Disclosures in relation to specific circumstances (BP-2)

Time horizons

The time horizon defined and used in Gränges are in line with the defined time horizons in ESRS. The short-term period is referring to January 1-December 31, corresponding to Gränges' financial year. Medium-term horizon extends from 1-5 years, and long-term time horizon is defined as more than 5 years.

Value chain estimation and outcome uncertainty

Gränges uses value chain estimations when calculating scope 3 carbon emissions (E1-6), based on established methodologies that combine activity-based data with best-available emission factors. The company prioritizes primary data wherever possible, including supplier-specific emissions data and electricity mixes and third-party verified certificates, such as EPDs, to

account for the supplier-specific emissions to be used in the company's carbon accounting.

When primary data cannot be obtained, the company uses high-quality secondary sources such as industry databases and internationally recognized emission factors. All data sources are periodically reviewed to ensure accuracy and relevance.

The highest degree of uncertainty lies in scope 3 carbon emissions (E1-6) from upstream activities, particularly within the aluminium production, and the availability of supplier-specific data.

Use of phase-in provisions

For the 2025 sustainability statement, Gränges has adopted the EU Commission's "Quick Fix" amendments to the European Sustainability Reporting Standards (ESRS), introduced in July 2025, where applicable. Refer to the ESRS content index on pages 127-130 for more details.

Changes in preparation and calculation methods

In the 2025 Annual and Sustainability Report, Gränges' Sustainability statement has been restructured to align with the CSRD. Updates include:

- Integration of Sustainability statement into the Board of Director's report.
- Revision of double materiality assessment to include the production facility in Shandong.
- Inclusion of the production facility in Shandong in sustainability data 2025 and baseline 2021 (historical data not updated).
- Reporting on new metrics, datapoints and disclosures required by the ESRS.
- Change in emission factor for Chinas' primary aluminium, as a result of updated information on Chinas' green transition and revised government policy implemented during 2025.
- Changed reporting structure from two to three business areas (Europe, Asia and Americas).

Reporting errors in prior periods

- An error in the calculation of the metric "Greenhouse gas emissions per net revenue" for previous year was identified and has been restated in this report.
- A minor reporting error in 2024 on 167 tonnes was identified in the categorization of a certain waste stream. The affected data have therefore been restated to reflect the correct waste categories and to improve the accuracy and comparability of the disclosures over time.

Reporting stemming from other regulations

Gränges' sustainability statement is aligned with ESRS Standards and does not refer to other international reporting standards.

Incorporation by reference

For incorporation by reference, see ESRS content index pages 127-130.

Actions and resources in relation to material sustainability matters (MDR-A)

For current financial resources allocated to action plans related to Gränges material topics, refer to sections Sustainable financing on page 96 and EU Taxonomy report on pages 97-101.

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The role of the administrative, management and supervisory bodies (GOV-1)

Board of Directors and Group Management

The Board of Directors is the highest governing body for sustainability, addressing and deciding on issues related to Gränges’ strategic direction and organization on an ongoing basis. The Board of Directors, including employee representatives and employee deputies, consists of 10 members, 40 percent women and 60 percent men. For more information on composition, experience, employee representation, and independence, refer to the Corporate Governance report on pages 65–67.

Gränges’ Board of Directors has assigned the Audit Committee to be responsible for the follow-up of Gränges’ sustainability reporting, described in Gränges’ Rules of procedures for the Audit Committee. The Board members have experience from Board positions at other companies working with sustainability. In addition to the company’s internal sustainability expertise, the Board also has access to external specialist knowledge within the topic.

Gränges’ Group Management Team (GMT) ensures that Gränges’ global sustainability plan, long-term targets and policies are aligned with the company’s vision and strategy. Group Management also reviews and monitors regional performance against sustainability targets, as well as makes decisions related to global sustainability priorities. Regional and group performance is reviewed on a regular basis and other sustainability topics when needed.

The Group Sustainability function

The Group Sustainability function is headed by the SVP Sustainability, who is also a member of GMT. The function is responsible for leading the development and execution of Gränges’ global sustainability plan, which is aligned with the Double Materiality Assessment and identified material impacts, risks and opportunities. The function holds extensive and diverse expertise in sustainability and in the material impacts, risks, and opportunities relevant to the business, ensuring that strategic decisions are based on sound analysis and industry best prac-

tice. Other responsibilities include setting long-term targets, issuing sustainability-related policies, regular communication and reporting on Gränges’ sustainability performance to internal and external stakeholders, as well as coordinating continuous stakeholder dialogues.

Cross-regional teams to drive global efforts

The SVP Sustainability chairs two cross-regional teams within Sustainability and Source Green & Recycle (SG&R), in which all regional Sustainability and SG&R leads are represented. The teams are responsible for leading Gränges’ global sustainability and SG&R efforts. Ensuring best practice sharing across the organization is also a key objective for both teams.

Regional Presidents

The regional Presidents are responsible for developing and executing local sustainability targets and plans, aligned with the global plan and the local needs.

Information on sustainability topics addressed by Group Management and the Board (GOV-2)

Board of Directors

In 2025, eight scheduled Board meetings were held. Sustainability performance is presented by the CEO in each meeting as part of the business update and SVP Sustainability reports on performance, progress and plans towards the long-term goals to the Board of Directors on an annual basis. Topics raised during the year included key activities within decarbonization, sustainability value proposition, responsible sourcing and sustainability engagement as well as performance and focus areas for next year. In addition, the regional Presidents annually present regional plans and efforts to the Board of Directors, including sustainability.

In conjunction with the quarterly reports, Gränges presents key figures linked to the company’s long-term goals to the Board. In addition, SVP Sustainability and Director Sustainability Reporting participate in the quarterly Audit Committee meetings, presenting an update on the sustainability performance

and agreed sustainability focus areas for the year. In 2025, this included progress against Gränges’ limited assurance scope and progress towards CSRD compliance.

Group Management

Sustainability is an integrated part of the GMT meetings and agenda. Financial and sustainability performance is reviewed on a monthly basis.

A systematic follow-up of all regions’ sustainability efforts is done as part of the regional semi-annual Business Boards, chaired by the CEO and represented by the GMT. GMT also functions as a Sustainability Board for the Sustainability and SG&R cross-regional teams. The teams present their work twice a year to the Sustainability Board with the aim to receive feedback or decide on specific global projects.

Integration of sustainability-related performance in incentive schemes (GOV-3)

One important part of sustainability governance is linking variable remuneration to sustainability performance to push for progress against the company’s sustainability goals. Gränges provides variable remuneration to senior managers which consists partly of an annual incentive program (STI) and partly of several parallel long-term programs called LTI, both of which provide cash compensation.

80 percent of the STI program is linked to financial objectives and 20 percent is linked to non-financial. The objectives have been designed so that they both promote the Group’s business strategy and long-term sustainability goals. The non-financial objective is linked to the total carbon emission intensity (scope 1+2+3) performance.

GMT is responsible for designing the incentive program and providing a proposal of outcomes, which is approved by the Board of Directors. For more information about Gränges’ incentive programs, refer to page 73.

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Statement on Due Diligence (GOV-4)

Gränges’ works actively to identify, prevent, and limit actual and potential negative impact that the company’s activities have on people and the environment. The due diligence procedures are guided by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, including the declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO), the eight fundamental conventions of the ILO and the International Bill of Human Rights. See below table for a mapping of the information provided in this sustainability statement about Gränges’ due diligence processes.

A specific sustainability evaluation on environmental and social impacts is required when planning new projects, large expansions or other investment. All requests shall include a qualitative evaluation and quantitative evaluation on key metrics to ensure the support to Gränges’ sustainability ambitions and decarbonization plans. These requirements are stipulated in the company’s Investment policy.

Core elements of due diligence	Page reference in the sustainability statement
Embedding due diligence in governance, strategy and business models	80
Engaging with affected stakeholders in all key steps of the due diligence	82
Identifying and assessing adverse impacts	83-84, 124
Taking actions to address those adverse impacts	79, 110-114, 119
Tracking the effectiveness of these efforts and communicating	82, 110-119, 121-123

Risk management and internal controls over sustainability reporting (GOV-5)

Sustainability-related risks are identified and evaluated as part of Gränges’ Enterprise Risk Management (ERM) process and have been an integral component for many years. This process requires regional management teams to annually review, rank, and prioritize risks and maintain updated risk mitigation plans. These plans form the basis for an annual risk review by the Group Management Team, with a summary presented to the Board of Directors. Sustainability risks are prioritized on the same premises as operational and financial risks. Risk quantification dimensions include financial impact (EBIT) and likelihood of occurrence. The company ensures that the sustainability risks identified in the DMA process and scenario analysis are reflected in the ERM process, with aligned definitions and thresholds. For more details on Gränges’ DMA process, see pages 82-84. For more details on Gränges’ risk management process and main risks, refer to the Risk Management section on pages 45–54.

Gränges’ has a well-established financial control framework over the financial statements stipulated in its Internal Control Policy. The company has integrated sustainability reporting into the policy, following the Committee of Sponsoring Organizations’ (COSO) recommendations on internal control for sustainability reporting. The internal control framework for sustainability reporting will be further developed to ensure same level of accuracy as the financial control framework. The company conducts internal audits to ensure control measures are implemented in each location. The results from internal audits are presented to the audit committee.

Strategy, business model and value chain (SBM-1)

About Gränges

Gränges is a global leader in aluminium rolling and recycling in selected niches and is committed to creating circular and sustainable aluminium solutions in partnership with customers and suppliers – for a better future. The company’s aluminium solutions are used in some of the world’s most demanding applications. Their properties, such as low weight and recyclability, support the transition to a more sustainable economy.

Gränges Americas, Gränges Asia and Gränges Europe are Gränges’ three business areas. Gränges Americas includes North and South America where the main markets are the US and Mexico. Gränges Asia comprises Asia pacific where China is the main market. Other key markets include India, Thailand, South Korea and Japan. The targets markets for Gränges Europe are Poland, Czech Republic, Sweden, France and Germany. The company has production facilities in the US, Sweden, Poland and China with its head office located in Stockholm.

Total number of employees and revenue by operating segments

Region	Number of employees (headcount)	Total net sales
Americas	915	13,248
Asia	1,194	7,461
Europe	1,447	8,600

Customer markets

The market for rolled aluminium materials, in which Gränges operates, is in general characterized by advanced technology, complex production processes, and customer-driven development with long-term relationships. There is also a market for more standardized products with a lower degree of customization and product complexity. Gränges’ customers are found in the automotive, HVAC, specialty packaging, and battery industries as well as in other niche markets such as transformers and wind turbines. The company did not have any banned products during the year.

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Gränges' Navigate plan – strategy for long-term sustainable growth

Gränges' Navigate plan aims to build industry leadership and long-term sustainable growth by leveraging three major trends: sustainability, electrification, and regionalization. The company's ambition is to build a leader in aluminium flat-rolling and recycling with its commitment to leadership driving progress across the business. Sustainability, together with people and safety, is at the core of Gränges' business and strategy, signaling that these are central for differentiation and competitiveness. To stay resilient, Gränges continually evaluates and adapts its strategy and business model to manage risks, impacts, and emerging opportunities.

Sustainability strategy

Sustainability is a key driver of Gränges' long-term competitiveness and value creation. As a semi-manufacturer in the aluminium value chain, the company is committed to contributing to a

circular economy through strong collaborations with both suppliers and customers. Since 2017, Gränges has consistently delivered positive sustainability results, clearly showing that its strategy translates into real impact. Sustainability is integrated throughout the business, supported by an engaged organization focused on building the company's future.

Gränges' sustainability plan focuses on three key areas crucial for creating sustainable and circular aluminium solutions: net-zero, circular, and responsible. Each area is accompanied by long-term goals and covers material topics identified through the Double Materiality Assessment.

Net-zero

Gränges' goal is to have net-zero carbon emissions by 2040. The company also has mid-term 2030 goals for scope 1+2 and scope 3 respectively. Both the 2030 and 2040 goals have been validated by the Science Based Target initiative (SBTi) and thereby are in line with the Paris Agreement and scientifically based.

The company invests in sustainable operations and sourcing, and recycling to reduce the life-cycle climate impact of its products.

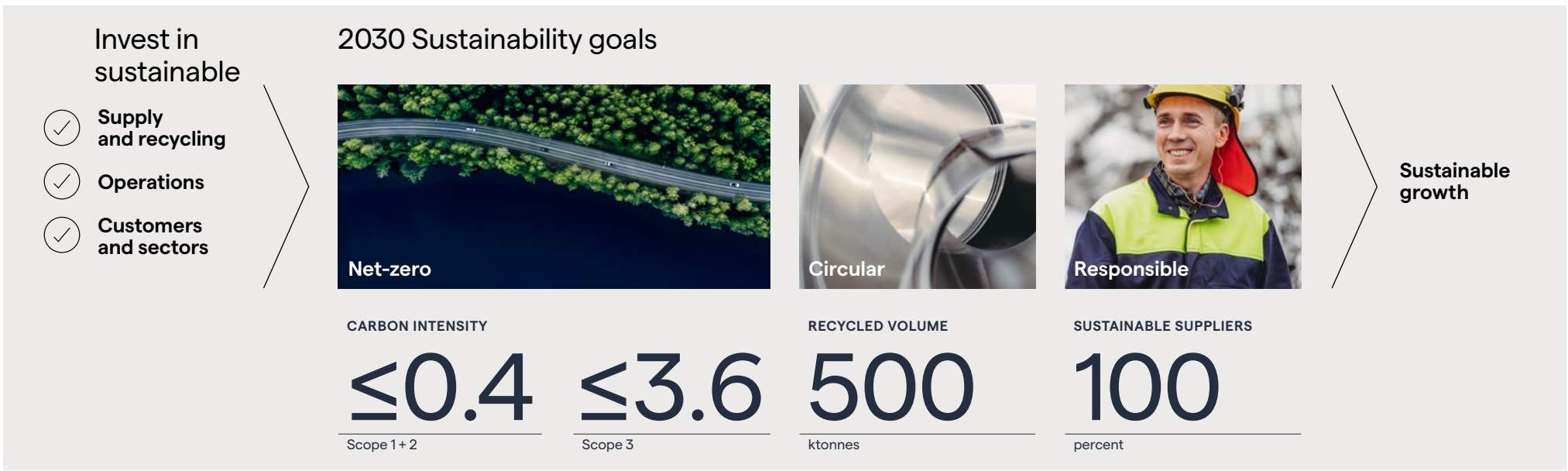
Circular

Gränges' goal is to reach 500 ktonnes sourced recycled aluminium by 2030. This equals ten-folding the volume from the base year 2017. The company invests in circular business models, closed-loop partnerships, recycling capacity, and circular alloy development to increase the usage of recycled materials in its products.

Responsible

Gränges' goal is to have 100 percent sustainable suppliers by 2030, as defined in the company's Responsible Sourcing Program. The company invests in safety, business ethics, and people to ensure responsibly produced aluminium and responsible business practice throughout the value chain.

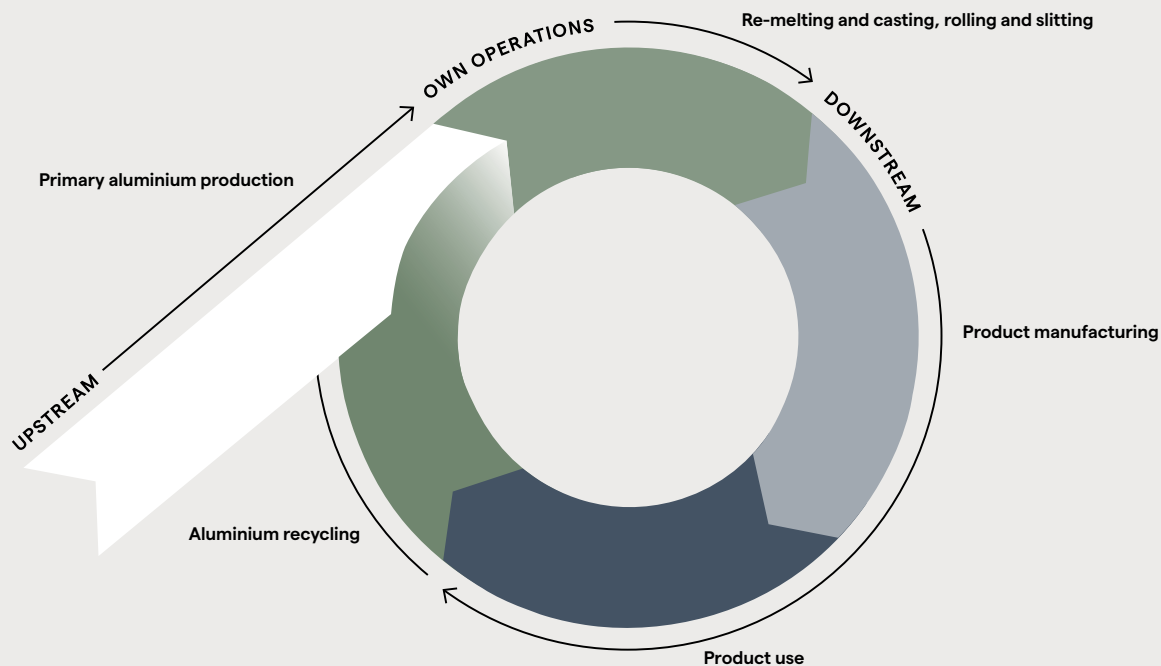
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Gränges' value chain (SBM-1, SBM-3)



Gränges is positioned as a semi-manufacturer in the aluminium value chain with own operations in re-melting, casting, rolling and slitting. The upstream value chain includes primary aluminium suppliers and recycling companies. The company sources primary aluminium from commodity traders and directly from smelters and recycled aluminium from recycling companies. The downstream value chain include customers in product manufacturing including automotive, heat exchangers, HVAC and specialty packaging. It also includes end-users of vehicles, systems for heating, ventilation and air-conditions in buildings, specialty packaging, as well as aluminium foil in food packaging.



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- Gränges' operations
- Customers and end-users
- Supply chain

MATERIAL TOPICS UPSTREAM

- Energy
- Air pollution
- Water resources
- Resource inflows, including resource use
- Labor and human rights
- Corruption/bribery
- Responsible sourcing

MATERIAL TOPICS IN OWN OPERATIONS

- Climate change mitigation
- Climate change adaptation
- Energy
- Air pollution
- Water resources
- Resource inflows, including resource use
- Resource outflows related to products and services
- Working conditions
- Health and safety
- Employee wellbeing
- Equal treatment and opportunities for all
- Training and leadership
- Other work-related rights in own operations
- Corporate culture
- Corruption / bribery

MATERIAL TOPICS DOWNSTREAM

- Climate change mitigation
- Corruption/bribery
- Resource outflows related to products and services

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Interests and views of stakeholders (SBM-2)



Gränges actively engages with key stakeholders through structured dialogues focusing on sustainability topics, reporting content, and expectations related to the company’s sustainability performance and communications. These ongoing dialogues are designed to ensure that Gränges’ priorities and strategic direction are closely aligned with stakeholder perspectives and interests. The Annual and Sustainability report provide key stakeholders with accurate information about the company’s activities and performance in sustainability.

Gränges annually conducts dialogues with key stakeholders to stay informed on stakeholder interests, and will amend sustainability topics based on stakeholder feedback if needed. No amendments of Gränges’ business strategy or business model have been made as a result of the 2025 stakeholder dialogues and input.

All regions also facilitate local stakeholder dialogues and sustainability is part of investor meetings. The table to the right summarizes engagements held over the past year and their outcomes. Furthermore, Gränges conducted a comprehensive stakeholder dialogue as part of its Double Materiality Assessment, refer to pages 83-84. Comprehensive dialogues will be conducted through regular meetings with key stakeholders as part of the Double Materiality Assessment process.

Key stakeholders	Dialogue forum	Outcome of the engagement
Customers	- Fairs, seminars - Ongoing dialogues - Customer’ questionnaires - Stakeholder surveys and in-depth interviews	- Product development - Adaptation of customer marketing of sustainable solutions - Responses to customer queries
Employees	- Annual performance reviews - Employee surveys every two years - Internal trainings - Intranet communication - Stakeholder surveys and in-depth interviews - Workplace meetings	- Review of global trainings - Implementation of sustainability training - Internal policy reviews - Global and local engagement initiatives
Investors	- Annual General Meeting - Annual and quarterly reports - Capital markets days - Quarterly conference calls - Investor and analyst seminars and meetings - Press releases - Stakeholder surveys and in-depth interviews - Sustainability questionnaires from ESG data providers - Gränges’ website	- ESG rating improvement plans - Review of external communications - Responses to investor queries
Suppliers	- Ongoing dialogue - Stakeholder surveys and in-depth interviews - Supplier assessments - Supplier Code of Conduct	- Updated Responsible Sourcing Program - Supplier improvement plans
Society	- Collaboration with universities and schools - Interns and student dissertations - Local cooperation, ongoing dialogue - Participation in networks and working groups - Stakeholder surveys and in-depth interviews	Site-specific initiatives on community development

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Material impacts, risks and opportunities (SBM-3, IRO-1, IRO-2)



Gränges Double Materiality Assessment (DMA) identified impacts, risks and opportunities (IROs) are outlined on page 84. Beyond sustainability matters covered by ESRS, Gränges has included the entity specific sustainability matter Responsible Sourcing which is part of the Business conduct (G1) reporting. Further information on the IROs are outlined in each standard section of the statement.

The result from the DMA informs Gränges' sustainability strategy and business model. The resilience of the strategy undergoes continuous valuation through the company's annual business planning and review. Gränges revise the DMA assessment on an annual basis, taken into account input from the annual stakeholder dialogues. This year, the company also revised the DMA based on the inclusion of the acquired production facility in Shandong. No amendments to material topics, nor the sustainability strategy have been made as a result of the 2025 revision.

Double Materiality Assessment methodology

Gränges conducted its first DMA in 2022 to identify material sustainability topics, following draft ESRS principles. This assessment covered the full value chain, taking into account factors such as geographical location, business relationships, business transactions, industry-related sustainability topics, and market shifts. Stakeholder consultations were used to assess the significance of each topic for Gränges and an internal survey responded by Gränges global leadership team was used to rate each topic's sustainability and financial impact. No additional screening of assets or operational sites, nor consultations with affected communities, have been deemed necessary for the identification of impacts, risks, and opportunities in the value chain, as the analysis has been validated through consultations with relevant stakeholders within Gränges' operations.

In 2023 Gränges updated its DMA, with the publication of the final version of ESRS, revising the methodology to meet requirements on quantifying impacts, risks and opportunities. The assessment took into account 37 sub-topics and identified 23 as potentially material. Actual and potential negative and positive impacts, risks, and opportunities were defined for each

material sub-topic, serving as a basis for quantitative impact assessments. The identification of risks and opportunities was conducted both based on their connections to identified impacts and dependencies, as well as through an independent assessment. To perform an information-based quantification of the impacts, risks and opportunities, sources such as industry reports, desktop analyses, and internal reports on supply chain risks were assessed. The validation was finalized in 2024.

Impact materiality

The Group Sustainability function assessed the sustainability impacts that Gränges has or could have on society and the environment due to the company's activities or business relations from a value chain perspective. Impacts related to own workforce have taken into consideration groups that may be at greater risk including women and blue-collar workers represented in the topics diversity and health and safety. The assessment criteria used followed the guidance and recommendations from the ESRS:

- **Scale:** How severe the negative impact is or how beneficial the positive impact is for people or the environment, on a scale from 0–5 (none to absolute)
- **Scope:** How widespread the negative or positive impacts are, on a scale from 0–5 (none to global/total)
- **Irremediability:** How difficult it is to remedy the impact, on a scale from 0–5 (very easy to remedy to non-remediable)
- **Likelihood:** For potential impacts, the likelihood of the impact occurring was scored on a scale from 0–5 (not at all likely to definitely)

The draft impact materiality was presented to the cross-regional Sustainability team, where participants were able to provide feedback and align on the results.

Financial materiality

The VP Business Control & Risk Management together with Group Sustainability function assessed which risks and opportunities could affect Gränges' financial performance and position. The approach was fully aligned with the company's ERM definition and thresholds of financial impact.

Two assessment criteria were used:

- **Likelihood:** The likelihood of risk/opportunity having a financial impact on Gränges, on a scale from 0–5 (not at all likely to very likely)
- **Financial impact:** Financial impact on Gränges Group EBIT, on a scale from 0–5 (none to very high)

The draft financial materiality assessment was presented to Gränges' Group Risk Boards, consisting of regional Presidents and regional CFOs, VP Group Accounting, VP Group Treasury, and the Group CFO.

Final validation and approval

The final materiality assessments were validated by SVP Sustainability and Group CFO. Materiality thresholds were defined, and a final determination of which sustainability topics were deemed material was made. The results were presented to GMT and the Board of Directors.

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Material impacts, risks and opportunities

Gränges' focus areas	ESRS standard	Material issue	Description	Type of material issue	Value chain	Time horizon
Net-zero	E1 Climate change	Climate change mitigation	GHG emissions emitted in the company's operations and value chain	I R O	Upstream, own operations, downstream	Short, medium and long term
		Climate change adaptation	Adaptation of operations to actual and future climate change	I R	Own operations	Medium and long term
		Energy	Energy usage in the company's operations and value chain	I R O	Upstream, own operations	Short and medium term
	E2 Pollution	Air pollution	Local emissions of pollutants to air in the company's operations	I R	Upstream, own operations	Short and medium term
Circular	E3 Water and marine resources	Water resources	Water usage in the company's own operations and value chain	I	Upstream, own operations	Short and medium term
	E5 Resource use and circular economy	Resource inflows, including resource use	Increasing aluminium recycling, promoting a circular economy and sourcing low-carbon aluminium	I R O	Upstream, own operations	Short, medium and long term
		Resource outflows related to products and services	Product design to improve operational and product sustainability performance from a life-cycle perspective and waste production and management	I R O	Own operations, downstream	Short and medium term
Responsible	S1 Own workforce	Working conditions	Offering fair working conditions for the company's own workforce	I R O	Own operations	Short term
		Health and safety	Own workforce's exposure to safety risks at the workplace	I R O	Own operations	Short term
		Employee wellbeing	Protecting the physical, mental, and psychosocial health and fostering wellbeing among the company's own workforce	I R O	Own operations	Short and medium term
		Equal treatment and opportunities for all	Providing a non-discriminatory and inclusive work environment	I R O	Own operations	Short and medium term
		Training and leadership	Providing training and career development opportunities to attract, develop, and retain employees	I R O	Own operations	Short and medium term
		Other work-related rights in own operations	Following and respecting international standards for human rights, including child, and forced labor	R O	Own operations	Short term
	S2 Workers in the value chain	Labor and human rights	Following and promoting international standards for responsible labor practices and human rights in the value chain	I	Upstream	Short and medium term
	G1 Business Conduct	Corporate culture	Upholding a set of beliefs and behaviors that guide how to interact and handle business transaction	I	Own operations	Short, medium and long term
		Corruption/bribery	Incidents related to corruption or bribery	I R	Upstream, own operations, downstream	Short term
		Responsible sourcing	Enforcing responsible and sustainable practices in the supply chain	I	Upstream	Short and medium term

I Impact materiality **R** Financial materiality: Risk **O** Financial materiality: Opportunity

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Sustainability policies (MDR-P)



Gränges has a number of steering documents in the form of policies and procedures. Policies, key content, scope and policy owners are listed below. It is the regional Presidents and local Management teams who are accountable for the implementation of global policies and procedures. All policies are available to employees through the company’s intranet, and

key sustainability policies are also published on Gränges’ website. Additional information, including actions and targets for tracking the effectiveness of these policies, can be found in the respective material sustainability topics section of the sustainability statement.

Policy	Key content	Scope	Responsible	Reference
Code of Conduct	Gränges’ Code of Conduct outlines ethical principles and gives guidance to employees on how to act and conduct business.	All employees, board members, and temporary staff (for example independent contractors, consultants etc.), intermediaries or others acting on behalf of Gränges.	Group Management Team	Business conduct
Global Environmental Policy	Gränges’ Global Environmental Policy provides an overview of general environmental requirements and specific environmental principles.	All legal entities, employees and contracted workers.	SVP Sustainability	Environment
Greehouse Gas Accounting Procedure	Gränges’ Greenhouse Gas Accounting Procedure is designed to ensure accuracy and consistency in the reporting of carbon emissions within Gränges Group.	All legal entities within the Gränges Group.	Director Sustainability Reporting	Environment
Occupational Health and Safety Policy	Gränges’ Occupational Health and Safety policy outlines expectations on safety and compliance with legal requirements, continual improvement of OHS systems, clear definition of responsibilities, integration into business processes, and active employee involvement in safety programs.	All employees and individuals who are directly or indirectly related to Gränges’ operations, such as independent contractors and consultants who work on behalf of Gränges.	Always Safe cross-regional team	Own workforce
Global Anti-Corruption Policy	Gränges’ Anti-Corruption Policy outlines principles to prevent bribery and other types of corruption.	All employees and board members.	SVP Sustainability	Business conduct
Global Responsible Sourcing Policy	Gränges’ Global Responsible Sourcing Policy outlines group-wide principles and requirements on responsible sourcing, including signing Gränges’ Supplier Code of Conduct.	All legal entities within Gränges Group, especially those employees in direct or indirect contact with suppliers, and temporary staff and consultants who work on behalf of Gränges.	SVP Sustainability	Responsible sourcing
Supplier Code of Conduct	Gränges’ Supplier Code of Conduct requires the suppliers’ commitment to support Gränges’ values and principles when it comes to operating in accordance with responsible, ethical and sound business principles in compliance with all applicable laws and regulations.	All suppliers, contractors, and vendors.	SVP Sustainability	Responsible sourcing
Investment Policy	Gränges’ investment policy establishes the framework for all investments within the Gränges Group and include a requirement that all expansion investments must support Gränges’ sustainability ambitions and decarbonization plan. Maintenance investments must do no harm on Gränges’ sustainability ambitions and decarbonization plans.	All legal entities within the Gränges Group.	CFO	-

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Environment



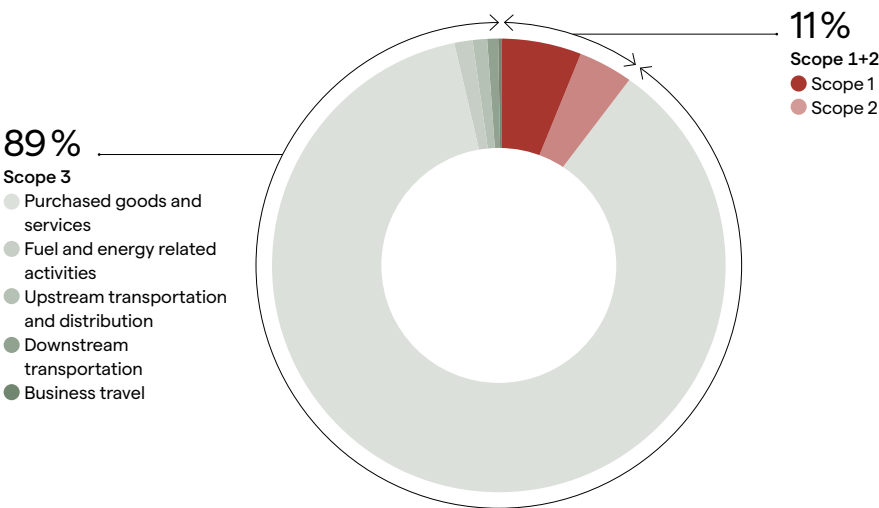
Environmental responsibility is a natural part of how Gränges operates and how the company creates value for customers and society. As the demand for sustainable and circular aluminium grows, Gränges continues to strengthen its environmental performance by lowering emissions, increasing circularity and using resources more efficiently across all sites. Expanding recycling, developing alloys that enable higher scrap content and securing access to low-carbon primary aluminium are key elements of this journey.

At the same time, robust environmental management systems support responsible use of energy, water and raw materials at our facilities, ensuring that operations meet high environmental standards. Through continuous improvement, close collaboration with customers and suppliers and focus on innovation, Gränges works to advance a more circular and low-impact aluminium value chain.

Read more
E1 Climate Change
E2 Pollution

E3 Water resources
E5 Resource use and circular economy

Total carbon footprint 4,191 ktonnes



TOTAL CARBON FOOTPRINT
SCOPE 1+2+3
6.6
tonnes CO₂e/tonne

RECYCLED ALUMINIUM
300
ktonnes

SHARE OF RECYCLED ALUMINIUM
45
percent

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Material impacts, risks and opportunities (SBM-3, IRO-1)

Impacts

The global aluminium industry, a harder-to-abate sector, contributes to about two percent of global greenhouse gas emissions annually, totalling 1.1 billion tonnes of CO₂e. Aluminium’s critical role in society is set to grow, with demand expected to rise by 81 percent by 2050 as sectors like energy, construction and transportation decarbonize their processes. To transition to a sustainable economy, it is key for players within the aluminium value chain to reduce emissions from a life-cycle perspective.

Gränges has an actual negative impact on the environment due to the GHG emissions emitted in the company’s operations and in the value chain of producing aluminium. The company’s production is dependent on energy and input materials having an actual negative impact on the environment. This includes the use of fossil fuels and primary aluminium with a highly energy-intensive production, emitting high share of greenhouse gas emissions. 11 percent of the company’s climate impact is from own operations and 89 percent from the value chain, out of which 96 percent is related to the sourcing of metals.

However, adapting to climate change can have a positive impact on both the company and society at large. By proactively addressing climate risks, Gränges can reduce its environmental impact, lower operational costs, and create new business opportunities. This adaptation also helps ensure long-term business continuity and competitiveness, as customers and regulators increasingly demand sustainable products and practices.

Risks and opportunities

Gränges faces climate-related risks and opportunities. Transitional risks include increased customer demand for low-carbon products, stricter requirements on product carbon emission performance, and enhanced carbon regulations and taxes. Failure to meet these evolving requirements could result in higher costs or loss of revenue. Physical risks stem from extreme weather events and natural resource shortages, which may disrupt production, damage facilities, and increase operational costs.

Conversely, Gränges can capitalize on opportunities by meeting customer expectations for products with lower carbon footprints, potentially securing new contracts and increasing revenue.

Response to identified impacts, risks and opportunities

The identified climate-related impacts, risks, and opportunities are fully integrated into Gränges’ strategic planning, investment decisions, and operational processes. Building long-term resilience is a cornerstone of the company’s sustainability strategy. By proactively managing climate risks and investing in future-fit low-carbon solutions, Gränges strengthens its ability to remain agile, competitive, and aligned with stakeholder expectations in a rapidly evolving global landscape.

Material topic	Impact, risks, opportunities
Climate change mitigation	Actual negative impact on the environment by operating in an emission-intensive industry across own production and the value chain.
	Risk of increased costs as a result of carbon regulations and taxes being enforced.
	Risk of decreased revenues due to loss of customer contracts as a result of stricter requirements on product carbon emission performance.
Climate change adaptation	Opportunity of increased revenues due to securing customer contracts with specific requirements on product carbon footprint performance.
	Actual positive impact on people and the environment by future-proofing operations to be more resilient to climate change through changes in processes, practices, and structures that reduce risks or harness new opportunities.
	Risk of decreased revenues and/or increased costs due to production loss and damage on facilities as a result of extreme weather events.
Energy	Actual negative impact on the environment by operating in an energy-intensive industry and relying on energy for production, both from Gränges’ own operations and from the broader aluminium value chain.
	Risk of increased costs associated with scarcity of renewable energy on the market as well as rising costs of certificates that may increasingly be demanded by customers.
	Opportunity to reduce costs, strengthen reputation, and increase revenues through energy efficiency improvements, greater use of renewable energy, and meeting customer sustainability requirements.

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Scenario analysis to identify risk and opportunities (SBM-3)

In 2024, Gränges conducted a scenario-based climate risk and opportunity analysis following the recommendations outlined by the Task Force on Climate-Related Financial Disclosures (TCFD). The analysis covers all Gränges facilities and considers both transition and physical climate risks, as well as opportunities that may arise under different climate futures. It evaluates the magnitude and likelihood of identified impacts across the short term (2025–2030), medium term (2031–2050), and long term (2051–2100).

Three scenarios were used, aligned with the Intergovernmental Panel on Climate Change (IPCC) SSP pathways:

- Green road (SSP1-1.9): Very low emissions, limiting global warming to 1.5°C with net-zero by 2050 and negative emissions after then.
- Middle of the road (SSP2-4.5): Moderate progress with emissions peaking around 2050; warming of 2.1–3.5°C by 2100.
- Fossil-fueled development (SSP5-8.5): High emissions, with CO₂e tripling by 2075 and warming of 3.3–5.7°C by 2100.

The scenarios were applied using a structured methodology that included qualitative and quantitative assessments, sector specific datasets, benchmarks and IPCC projections to estimate risk severity, likelihood, and financial implications. The assumptions made related to financial implications are consistent with the discount rates, expected energy costs and impairment assessments applied in the financial statements. The analysis also considers the geographic distribution of Gränges’ operations and value chain exposure.

Results from the analysis

The scenario analysis shows that transition risks are highest in the “middle of the road” and “fossil-fueled development” pathways, driven by rising carbon costs, shifting customer expectations and higher investment needs for low-emission technologies. In a 1.5°C pathway, transition risks are lower, although investments in new technologies remain important. Physical risks increase in higher-warming scenarios, reflecting extreme weather and long-term impacts on operations and supply chains.

Opportunities related to resource efficiency, low-carbon energy and new product offerings are strongest in a 1.5°C pathway and support Gränges’ focus on recycling, electrification and circular solutions, but weaken under higher-warming scenarios as operational and regulatory pressures grow.

The resilience assessment includes uncertainties linked to future carbon prices, grid decarbonization, technology availability and long-term physical climate impacts, which may influence future investment decisions. Gränges’ strategy remains adaptable through flexible sourcing, phased investments and the ability to scale recycling, energy-efficiency measures and low-carbon technologies as conditions evolve.

Identified risks and opportunities from scenario analysis

Transition risks	Policy and legal	Increased costs due to carbon regulations and litigations
	Technology	Cost to transition to lower emissions technology
	Market	Changing customer behavior and demand, as well as increased cost of raw materials due to scarcity and shortage
Physical risks	Acute	Increased severity of extreme weather events such as cyclones and floods
	Chronic	Changes in precipitation patterns and extreme variability in weather patterns, rising mean temperatures and sea levels
Opportunities	Resource efficiency	Use of recycled materials
	Energy source	Use of lower-emission sources of energy and new technologies
	Products & services	Upcoming opportunities include developing low-emission goods, new products through R&D, climate adaptation solutions, business diversification, and shifting consumer preferences
	Company specific	Partnerships

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Transition plan for climate change mitigation (E1-1)

Long-term goals

Gränges is committed to combat climate change by investing in sustainable operations, responsible sourcing and increased recycling to reduce the life-cycle climate impact of its products. The company's net-zero plan is a core part of its business strategy, with the commitment to reach net-zero carbon emissions by 2040. Gränges also targets a 42 percent reduction in scope 1 and 2 emissions and a 57 percent reduction in scope 3 emissions intensity by 2030, compared with a 2021 baseline. These 2030 and 2040 climate goals were approved by the Science Based Targets initiative (SBTi), confirming that they align with climate science and the Paris Agreement's 1.5-degree pathway. Strong and science-based climate goals support customers in accessing sustainable and circular solutions. Gränges' is not excluded from the EU Paris-aligned benchmark.

Following the acquisition of Shandong, Gränges reviewed its decarbonization strategy for Asia to ensure full alignment with Group targets. The reassessment confirmed that the ambition to reach net-zero by 2040, and the intermediate 2030 goals, remain unchanged and continue to meet SBTi standards.

Pathways to net-zero

Gränges has developed clear regional action plans toward 2030, which together form a company-wide net-zero plan centered on five main pathways to reduce carbon emissions.

- Net-zero Gränges – transitioning to net-zero fuels.
- Net-zero electricity – using renewable electricity.
- Recycling growth – increasing the use of recycled aluminium in production.
- Net-zero primary aluminium – sourcing primary aluminium produced with minimal carbon emissions.
- Net-zero solutions and sectors – investing in sustainable markets and customer partnerships to develop sustainable and circular solutions.

To deliver on these pathways, Gränges will continue to invest in sustainable sourcing, expand recycling capabilities, build long-term partnerships, adopt new technologies and develop innovative products. Key investments made include the casting and recycling centre in Huntingdon, the joint venture in Yunnan, and financing has been secured through a Green Bond. Gränges' transition plan is fully integrated with regional business strategies and forms a key part of the company's Navigate plan. The strategy and business model are continuously reviewed and may be adjusted in response to climate-related developments or emerging uncertainties. Twice a year, each business unit reports progress, priorities and investment needs for local decarbonization plans to regional boards chaired by the CEO and represented by the Group Management Team. The transition plan has been presented to and approved by the Board of Directors.

Potential locked-in emissions

Gränges faces several important barriers on its path to net-zero. The company's energy-intensive processes rely heavily on electricity, making its carbon footprint dependent on local grid intensity, with some sites still sourcing coal-based power. Operations also rely on natural gas for furnaces, and shifting to biofuels or new technologies would require major investments. In addition, Gränges sources primary aluminium from smelters with high embedded emissions, inheriting a significant upstream carbon footprint.

Financial impact

Gränges' transition to net-zero requires significant investments in infrastructure and new technologies. Moving toward net-zero fuels and electrification may involve new equipment, facility upgrades and the development of alternative energy supply chains. Operational costs may initially increase due to higher prices for renewable electricity and low-carbon aluminium, but these can be balanced over time through improved efficiency. Continued investments in recycling and research and development are essential to reduce costs and drive innovation for long-term sustainability.

Impact on own workforce

Gränges' journey toward net-zero will bring important changes for its workforce. The transition creates opportunities for upskilling and new roles in areas such as energy efficiency, recycling and advanced manufacturing, supporting engagement and long-term job security. At the same time, some roles may require retraining, and managing change can create uncertainty. Gränges is committed to a just and inclusive transition through proactive workforce planning, continuous learning and active employee engagement.

Progress toward net-zero

Gränges continued to advance its net-zero plan and has reduced its carbon emissions by 46 percent compared to baseline 2021, including Shandong. During the year, this progress was driven primarily by increased sourcing of low-carbon primary aluminium and a higher share of renewable electricity. No GHG removals or mitigation projects financed through carbon credits were used during the year.

Policies (E1-2)

Gränges' Global Environmental Policy guides the company's work to minimize environmental impact. For climate change, the policy sets clear principles on reducing emissions across scope 1, 2 and 3, lowering energy consumption, improving energy intensity and promoting the use of renewable energy.

Gränges also places clear sustainability requirements on its suppliers. The Supplier Code of Conduct mirrors the environmental principles in the Global Environmental Policy and requires suppliers to reduce emissions in their own operations and value chains, improve energy efficiency and increase the use of renewable energy.

Internal carbon pricing (E1-8)

Gränges does not use internal carbon pricing.

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DRIVERS				
1	2	3	4	5
Net-zero Gränges	Net-zero electricity	Recycling growth	Net-zero primary aluminium	Net-zero solutions and sectors
Scope 1	Scope 2	Scope 3	Scope 3	
AMBITIONS				
100% net-zero fuels by 2040	100% renewable electricity by 2030	500 ktonnes recycling by 2030	100% net-zero primary aluminium by 2040	Enabler for net-zero and sustainable growth
PRIORITIES				
• Increase material and energy efficiency. • Reduce and phase-out natural gas and non-renewable fuels. • Deploy decarbonization technologies.	• Form value chain partnerships. • Renewable electricity certificates. • Generate own renewable electricity.	• Form value chain partnerships. • Invest in recycling capabilities and capacity. • Develop circular alloys.	• Form value chain partnerships. • Support supplier's decarbonization plans.	• Invest in growth from sustainable sectors. • Collaborate with customers and OEMs. • Develop circular and sustainable alloys.
ACTIVITIES 2025				
• Energy summit at Gränges facility in Huntingdon bringing participants across different regions to focus on sharing learnings and uncovering ways to reduce energy in the facility. • Increased capacity utilization and productivity to increase energy efficiency. • Digitalization support.	• Gränges' facility in Shanghai sources 100 percent renewable electricity. • The facility in Finspång sources specified electricity from 100 percent hydro power. • The facility in Konin sourced 72 percent renewable electricity from hydro power through guarantees of origin in 2025. • Newport, Salisbury and Huntington source 100 percent, 27 percent and 16 percent respectively of their electricity from solar power through renewable energy credits (RECs).	• Long-term partnerships formed with scrap slabs suppliers in Asia. • Long-term agreement with recycling company to secure stable supply of RSI in Europe. • Increased scrap usage after recycling and casting line in Huntingdon coming online. • Product portfolio optimization to enable scrap absorption capability. • Product development.	• Partnerships to secure low-carbon primary aluminium. • Supply of sustainable aluminium from Gränges' joint venture in Yunnan. • Supplier summit in Stockholm to strengthen collaboration and identify new opportunities to secure low-carbon primary aluminium.	• Closed-loop partnerships formed to secure access to scrap. • Ongoing partnership involving Federal Metals, Gränges and Daikin to develop a sustainable circularity plan for end-of-life HVAC units.
OUTCOME				
No net-zero fuels were used in 2025.	The share of renewable electricity amounted to 60 percent in 2025.	The total volume of sourced recycled aluminium reached record-high 300 ktonnes (249) driven by product and operational improvements and recycling partnerships.	16 percent of Gränges' purchased primary aluminium was defined as low-carbon.	Continued focus on long-term circular partnerships and innovation.

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Targets (E1-4, MDR-T)

Topic	Target	Target year	Baseline	Outcome ¹
Emissions and Climate impact	Net-zero across the value chain	2040	2021	In 2025, absolute total carbon emissions (scope 1+2+3) increased with 10 percent to 4,191 ktonnes (3,823), mainly driven by the inclusion of the production facility in Shandong. Total carbon emissions intensity decreased by 12 percent to 6.6 tonnes CO ₂ e/tonnes (7.5). Gränges has reduced absolute total carbon emissions by 46 percent from baseline 2021.
	Reduce absolute scope 1 and 2 GHG emissions by 90 percent	2040	2021	Absolute scope 1+2 carbon emissions increased to 440 ktonnes (327), which means that Gränges has decreased its absolute scope 1+2 emissions by 19 percent compared to baseline 2021.
	Reduce scope 3 GHG emissions from purchased goods and services, fuel- and energy related activities, upstream transportation and distribution, business travel, and downstream transportation and distribution by 97 percent per tonnes packed product	2040	2021	
	Reduce absolute scope 1 and 2 GHG emissions by 42 percent	2030	2021	Scope 3 carbon emissions intensity decreased to 5.9 tonnes CO ₂ e/tonne (6.9), which means that Gränges has reduced its scope 3 carbon emissions intensity by 48 percent compared to baseline 2021.
	Reduce scope 3 GHG emissions from purchased goods and services, fuel- and energy related activities, upstream transportation and distribution, business travel, and downstream transportation and distribution by 57 percent per tonnes packed product	2030	2021	
	Reduce carbon emissions intensity from own operations (scope 1+2) by at least 25 percent	2025	2017	Scope 1+2 carbon emissions intensity increased to 0.60 tonnes CO ₂ e/tonne (0.64). This is a reduction of 37 percent compared to 2017.
	Reduce carbon emissions intensity from purchased materials (scope 3) by at least 30 percent	2025	2017	Scope 3 carbon emissions intensity decreased to 5.7 tonnes CO ₂ e/tonne (6.9). This is a reduction of 46 percent compared to 2017.
Energy	Share of renewable energy at least 20 percent	2025	2017	The share of renewable energy amounted to 23 percent (23).
	Energy intensity reduction of 17 percent	2025	2017	Energy intensity amounted to 3.3 MWh/tonne (3.5), in line with the energy intensity in 2017.

¹ The production facility in Shandong has been included in the sustainability data 2025 and baseline 2021 (historical data not updated). Baseline 2017 does not include Shandong. Therefore, Shandong is excluded from the performance against 2017 targets.

Gränges climate goals are approved by SBTi and therefore aligned with the latest climate science and consistent with the goals of the Paris Agreement. As part of the SBTi approval, Gränges conducted a full GHG inventory to identify where the largest climate impact occurs from a value chain perspective, involving key stakeholders to receive data. The goals cover approximately 91 percent of Gränges total emissions identified in the GHG inventory conducted as part of the SBTi approval process, including both emissions from own operations scope 1+2 (9 percent), and from indirect emissions in the value chain scope 3 (91 percent). The largest share of emissions originates from sourcing of metals which stands for 97 percent of Gränges scope 3 emissions. To calculate scope 2 emissions, the market-based approach was used. The base year for Gränges’ climate goals is 2021. The base year has been restated to include the production facility in Shandong, China.

With the SBTi approval Gränges has committed to the below SBTi goals:

Net-zero goal

- Reach net-zero GHG emissions across the value chain by 2040.

Long-term goals

- Reduce absolute scope 1 and 2 GHG emissions by 90 percent by 2040 from a 2021 base year.
- Reduce scope 3 GHG emissions from purchased goods and services, fuel- and energy related activities, upstream transportation and distribution, business travel, and downstream transportation and distribution by 97 percent per tonnes packed product within the same timeframe.

Near-term goals

- Reduce absolute scope 1 and 2 GHG emissions by 42 percent by 2030 from a 2021 base year.
- Reduce scope 3 GHG emissions from purchased goods and services, fuel- and energy related activities, upstream transportation and distribution, business travel, and downstream transportation and distribution by 57 percent per tonnes packed product within the same timeframe.

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Energy consumption and mix

	2025	2024	2023
Fuel consumption from coal and coal products (MWh)	-	-	-
Fuel consumption from crude oil and petroleum products (MWh)	64,386	64,539	51,900
Fuel consumption from natural gas (MWh)	1,232,416	1,096,516	1,018,900
Fuel consumption from other non-renewable sources (MWh)	-	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from non-renewable sources (MWh)	292,135	221,358	225,410
Total fossil energy consumption (MWh)	1,588,936	1,382,413	1,296,210
Share of fossil sources in total energy consumption (%)	78	77	77
Consumption from nuclear sources (MWh)	75,465	102,473	97,019
Share of consumption from nuclear sources in total energy consumption (%)	4	6	6
Fuel consumption for renewable sources, including bio-mass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	-	-	-
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	455,303	401,774	373,157
Self-generated non-fuel renewable energy production (MWh)	2,405	2,285	-
Self-generated non-renewable energy production (MWh)	-	-	-
Total renewable energy consumption (MWh)	455,303	401,774	373,157
Share of renewable sources in total energy consumption (%)	22	23	22
Total energy consumption (MWh)	2,044,239	1,784,187	1,681,300

Comment:
In 2025, the total energy use increased by 15 percent to 2,044 GWh (1,784), due to higher production volumes and using more recycled aluminium in production which requires more energy to remelt. The share of renewable sources in total energy consumption decreased slightly, mainly driven by the inclusion of the production facility in Shandong, China, as it sources electricity from coal.

Reporting principles and definitions:
Data is reported at regional level and consolidated at group level using common definitions and principles. Renewable energy sources are defined as wind, solar, hydro, geothermal, tidal, and biomass. Non-renewable energy sources include LPG, natural gas, diesel and petrol. Self-generated non-fuel renewable energy refer to the solar panels installed on the production facility in Shanghai.

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Own KPI

Share of renewable energy

%	2025	2024	2023
Gränges Europe	49	49	52
Gränges Asia	22	40	39
Gränges Americas	7	4	3
Gränges total	22	23	22

Comment:
In 2025, the share of renewable energy decreased by 1 percentage point to 22 percent (23). This was driven by a reduced share in Gränges Asia, due to Shandongs' electricity being sourced from coal, partially offset by an increased share of renewable energy in Gränges Americas. Gränges' facility in Shanghai sources 100 percent renewable electricity since 2023 through a supplier-issued renewable electricity certificate. The facility in Finspång sources specified electricity from 100 percent hydro power since 2020 and the facility in Konin sourced 72 percent renewable electricity from hydro power through guarantees of origin in 2025. Newport, Salisbury and Huntingdon source 100 percent, 27 percent and 16 percent respectively of their electricity from solar power through renewable energy credits (RECs).

Reporting principles and definitions:
Data is reported at regional level and consolidated at group level using common definitions and principles.

Renewable energy sources are defined as wind, solar, hydro, geothermal, tidal, and biomass. The share of renewable energy is calculated as renewable energy sourced including recovered energy (MWh) divided by the total energy used (MWh) using total energy use per source and the supplier-specific mix for delivered electricity, district heating, and steam.

Own KPI

Energy intensity

MWh/tonne	2025	2024	2023
Gränges Europe	2.9	3.1	3.0
Gränges Asia	2.0	1.9	2.1
Gränges Americas	4.7	4.7	4.7
Gränges total	3.2	3.5	3.5

Comment:
In 2025, the energy intensity decreased by 8 percent to 3.2 MWh/tonne (3.5) as a result of increased production volumes.

Reporting principles and definitions:
Data is reported at regional level and consolidated at group level using common definitions and principles.

Energy intensity is defined as total energy use within the organization (MWh) divided by the total packed products (tonnes).

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Energy intensity per net revenue

MWh/SEK million	2025	2024	2023
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	72.1	75.9	74.7

Refer to page 132 in the Financial Statement for net sales.

Comment:
In 2025, energy intensity per net revenue decreased by 5 percent versus 2024 as a result of increased revenues compared to previous year.

Reporting principles and definitions:
The aluminium sector is defined as a high climate impact sector. Hence, Gränges' total energy consumption and total net revenue is included in this KPI.

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E1-4 & E1-6

Greenhouse gas emissions disaggregated by scopes 1 and 2 and significant scope 3

		Retrospective				Goals		
		2025	2024	Base year (2021)	% change 2025 vs 2024	2030	2040	Annual % target / Base year
Scope 1 GHG emissions	Gross Scope 1 GHG emissions (ktonnes CO ₂ e)	266	239	240	11			
	Scope 1 GHG emissions from regulated emission trading schemes (%)	26	23	24	3 pp			
Scope 2 GHG emissions	Gross location-based scope 2 GHG emissions (ktonnes tCO ₂ e)	292	245	323	19			
	Gross market-based scope 2 GHG emissions (ktonnes CO ₂ e)	174	88	305	98			
Scope 1+2 GHG emissions	Gross location-based scope 1+2 GHG emissions (ktonnes CO ₂ e)	558	484	563	15			
	Gross market-based scope 1+2 GHG emissions (ktonnes CO ₂ e)	440	327	545	35	-42%	-90%	-11%
	Carbon emissions intensity from scope 1+2 (tonnes CO ₂ e/tonne)	0.70	0.64	0.85	8			
Significant Scope 3 GHG emissions	Total Gross indirect (scope 3) GHG emissions (ktonnes CO ₂ e)	3,751	3,496	7,255	7			
	1 Purchased goods and services	3,606	3,377	7,056	7			
	3 Fuel and energy-related activities (not included in scope 1 or scope 2)	60	56	95	8			
	4 Upstream transportation and distribution	49	31	85	60			
	6 Business traveling	0.4	0.4	0.5	-8			
	9 Downstream transportation	35	31	32	13			
	Carbon emissions intensity from scope 3 (tonnes CO ₂ e/tonne)	5.9	6.9	11.4	-14	-57%	-97%	-17%
Total GHG emissions	Total GHG emissions (location-based) (ktonnes CO ₂ e)	4,309	3,980	7,818	8			
	Total GHG emissions (market-based) (ktonnes CO ₂ e)	4,191	3,823	7,800	10		Net-zero	

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Reporting principles and definitions:
The production facility in Shandong, China, is included in the 2025 data and base year 2021 (historical data has not been updated). Data is reported with a market-based approach. Data is reported at regional level monthly and consolidated quarterly and annually at group level using common definitions and principles. Emission factors used to calculate the metrics have been validated by an external body. Greenhouse gas emissions are presented as carbon dioxide equivalents. In accordance with the GHG Protocol, the definitions of the respective scopes are:

Scope 1: Direct emissions from Gränges' operations, which include production facilities, office buildings, company owned vehicles, and refrigerants. Emissions are calculated based on fuel consumption and emission factors.

Scope 2: Energy indirect emissions from the generation of purchased electricity, heat and steam consumed by Gränges, in production facilities and office buildings. Emissions are calculated using specific data from Gränges' electricity, heat, and steam suppliers.

Scope 3: Other indirect emissions including emissions from extraction, production and processing of metals, packaging materials, fuel and energy related activities (not included in scope 1 or scope 2), upstream and downstream goods transportation, as well as business travel. Fuel and energy related activities include production of fuels used in Gränges' operations and in generation of purchased energy. Emissions from producing primary aluminium, purchased slabs, and recycled aluminium are based on regional industry averages, country-specific factors or supplier data. Emissions from producing fuels are based on regional industry data and emissions from transportation and business travel are based on specific data from Gränges transport routes. 7 percent of scope 3 emissions are

based on primary data. Scope 3 categories not included in Gränges' sustainability reporting are: capital goods, waste generated in operations, employee commuting, upstream leased assets, processing of sold products, use of sold products, end-of-life treatment of sold products, downstream leased assets, franchises and investments. These were deemed as not being applicable to the company or immaterial in the GHG inventory conducted as part of the SBTi approval process.

Carbon emissions intensity is defined as total emissions of greenhouse gases (tonnes CO₂e) divided by the total packed products (tonnes).





Own KPI

Total emissions of greenhouse gases

tonne CO ₂ e	Scope 1			Scope 2			Scope 1+2			Scope 3			Scope 1+2+3		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Gränges Europe	56.3	53.7	48.7	32.0	29.5	26.3	88.3	83.3	75.0	708	739	877	797	822	952
Gränges Asia	45.7	28.3	27.2	88.0	0.0	0.0	133.7	28.3	27.2	2,377	1,992	2,005	2,510	2,020	2,032
Gränges Americas	164.0	156.1	145.1	54.2	58.3	61.4	218.1	214.4	206.5	666	764	763	884	979	969
Gränges total	266.0	239.1	222.1	174.2	87.9	87.7	440.1	327.0	309.8	3,751	3,496	3,641	4,191	3,823	3,951

Own KPI

Carbon emissions intensity

tonne CO ₂ e	Scope 1			Scope 2			Scope 1+2			Scope 3			Scope 1+2+3		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Gränges Europe	0.28	0.30	0.29	0.16	0.16	0.16	0.44	0.46	0.45	3.5	4.1	5.2	4.0	4.5	5.7
Gränges Asia	0.22	0.24	0.26	0.42	0.00	0.00	0.64	0.24	0.26	11.3	16.9	19.4	12.0	17.1	19.7
Gränges Americas	0.74	0.74	0.72	0.24	0.28	0.31	0.98	1.02	1.03	3.0	3.6	3.8	4.0	4.6	4.8
Gränges total	0.42	0.47	0.47	0.28	0.17	0.19	0.70	0.64	0.66	5.9	6.9	7.7	6.6	7.5	8.4

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Greenhouse gas emissions per net revenue

tonne CO ₂ e/SEK	2025	2024	2023
Total GHG emissions (location-based) per net revenue	152	169	183
Total GHG emissions (market-based) per net revenue	148	163	176

Refer to page 132 in the Financial Statement for net sales.

Comment:
In 2025, total carbon emissions intensity (scope 1+2+3) decreased by 12 percent to 6.6 tonnes CO₂e/tonne (7.5). The absolute emissions (market-based) increased by 10 percent to 4,191 ktonnes (3,823), equal to 4,309 ktonnes CO₂e using a location-based approach. Carbon emissions intensity from own operations and purchased energy (scope 1+2) amounted to 0.70 tonnes CO₂e/tonne (0.64), an increase of 8 percent versus 2024. The increase was driven by higher energy consumption as a result of the inclusion of the production facility in Shandong, China, as well as increased production in the other business areas. At Gränges, 55 percent of the electricity consumption is supported by purchased energy attribute certificates included in the market-based scope 2 calculation. These instruments include supplier-issued renewable electricity certificates, renewable energy certificates (RECs), and guarantees of origin (GOOs). RECs account for 15 percent of the total consumption, with 16 percent classified as bundled and 84 percent as unbundled.

Scope 3 intensity decreased by 14 percent to 5.9 tonnes CO₂e/tonne (6.9). The decrease was mainly driven by an adjusted emission factor for primary aluminium in China. This is a result of updated information on China's green transition and revised government policy, implemented during 2025. The lowered emission factor for Asia accounted for 11 percent of the reduction, while the remaining 3 percent decrease was driven by continued decarbonization progress in all business areas, mainly through increased use of low-carbon primary aluminium. For comparability reasons, the exclusion of Shandong results in a total carbon emissions intensity of 6.3, scope 1+2 intensity of 0.60, and scope 3 intensity of 5.7 tonnes CO₂e/tonne. Gränges does not have any biogenic emissions.

Restatements:

- An error in the calculation of the metric "Greenhouse gas emissions per net revenue" for previous year was identified and has been restated in this report.

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Gränges is committed to integrating sustainability into the financing of the group. The company’s sustainable financing journey began in 2021 with the launch of a Green and Sustainability-linked Financing Framework. Under this framework, Gränges successfully issued its inaugural sustainability-linked bond in September 2021. In 2022, Gränges took a significant step forward by incorporating a sustainability-linked structure into its main Credit Facility Agreement, which included a Revolving Credit Facility (RCF) and a Term Loan. Additionally, sustainability-linked structures were also included in new term loan agreements with Svensk Exportkredit, further strengthening Gränges commitment to sustainable financing.

Green and Sustainability-linked Financing Framework

In 2024, Gränges updated and replaced the combined Green and Sustainability-linked Financing Framework by publishing two new frameworks – one Green Financing Framework and one Sustainability-linked Financing Framework. These are designed to better align with international standards and Gränges’ updated sustainability goals. A Second Party Opinion was issued by Sustainalytics for each framework.

Through these initiatives, Gränges continues to demonstrate leadership in sustainable financing, aligning its financial structure with its long-term climate and environmental goals.

Successful issuance of a Green Bond in 2025

In 2025, Gränges successfully issued a five-year senior unsecured green bond of SEK 600 million under the company’s Medium-Term Note (MTN) program. The green bond is due in 2030, and attracted strong interest from investors, with an order book exceeding SEK 2.2 billion. The proceeds from this green bond will be allocated to eligible green projects in line with Gränges’ Green Finance framework. A separate Green Bond Report will be published with more details on allocation and impact.

Performance related to Sustainability-Linked Bond issued 2021

On September 23, 2021 Gränges successfully issued a five-year SEK 600 million senior unsecured Sustainability-Linked Bond under the company’s MTN program. The bond is due in 2026 and has a coupon of three months Stibor + 1.20 percent.

Gränges has tied the Sustainability-Linked Bond to the achievement of three defined Sustainability performance targets (SPTs), which all are central in Gränges’ sustainability strategy.

SPT 1: Reduce carbon emissions intensity from own operations and purchased energy (scope 1+2) by 25 percent by 2025 compared to 2017.

SPT 2: Reduce carbon emissions intensity from sourced metal inputs (scope 3) by 30 percent by 2025 compared to 2017.

SPT 3: Increase the share of recycled aluminium to at least 30 percent of total sourced metal inputs by 2025.

Target	KPI	2025	2024	2023	2022	2021
SPT 1	Total carbon emissions intensity from own operations and purchased energy (scope 1+2), tonnes CO ₂ e/tonne	0.60	0.64	0.66	0.82	0.88
SPT 2	Total carbon emissions intensity from sourced metal inputs (scope 3), tonnes CO ₂ e/tonne	5.7	6.9	7.7	8.1	8.5
SPT 3	Share of recycled aluminium of total sourced metal input, %	45.1	46.2	41.6	32.7	28.5

Comment:
Baseline 2017 does not include Gränges’ production facility in Shandong. Therefore, Shandong is excluded from the performance against targets related to carbon emissions intensity (SPT 1, SPT 2). Total carbon emissions intensity from own operations and purchased energy (scope 1+2) amounted to 0.60 tonnes CO₂e/tonne in 2025, a reduction of 37 percent compared to baseline 2017. Total carbon emissions intensity from sourced metal inputs (scope 3) amounted to 5.7 tonnes CO₂e/tonne in 2025, a reduction of 46 percent compared to baseline 2017. Both SPT1 and SPT2 targets have therefore been achieved. The share of sourced recycled aluminium decreased by 1.1 percentage points and reached 45.1 percent (46.2) in 2025. The target to increase the share of recycled aluminium to at least 30 percent by 2025 was therefore achieved.

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In accordance with Article 8 of the EU Taxonomy Regulation EU 2020/852, turnover, capital expenditure (Capex) and operational expenditure (Opex) are reported on and defined as described below. Gränges has identified certain areas of the EU Taxonomy where there is a degree of interpretive flexibility. As a result, internal assessments and considerations are necessary due to the absence of comprehensive regulatory guidance in some areas. The Taxonomy disclosures for 2025 are based on the current analysis and interpretation of the Taxonomy regulation but may be subject to change as new regulatory guidance is issued, market practices develop or the Taxonomy regulation itself is expanded.

Methodology for Eligibility Assessment

Gränges is a global leader in aluminium rolling and recycling, dedicated to delivering circular and sustainable aluminium solutions in collaboration with customers and suppliers. As a result, the company is eligible under the Climate Delegated Act for its Manufacture of Aluminium activity (CCM 3.8), since it encompasses the recycling of secondary aluminium. Gränges conducts this activity by purchasing aluminium scrap from third parties and recycles this into new products. Gränges has also several closed and open loop collaborations, in which recycled aluminium from customers' manufacturing process is brought back to Gränges and re-melted into new products. The company reports turnover, capital expenditures and operating expenditures related to the activity.

During 2024, Gränges reviewed eligible economic activities with due consideration of the delegated acts Climate Delegated Act (Commission Delegated Regulation (EU) 2021/2139), the Complementary Climate Delegated Act (Commission Delegated Regulation (EU) 2022/1214), the Environmental delegated act (Commission Delegated Regulation (EU) 2023/2486) and the amendments to the Climate Delegated Act (Commission Delegated Regulation (EU) 2023/2485) as they constitute the foundation for the EU Taxonomy reporting.

The analysis, conducted by the Sustainability Group function in close collaboration with the Group Accounting function, concluded that the scope remained unchanged from previous

reporting whereas the activity Manufacture of Aluminium (CCM 3.8) is fully eligible and remains the only eligible economic activity for Gränges.

Methodology for Identifying Taxonomy-Aligned Activities

Gränges has identified the manufacture of secondary aluminium (CCM 3.8) as an environmentally sustainable economic activity under the climate change mitigation objective, as it is aligned with the technical screening criteria specified in the Climate Delegated Act. All manufacturing of secondary aluminium is defined by the taxonomy as making a substantial contribution to climate change mitigation.

Analysis of Do No Significant Harm (DNSH)

The activity "Manufacture of secondary aluminium" (CCM 3.8) is seen as making a substantial contribution to climate change mitigation without harming any of the remaining objectives significantly. Gränges meets the criteria outlined in Appendix A of the Climate Delegated Act through its climate risk analysis, which is an integral part of Gränges risk management process. This analysis forms the basis for understanding how climate risks may impact the business in the long term. As part of Gränges' DMA, risks related to negative environmental impact in terms of water quality preservation and the avoidance of water stress, as well as for the protection and restoration of biodiversity and ecosystems have been considered. The analysis concluded that Gränges does not operate in biodiversity-sensitive areas and faces no significant risk of harming water quality, biodiversity or ecosystems and thus fulfills the criteria's outlined in Appendix B and D.

Gränges has concluded that the use of substances listed in Appendix C is limited to small-scale laboratory activities conducted under controlled conditions, with no significant risk that could harm or pollute the environment. Gränges is aligned with the relevant regulations and guiding standards and continues to monitor and report on its progress.

Minimum safeguards

Gränges' activities are carried out in compliance with the minimum safeguards set out in the regulation related to international minimum rights and standards as being defined by the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, including the declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the eight fundamental conventions of the ILO and the International Bill of Human Rights. The analysis refers to Gränges' Code of Conduct, that stipulates the responsibilities of how to act and how to conduct business responsibly. Gränges believes that fair working conditions enable its employees to realize their full potential. Gränges also requires its suppliers to operate in accordance with responsible, ethical, and sound business principles and in compliance with all applicable laws and regulations. That means to always compete in a fair manner and respect and support internationally proclaimed human rights. The requirements are stipulated in Gränges' Supplier Code of Conduct. Gränges' follows up on adherence through its Responsible Sourcing Program, including onsite audits and sustainability desktop assessments on high and medium risk suppliers. For more information om Gränges Responsible Sourcing Program, refer to page 124.

Reporting principles and definitions of the KPIs

In line with the previously reported scope and alignment, Gränges has assessed all the operating expenses, investments and revenues connected to one activity, "Manufacture of Secondary Aluminium" (CCM 3.8). For the calculation of turnover, capex, and opex related to this activity, the company has applied the definitions set out in the EU Taxonomy Regulation, in accordance with the accounting principles followed in Gränges' consolidated financial statements as well as used the share of sourced recycled aluminium as a proxy. Gränges uses the equity method to consolidate its joint ventures. This means that the joint ventures, on a line-by-line basis, are not included when reporting on turnover, capital expenditure and operating expenditure related to the manufacture of secondary aluminium.

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Turnover

Gränges has calculated the proportion of Taxonomy aligned economic activities (the numerator) as share of sourced recycled aluminium in relation to net sales of goods. The reported total revenue (the denominator) is the net sales as presented in the Group Consolidated income statement, SEK 28,362 million.

Capital expenditures

Capex has been calculated as the share of sourced recycled aluminium (the numerator) in relation to capital expenditures related to manufacturing (the denominator). Capital expenditures consist of additions to tangible and intangible assets during the financial year 2025. This includes the expenditures resulting from acquisitions and asset acquisitions as presented in Group Note 20 Intangible assets; SEK 12 million, Note 21 Property, plant and equipment; SEK 761 million and Note 22 Right-of-use-assets and lease liabilities; SEK 46 million. Total capex amounts to SEK 819 million.

Gränges has not developed a capex plan to expand the scope of its taxonomy reporting, nor has it increased its alignment, as the activity covered is already fully aligned with the taxonomy.

Operational expenditures

Opex has been calculated as the share of sourced recycled aluminium (numerator) in relation to operating expenses related to manufacturing (the denominator). This includes direct costs that are not capitalized and relate to research and development as presented in Group Note 20 Intangible assets; SEK 70 million, short-term leases and leases of low-value assets as presented in Group Note 22 Right-of-use-assets and lease liabilities; SEK 9 million, repair and maintenance expenses as presented in Group Note 13 Other operating expenses; SEK 482 million. Additionally any other direct expenditures associated with the ongoing maintenance of tangible fixed assets are included, SEK 289 million. Total opex amounts to SEK 850 million.

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Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial Year 2025

KPI (1)	Breakdown by environmental objectives of Taxonomy aligned activities														
	Total (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)	Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year 2024 (15)	Proportion of Taxonomy aligned activities in previous financial year 2024 (16)
	MSEK	%	MSEK	%	%	%	%	%	%	%	%	%	%	MSEK	%
Turnover	28,362	45.1	12,786	45.1	100	0	0	0	0	0	0	100	0	10,861	46.2
CapEx	819	38.1	312	38.1	100	0	0	0	0	0	0	100	0	635	29.9
OpEx	850	47.0	399	47.0	100	0	0	0	0	0	0	100	0	417	48.5



Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI (Turnover)

Financial Year 2025

Economic Activities (1)	Code (2)	Breakdown by environmental objectives of Taxonomy aligned activities									Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
		Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover) (3)	Taxonomy aligned KPI (monetary value of Turnover) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover) (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
		%	MSEK	%	%	%	%	%	%	%	(E)	(T)	%
Manufacture of Aluminium	CCM 3.8	45.1	12,786	45.1	100	0	0	0	0	0	-	T	100
Sum of alignment per objective					100	0	0	0	0	0			
Total KPI (Turnover)		45.1	12,786	45.1	100	0	0	0	0	0			

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Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI (CapEx)
Financial Year 2025

Economic Activities (1)	Code (2)	Breakdown by environmental objectives of Taxonomy aligned activities									Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
		Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx) (3)	Taxonomy aligned KPI (monetary value of CapEx) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx) (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
		%	MSEK	%	%	%	%	%	%	%	(E)	(T)	%
Manufacture of Aluminium	CCM 3.8	38.1	312	38.1	100	0	0	0	0	0	-	T	100
Sum of alignment per objective					100	0	0	0	0	0			
Total KPI (CapEx)		38.1	312	38.1	100	0	0	0	0	0			

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Proportion of OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI (OpEx)
Financial Year 2025

Economic Activities (1)	Code (2)	Breakdown by environmental objectives of Taxonomy aligned activities									Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
		Taxonomy eligible KPI (Proportion of Taxonomy eligible OpEx) (3)	Taxonomy aligned KPI (monetary value of OpEx) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned OpEx) (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
		%	MSEK	%	%	%	%	%	%	%	(E)	(T)	%
Manufacture of Aluminium	CCM 3.8	47.0	399	47.0	100	0	0	0	0	0	-	T	100
Sum of alignment per objective					100	0	0	0	0	0			
Total KPI (OpEx)		47.0	399	47.0	100	0	0	0	0	0			

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Material impacts, risks and opportunities (SBM-3, IRO-1)

Impacts

As an industrial company, Gränges’ production processes and use of fossil fuels result in emissions of other pollutants to air than CO₂e emissions, which has an actual negative impact on the local environment. The most significant pollutants to air include particulate matter (PM), nitrogen oxides (NO_x), sulphur dioxide (SO₂) and Volatile Organic Compound (VOC) resulting mainly from Gränges’ remelting production processes. Emissions of these pollutants are strictly regulated by local authorities who continually monitor compliance to ensure that emissions are within limits.

These air pollutants can harm both the environment and community health. For example, PM affects respiratory health, while NO_x and SO₂ are known to contribute to the formation of acid rain and can have harmful effects on vegetation and water bodies. Continuous monitoring and reporting demonstrate regulatory compliance and help maintain trust with both regulators and nearby communities.

Risks

Failure to comply with environmental permits including pollution incidents, may result in significant financial consequences for Gränges. Inadequate management of these emissions poses risks of financial penalties, reputational harm, and weakened relationships with stakeholders. Additionally, the introduction of stricter emission regulations could impact Gränges’ operations and value chain, potentially increasing operational costs.

Material topic	Impact, risks, opportunities
Air pollution	Actual negative impact on the environment from the use of non-renewable energy sources, resulting in emissions to air such as NO _x , SO _x , particulate matter and VOC, both in operations and the upstream value chain.
	Risk of increased costs due to regulatory restrictions on air pollution resulting in decreased production.

Policies (E2-1)

The governing policy is Gränges’ Global Environmental Policy. In regards to pollution to air, the policy includes specific principles related to reducing the negative impacts on biodiversity, climate, and water, preventing local pollution, and phasing out hazardous substances. Internal stakeholders’ views were included when setting the principles of the policy. The policy states that all sites and employees must comply with environmental laws and regulations, develop action plans for non-compliance and operate management systems aligned with ISO 14001 and ISO 50001 standards, as well as Aluminium Stewardship Initiative (ASI) certifications. All sites have local plans and procedures for avoiding incidents and emergency situations in general, in which incidents related to pollution are included.

Actions related to pollution (E2-2)

Gränges’ keep regular maintenance of the production facilities to ensure emission levels comply with environmental permits. At least annually, measurements are conducted in accordance with local legislation at all sites. Other emission reduction activities include installation of monitoring systems and bag house filters to reduce dust emissions and other gases released from the industrial processes. Gränges’ facilities in Huntingdon and Finspång utilizes air wash systems to recover mill oil from the rolling operations resulting in reduction of total organic carbon (TOC) and volatile organic compounds (VOC) emissions. On an annual basis, the company conducts activities according to its local environmental control programs.

Targets (E2-3, MDR-T)

Gränges does not have global targets relating to pollution. Emissions to air are regulated and monitored as part of daily operations at all Gränges’ sites, and are regularly controlled by local authorities to ensure emissions remain within acceptable limits. Compliance is a prerequisite for Gränges’ continued license to operate.

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ESRS E2-4

Other emissions to air

Ton	Nitrogen oxides (NO _x)			Sulphur dioxide (SO ₂)			Particulate matter (PM)			Volatile Organic Compounds (VOC)		
	2025	2024	2023	2025	2024	2023	2025	2024	2023	2025	2024	2023
Gränges Europe	19.0	22.3	20.5	4.3	4.3	3.1	2.5	2.7	2.4	8.8	7.8	5.0
Gränges Asia	67.9	26.3	25.5	7.9	2.8	2.7	27.9	3.4	3.2	17.8	14.1	2.8
Gränges Americas	85.2	85.6	108.6	0.3	0.3	0.7	10.2	9.8	8.4	1,249.2	1,193.1	1,060.0
Gränges total	172.1	134.2	154.6	12.5	7.4	6.5	40.7	15.9	14.0	1,275.8	1,214.9	1,067.7

Comment:
In 2025, emissions of nitrogen oxides, sulphur dioxide and particulate matter increased as a result of the inclusion of the production facility in Shandong, China. Emissions from VOC also increased mainly driven by production increases in coating lines at the Newport facility. Gränges did not generate nor use any microplastics during 2025.

Reporting principles and definitions:
Data is reported at regional level and consolidated annually at group level using common definitions and principles. Nitrogen oxides and sulphur dioxide are calculated either based on fuel consumption using local emission factors or based on continual measurements. Data on particulate matter and VOC is continuously tracked using either monitoring systems such as dust sensors and at least once a year measured by local authorities through external measurements, and multiplied with the operating time of the emitters, or based on emission rates calculated using the amount of metal charged in melters.

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Material impacts, risks and opportunities (IRO-1)

Impacts

The aluminium value chain is considered a water-intensive industry, with an actual negative impact on the environment. Water plays a critical role throughout the entire lifecycle of aluminium production. The largest environmental impact occurs in the extraction of bauxite and production of primary aluminium in Gränges’ supply chain, where large volumes of water are required for mining operations, ore washing, and refining processes.

Within Gränges’ own operations, the company relies on water primarily for cooling purposes, such as cooling equipment, preventing overheating, and avoiding production disruptions. If water is withdrawn excessively from rivers, lakes, or groundwater, these resources may not have time to recover. This affects water temperature, oxygen levels, and flow, and in the worst case, it can lead to the collapse of entire ecosystems.

Recognizing these impacts, water efficiency is part of Gränges’ sustainable operations plan, and the company works actively to reduce water consumption and increase water recycling. By implementing measures such as closed-loop cooling systems, water recirculation, and site-specific water management plans, Gränges aims to minimize its water footprint and mitigate potential negative effects on the environment and surrounding communities.

Material topic	Impact, risks, opportunities
Water resources	Actual negative impact on the environment by operating within a water-intensive industry, primarily linked to bauxite extraction and primary aluminium production in the supply chain.

Policies (E3-1)

The governing policy is Gränges’ Global Environmental Policy. In regards to water, the policy includes specific principles related to reducing the negative impacts on water and water consumption. The policy sets clear expectations on Gränges’ facilities to reduce the impact of water usage by reducing water consumption and waste-water generation in operations, as well as preventing local pollution of water. The policy applies to all production facilities regardless of water-risk area. Sourcing of water is addressed in the facilities’ local water management plans and not in the policy.

Actions related to water resources (E3-2)

Managing local water conditions

Gränges tailors its water management practices to the specific needs and risks of each production site, recognizing that local water conditions can vary significantly. The Huntingdon plant uses groundwater, while Salisbury, Newport, Shanghai and Shandong use municipal water. The Konin site uses both groundwater and municipal water, and Finspång uses surface water from two nearby lakes. No water sources are significantly affected by the water withdrawal or discharge from Gränges.

Risk assessments and water management plans

Gränges annually reviews water risk at all production facilities using the World Resources Institute’s Aqueduct Water Risk Atlas. The sites in Finspång and Newport are located in areas with low-to-medium risk, Saint-Avold and Huntingdon in medium-to-high risk, Salisbury in high-risk, and Shanghai, Shandong and Konin in extremely high-risk areas. To address water-related risks and impacts, Gränges has implemented local water management plans at all its facilities, which include setting site-specific targets and undertaking activities such as improving water efficiency, maintaining effluent quality, participating in conservation initiatives, and engaging local stakeholders.

Reusing water resources

Gränges works actively to ensure that natural resources such as water are used efficiently and recycled to the greatest extent, in line with each facility’s local water management plan. The production facilities in Huntingdon, Salisbury, Newport and Shanghai have closed-loop cooling systems with high degrees of water recirculation, reducing water consumption and the risk of water contamination. In Gränges Americas, cooling water towers have been installed. In the Shanghai facility, water-efficient cleaning equipment are in place to reduce water consumption in cleaning, degreasing and rinsing. During the year, Finspång installed a cooling tower to be able to reuse and reuse more water, to control water temperature and improve process quality.

Targets (E3-3, MDR-T)

Gränges aimed to implement local water management plans in all facilities by 2025, Shandong excluded. The target was reached for all facilities, except Shandong which is planning for implementation. The site in Newport is certified in accordance with Alliance for Water Stewardship’s (AWS) International Waters Stewardship Standard. The target was set on voluntary basis and internal stakeholders were involved in the target setting.

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E3: Water resources



Own KPI

Water withdrawal by source

thousand m³	2025		2024		2023	
	All areas	Areas with water stress	All areas	Areas with water stress	All areas	Areas with water stress
Surface water (total)	3,041	0	2,261	0	2,751	0
Groundwater (total)	958	168	912	145	823	154
Third-party water (total)	430	333	457	355	423	354
– of which surface water	384	333	414	355	393	354
– of which ground water	46	0	43	0	30	0
Gränges total	4,429	501	3,631	511	3,998	508

Comment:
The production facility in Shandong, China, is not included in the water data 2025 due to insufficient data quality. Gränges is working to improve data collection processes to ensure full inclusion in future reporting.

In 2025, total water withdrawal increased by 22 percent compared to 2024, mainly driven by Gränges Finspång, where the commissioning of a new production line, installation of new meters as well as increased production volume led to increased water withdrawal. Water consumption decreased by 1 percent. Water intensity increased by 11 percent to 7.9 m³/tonne (7.1) driven by the increase in water withdrawal.

2025 is the first year data on recycled and reused water and water stored is collected, therefore no comparable data is available. The data includes the production facilities in Finspång and Shanghai. Data is not available for the production facilities in Gränges Americas, and Konin does not have recycled water. Recycled water is used to cool equipment. Water is pumped out from a cooling tower for machine or process cooling, then fed back to the cooling tower. Therefore, water is constantly recycled except for a small fraction consumed through evaporation.

Water consumption per net revenue decreased by 18 percent due to increased net sales. Note that the production facility in Shandong is not included in the water consumption data, however included in the net sales.

No water sources are significantly affected by the water withdrawal or discharge from Gränges.

Reporting principles and definitions:
Data is reported at regional level and consolidated annually at group level using common definitions and principles. Data is obtained from direct measurements. Measurement of the metrics are not validated by an external body.

Water consumption is defined as water withdrawals minus water discharges.

Water withdrawal is defined as water used in the production facility withdrawn from wetlands, rivers, lakes, own wells, municipal water suppliers or from other public or private water utilities (m³).

Water stress is defined as the ratio of total water withdrawals to available renewable surface and ground-water supplies. The definition is based on Aqueduct Water Risk Atlas developed by World Resources Institute, where the result for the indicator “Baseline water stress” is high (40–80 percent) or extremely high (> 80 percent) in the area.

Water intensity is defined as total water withdrawal (m³) divided by the total packed products (tonnes).

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Water consumption

m³	2025	2024	2023
Total water consumption	245,137	248,561	245,083
Total water consumption in m³ in areas at water risk, including areas of high-water stress	231,897	235,808	232,427
Total water recycled and reused	13,419,942	-	-
Total water stored	2,000	-	-
Changes in storage	-	-	-

Own KPI

Water intensity

m³/tonnes	2025	2024	2023
Gränges Europe	16.7	14.3	18.2
Gränges Asia	1.4	1.7	2.2
Gränges Americas	3.9	4.0	3.6
Gränges total	7.9	7.1	8.5

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Water consumption per net revenue

m³/SEK million	2025	2024	2023
Total water consumption intensity	8.6	10.6	10.9

Refer to page 132 in the Financial Statement for net sales.

Download a printable PDF here





Impacts, risks and opportunities (IRO-1)

Impacts

Aluminium plays an important role in the transition to a circular economy. With its light weight, infinite recyclability, durability, and strength, aluminium makes a significant contribution to the sustainability of a wide range of products. The metal is in itself a circular material and allows for endless recycling without losing its original properties. Recycling is also a key driver to reduce the carbon emissions in the industry as it requires only five percent of the energy consumption compared to producing primary aluminium. Circularity and the use of sustainable materials such as low-carbon primary aluminium are key focus area in Gränges’ sustainability plan. To increase the usage of recycled materials in its products, Gränges invests in circular business models, closed-loop partnerships, recycling capacity, and circular alloy development. This has an actual positive impact on the environment.

Risks and opportunities

As the demand for sustainable materials rises due to its important role in decarbonizing the industry, costs may increase due to lower availability on the market and higher premiums on the materials. However, by increasing the use of recycled aluminium, the company cuts production waste, lowers emissions, and improves resource efficiency, all reducing the negative impact on the environment. This also creates financial opportunities as the company can meet the increasing demand of circular products with low-carbon footprint.

Material topic	Impact, risks, opportunities
Resource inflows, including resource use	Actual positive impact: Increasing the use of aluminium recycling and low-carbon primary aluminium in production reduces the need for carbon intensive primary aluminium.
	Risk of increased costs for scrap due to an increased demand and lower availability on the market.
	Risk of increased costs associated with scarcity of low-carbon primary aluminium on the market, as well as rising costs of certificates that may be increasingly demanded by customers.
	Risk of decreased revenues due to loss of customer contracts as a result of stricter requirements on recycled content in products.
Resource outflows related to products and services	Opportunity to increase revenues and reduce costs by meeting customer requirements on product carbon footprint and recycling content, while benefiting from the lower cost of recycled aluminium compared to primary aluminium.
	Actual positive impact: Focus on innovation to improve recycling ratio in products and recyclability of Gränges’ alloys reduces need for carbon intensive primary aluminium.
	Actual negative impact: Generation of landfill waste and handling of hazardous waste, although this is partly mitigated by strict regulations and a strategic focus on recycling.
	Risk of decreased revenues due to loss of customer contracts as a result of stricter requirements on sustainability performance and circularity.
	Opportunity of increased revenues associated with securing customer contracts as a result of Gränges’ efforts to develop and provide sustainable and circular solutions.

Policies (E5-1)

The governing policy is Gränges’ Global Environmental Policy relating to minimizing adverse operational impact on the environment. In regards to resource use and circularity, the policy includes specific principles related to increasing the use of third-party verified low-carbon primary aluminium and recycled aluminium. It also covers waste management and the aim to reduce process waste and phasing out hazardous substances.

Gränges also has clear sustainability expectations on suppliers to reduce environmental risks in the supply chain. The company’s Supplier Code of Conduct includes the same environmental principles as in the environmental policy.

Actions related to resource inflow (E5-2, 5-4)

Increase the use of recycled aluminium

Recycling is a key part of Gränges’ 2030 plan and central to strengthening its position as a leading recycling and rolling company. To reach the goal of 500 ktonnes recycled aluminium by 2030, Gränges continues to invest in recycling capabilities, capacity and circular business models. The company sources pre-consumer scrap from customers and recycling companies, and post-consumer scrap from recycling partners as well as works continuously to increase volumes through its sourcing strategy.

Gränges recirculates processed aluminium from its own operations and seeks to expand the recycling capabilities in production through new technology, operational improvements and targeted facility investments. Gränges Shandong has contributed positively to the recycled volumes, with a product mix enabling a higher share of scrap content. Also, the ramp up of the casting and recycling center in Huntingdon, Tennessee, enabled increased volumes of recycled aluminium.

Forming partnerships and circular business models is key to long-term access to recycled aluminium. In 2025, Gränges established several partnerships, including long-term partnership to secure stable supply of recycled sourced ingots (RSI) in Europe and forming scrap-based slab partnerships in Asia. Strengthening and expanding these circular partnerships will remain a key focus going forward.

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Sustainable sourcing of metal

Despite continued efforts to increase recycled volumes, Gränges still relies on primary aluminium. To reduce the negative environmental impact, the company focuses on increasing the share of low-carbon primary aluminium which is a key driver in Gränges' net-zero plan. The company works closely with suppliers to establish long-term partnerships and the joint venture with Shandong Innovation Group (SIG) in Yunnan secures low-carbon primary aluminium supply to the facility in Shanghai.

During the year, Shanghai received its first deliveries from Yunnan, which is expected to have a significant positive impact on Gränges' carbon emissions over time. Gränges also hosted a Metals Supplier Summit in Stockholm, bringing together global suppliers and procurement teams from Gränges Americas and Gränges Europe to strengthen collaboration and identify new opportunities to secure low-carbon and common-alloy slab supply.

Challenges to secure recycled and low-carbon aluminium

Recycled aluminium conditions vary by region, and the ability to increase its use depends on production needs and local availability. A key challenge is that recycled aluminium is often mixed with other materials. Gränges' facilities in Finspång and Shanghai produces a high number of alloys for brazed automotive heat exchanger applications consisting of clad materials where different alloys are rolled together. The complex composition of melted composites makes them difficult to separate which in turn makes it challenging to meet the strict sorting requirements for materials to be used in specific alloys produced. A tighter scrap market, with strong demand and rising prices for clean scrap, may also affect Gränges' long-term progress toward net-zero.

When it comes to low-carbon aluminium, the availability also varies depending on geography and renewable energy conditions. Gränges is dependent on the primary aluminium sector transitioning to low-carbon production and offering of products at reasonable costs to further reduce the negative impact on the climate.

Actions related to resource outflow (E5-2, E5-5)

Product development through sustainable innovation

Gränges aims to design and manufacture sustainable solutions that improve both customer performance and the sustainability performance of their products. With its position in the value chain, the company has strong opportunities to build partnerships and closed-loop collaborations that support more sustainable aluminium production.

Gränges focuses on alloy design and innovation to improve the recycling ratio, and enhance alloy recyclability ensuring that both pre- and post-consumer scrap can be remelted. During the year, Gränges' continued to execute on product development projects with the result of significant reduction of primary use enabling a higher share of recycled aluminium in the products.

Gränges provides customers with third-party verified carbon footprint certificates and detailed methodology reports. All facilities, excluding Shandong, use a carbon-footprint assessment tool, ensuring that products have third-party verified carbon footprint information available.

Waste

Gränges aims to reduce waste in all operations by recycling and reusing waste in production where possible, minimizing waste sent to landfill, and reducing the generation of hazardous substances. Hazardous waste includes dross generated in the remelting process and oil used to cool down the mill and lubricate the interface between the rolls and the material. Responsibilities related to downstream waste management include correct classification of waste and ensuring approved carriers and recipients.

All sites have local waste handling procedures in place and actively work to reduce material consumption. For example, internal scrap is reused to the highest extent possible, reducing the need for primary aluminium as input material. The facility in Finspång recovers aluminium from dross on site using a dross press machine, and Gränges Americas has a woodchipper installed to recycle wood pallets instead of sending waste to landfill.

Targets (E5-3, MDR-T)

Topic	Target	Target year	Baseline	Outcome
Recycling	500 ktonnes sourced recycled aluminium	2030	2017	In 2025, the volume of sourced recycled aluminium reached 300 kton.
	30% recycled aluminium of total sourced metal inputs	2025	2017	In 2025, the share of sourced recycled aluminium reached 45.1 percent.
Circular alloys	100% of products to have third-party verified sustainability information	2025	-	All Gränges products have third-party verified sustainability information available.

The targets cover all Gränges' business areas and production facilities. Baseline 2017 does not include Gränges' production facility in Shandong, China. Share of sourced recycled aluminium is defined as sourced recycled aluminium used as input materials (tonnes) divided by total sourced metal input materials (tonnes). The targets were set on voluntary basis (not required by legislation). Internal stakeholders were involved in the target setting. Gränges does not have a Group target related to waste.

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E5: Resource use and circular economy



E5-4, E5-5

Resource inflow and outflow

			2025	2024	2023
The rate of recyclable content in products	%	Resource outflow	45.1	46.2	41.6
Total weight of products and materials used	ktonnes	Resource inflow	665	540	505
Total weight of recycled components, secondary intermediary products and secondary materials used to manufacture products and services	ktonnes	Resource inflow	300	249	210
Total share of recycled components, secondary intermediary products and secondary materials used to manufacture products and services (including packaging)	%	Resource inflow	45.1	46.2	41.6

Comment:

In 2025, the share of sourced recycled aluminium reached 45.1 percent (46.2), down by 1.1 percentage points. The total volume of sourced recycled aluminium reached record-high 300 ktonnes (249), driven by product and operational improvements and a continued focus on establishing long-term recycling partnerships. The slight decrease in the share was driven by increased total production volume during the year.

The rate of recyclable content in products reflect externally sourced recycled aluminium used in Gränges' products. Data on the rates of recyclable content in packaging are not available.

In 2025, 16 percent (14) of Gränges' sourced primary aluminium was defined as low-carbon in accordance with suppliers' specified and third-party verified carbon footprint certificates. All facilities purchased low-carbon primary aluminium during the year.

Reporting principles and definitions:

Data is reported at regional level and consolidated annually at group level using common definitions and principles. Measurement of the metrics are not validated by an external body.

Share of sourced recycled aluminium is defined as sourced recycled aluminium used as input materials (tonnes) divided by total sourced metal input materials (tonnes).

Share of low-carbon primary aluminium is defined as low-carbon primary aluminium used (tonnes) divided by total sourced metal input materials (tonnes). Data on low-carbon primary aluminium must be based on supplier specific data including valid CO₂ certificates.

Own KPI

Volume of sourced metal inputs

ktonnes	2025	2024	2023
Primary aluminium	350	279	283
Recycled aluminium	300	249	210
Alloys	16	13	12
Gränges total	665	540	505

Own KPI

Share of sourced recycled aluminium

Recycled aluminium of total sourced metal inputs, %	2025	2024	2023
Gränges Europe	43.8	44.7	34.8
Gränges Asia	26.7	21.5	13.6
Gränges Americas	63.5	62.0	63.2
Gränges total	45.1	46.2	41.6

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Resource outflows – Waste

		2025	2024	2023
Waste diverted from disposal	tonnes	43,496	39,279	28,190
Hazardous waste	tonnes	8,610	4,391	4,243
Whereof Preparation for reuse	tonnes	80	-	-
Whereof Recycling	tonnes	7,403	3,281	3,545
Whereof Other recovery operations	tonnes	1,127	1,110	698
Non-hazardous waste	tonnes	34,886	34,887	23,947
Whereof Preparation for reuse	tonnes	129	-	-
Whereof Recycling	tonnes	34,172	34,395	23,545
Whereof Other recovery operations	tonnes	585	492	402
Waste directed to disposal	tonnes	9,425	5,103	5,076
Hazardous waste	tonnes	1,134	411	460
Whereof waste incineration	tonnes	642	150	201
Whereof waste to landfill	tonnes	288	261	259
Whereof other disposal methods	tonnes	204	-	-
Non-hazardous waste	tonnes	8,291	4,692	4,616
Whereof waste incineration	tonnes	233	167	6
Whereof waste to landfill	tonnes	8,057	4,525	4,610
Whereof other disposal methods	tonnes	-	-	-
Total amount of hazardous waste	tonnes	9,744	4,803	4,703
Total amount of waste generated	tonnes	52,920	44,382	33,266
Non-recycled waste	tonnes	9,425	5,103	5,076
Non-recycled waste	%	18	11	15

Comment:
In 2025, total amount of waste generated increased by 19 percent, driven by the inclusion of the production facility in Shandong, China, in the sustainability data. It was also driven by increased production volume in Newport and Salisbury, U.S., which resulted in larger waste volumes.

Recycled hazardous waste increased due to the inclusion on Shandong as well as technical problems in the hydraulic systems of a cold rolling mill in Gränges Konin, and an increase in discarded electronics and spray cans in Gränges Finspång.

The increase in non-hazardous waste sent to landfill was driven by an increase in refractory bricks, bag house solids and filter media used to recycle rolling oil onsite in Gränges Americas.

Reporting principles and definitions:
Data is reported at regional level and consolidated annually at group level using common definitions and principles. Hazardous and non-hazardous waste are defined in accordance with national law.

The waste materials present in the production sites' waste streams consists mainly of waste oil, grease, oil filters, cardboard, metal, sand, wood, stone, dust, plastics and construction waste. Gränges does not have any radioactive waste.

Restatement: A minor reporting error in 2024 on 167 tonnes was identified in the categorization of a certain waste stream. The affected data have therefore been restated to reflect the correct waste categories and to improve the accuracy and comparability of the disclosures over time.

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Social information



Gränges' people and culture are at the core of the company's success, and creating a safe, healthy and inclusive workplace is fundamental to enabling employees to thrive. Through strong safety systems, targeted training and daily attention to risk, the company works proactively to protect employees in a production-intensive environment. As Gränges advances its sustainability journey with more recycling, new technologies and energy-efficient processes, the company invests in continuous learning and leadership development to ensure employees have the skills to grow alongside the business.

Clear policies and open dialogue guide fair working conditions, human rights and a zero-tolerance approach to discrimination. By prioritizing wellbeing, development and engagement, Gränges builds a strong and resilient workforce that supports the company's long-term sustainable growth.

Read more
S1 Own workforce
S2 Workers in the value chain

Core values



Sustainable
We act responsibly
and create solutions
for a better future



Action oriented
We make it
happen together



Committed
We are a partner
to grow with

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WOMEN IN SENIOR
MANAGEMENT

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Impacts, risks and opportunities (IRO-1)

Impacts

People and company culture are central to Gränges’ success, and healthy, safe and engaged employees are essential for innovation, productivity and long term competitiveness. In 2025, Gränges employed 3,721 people, of which 96 percent were directly employed and 4 percent were contracted workers.

Gränges’ operations create both positive and negative impacts on its workforce. The business operates in an environment with significant health and safety hazards due to heavy machinery and molten metal, risks that are closely linked to the company’s production intensive business model. As part of its impact assessment, Gränges identifies workforce groups that may face higher exposure, such as employees in hot metal areas, maintenance and logistics, as well as contracted workers and new hires. These insights inform targeted training, supervision and protective measures and are embedded in the company’s strong safety management systems and proactive safety culture.

At the same time, strategic priorities, such as increased recycling, new technologies and energy-efficient processes – create actual and potential impacts by shifting competence needs and increasing demand for technical skills. These changes also open opportunities for reskilling and internal career development, which Gränges supports through continuous learning and inclusive workforce planning.

Gränges promotes employee wellbeing through health initiatives, wellness grants and good working conditions. In locations such as Asia, Gränges’ standards exceed local norms, helping to build an engaged and stable workforce. The company’s commitments to inclusion, diversity and zero tolerance for discrimination further ensure that employees feel respected and valued.

Risks and opportunities

If employee wellbeing and satisfaction are not prioritized, Gränges faces several risks, including higher turnover, increased recruitment and onboarding costs, and temporary disruptions to productivity. Losing experienced employees can also create knowledge gaps and affect operational efficiency. These risks may affect certain groups differently, particularly employees in higher risk operational areas, contracted workers and roles requiring specialized technical expertise. They are closely linked to Gränges’ strategy and business model, as the company’s success depends on a skilled and stable workforce able to support advanced production and the transition to low-carbon and circular solutions.

Conversely, by maintaining a strong safety culture and continually investing in employee development, Gränges strengthens retention and engagement. An engaged and skilled workforce enhances innovation, boosts morale and contributes to stable and efficient production. This supports operational excellence, reduces employee costs and reinforces the company’s competitiveness as strategic initiatives such as increased recycling, electrification and new alloy technologies shape future workforce needs.

Material topic	Impact, risks, opportunities
Working conditions	Actual positive impact on people through high working condition standards, where offerings that exceed local norms contribute to Gränges being recognized as a preferred employer.
Health and safety	Actual negative impact on people through operating in a high-risk industry involving heavy machinery and molten metal, creating inherent safety hazards for employees.
Employee well-being	Actual positive impact on people through active efforts to uphold and improve employee wellbeing, including initiatives such as health checks and wellness grants that support overall health and quality of life.
Equal treatment and opportunities for all	Actual positive impact on people through active work with inclusion and diversity, where zero tolerance for discrimination and promotion of an inclusive workplace foster a sense of value and respect among employees.
Training and leadership	Actual positive impact on people through active work with career development, where regular training and growth opportunities strengthen employee engagement and retention.
All material topics	Risk of increased costs associated with recruitment, skills development for new employees and efficiency loss if not being able to retain employees in the company.
	Opportunity to reduce costs by providing good working conditions, equal treatment and opportunity for all, a healthy and safe working environment and career and leadership development resulting in attracting and retaining employees.
All material topics	Opportunity to strengthen reputation by upholding a strong corporate culture and business practices that enhance trust and confidence with customers and collaborative partners.

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Policies related to own workforce (S1-1, MDR-P)

The governing policy relating to the company's own workforce, including human rights commitments, is Gränges Code of Conduct. It is based on international standards such as the UN Global Compact, the Universal Declaration of Human Rights, the UN Sustainable Development Goals, and the OECD Guidelines for Multinational Corporations. This policy provides the foundation for responsible business practices, outlining group-wide principles and offering practical guidance on upholding these standards. The policy clarifies that Gränges aims for a workplace characterized by openness and diversity and that the company works actively to prevent all forms of discrimination, harassment (including sexual harassment) and retaliation. The policy includes grounds for discrimination and also addresses modern slavery, forced labor, and child labor.

Health and safety principles are governed by Gränges' Occupational Health and Safety (OHS) Policy, detailing the company's efforts and expectations for maintaining a safe and healthy workplace. The policy is available for all employees through the company's intranet. Refer to Business Conduct on page 121 for more information regarding policies.

Process for engaging with own workforce and workers' representatives about impact (S1-2)

Gränges maintains an ongoing and structured dialogue with employees and workers' representatives to identify and manage actual and potential social impacts across our operations. Engagement takes place through formal mechanisms such as collective bargaining processes, safety committees, and regular meetings with employee representatives, in line with local laws and practices.

The company also conducts employee engagement surveys every second year covering key topics such as wellbeing, inclusion, leadership, and workplace safety. Insights are analyzed and used to guide local action plans and broader people-related initiatives. In the latest engagement survey, general motivation and engagement emerged as key focus areas. Gränges responded with a continuing effort on already ongoing activities to increase engagement and wellbeing.

Employees can report concerns or incidents through multiple channels, including an anonymous whistleblowing system. These inputs play a key role in our human rights due diligence and risk assessments, especially during organizational changes or investments with potential workforce impact.

Gränges' engagement approach helps create a safer, more inclusive, and more resilient workplace, with measurable improvements in trust, retention, and reported safety behaviors.

Channels for own workforce to raise concerns (S1-3)

Gränges supports a culture that encourages every individual to speak up and raise concerns. Irregularities towards company policies, applicable law, or how Gränges or its business partners conduct business can be raised to managers, manager's manager or relevant regional functional groups, for example legal or HR functions. As a complement to the open corporate climate, Gränges has a Whistleblower Function available for Gränges' employees and business partners to raise concerns anonymously. Gränges Whistleblower policy states that anyone who reports is protected from retaliation or other negative consequences. During the year, zero incidents of discrimination or human rights breaches were reported. There was no related fines, penalties or compensation to be paid by Gränges related to discrimination or human rights.

Refer to Business Conduct on page 122 for more information.

Actions related to safety (S1-4)

Gränges is committed to creating an injury-free workplace that safeguards the health and well-being of its employees and everyone directly or indirectly associated with its operations. The company works systematically to reduce risks and strengthen a proactive safety culture at all levels, supported by an effective safety management system.

Safety organization

Gränges' Group Management Team and regional Presidents have overall safety responsibility at Gränges. Each facility has appointed an Environmental Health and Safety (EHS) Manager to ensure site-specific safety management. Additionally, safety committees

are established at each facility to consult on the working environment. A cross-regional safety team is responsible for Group safety efforts and sharing best practice.

OHS management systems

All production facilities have Occupational Health and Management (OHS) systems in place, to proactively and quickly eliminate safety hazards and to drive safe behavior. In 2025, 100 percent of Gränges' employees were covered by such a system. All facilities have an OHS system in line with ISO 45001, which is based on the general principles of the ILO Occupational Safety and Health convention. During the year, large focus was to establish and implement the OHS management system in the facilities in Shandong including minimum safety standards, launch of job safety analysis (JSA) and Walk Observe Communicate (WOC) at the facility and extensive safety training.

Global safety standards for risk mitigation

The company has established Global Safety Standards for key risk areas such as mobile equipment, fire suppression, machine safety, molten metal handling, confined spaces and fall protection. Each facility conducts annual self assessments, identifies gaps and develops action plans to reduce risks.

All regions have subject matter experts for each key risk area who support continuous improvement and lead cross audit visits with the aim to share experience and strengthen safety culture. During the year, a cross audit was carried out in Konin, and follow up on previous audit actions was completed. Regular employee meetings at each site helped reinforce safety awareness.

Gränges also rolled out its global safety programs to the Shandong plant, supported by onsite guidance and training from the Shanghai team. Gränges Europe made strong progress in improving pedestrian and mobile equipment safety through upgraded walkways, crossings and traffic controls. In Gränges Americas, efforts focused on casting risk reduction and further enhancing the industry leading pedestrian and mobile equipment segregation implemented in recent years.

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Fostering a safety culture

Employee engagement and awareness are key to continuous improvement. Comprehensive trainings are conducted at least annually for all employees, temporary staff, managers, and onsite contractors. New employees receive training as part of their onboarding, and specific trainings are provided for production employees, including aspects like hand and finger injury prevention. Gränges has implemented a Walk Observe Communicate (WOC) and a behavior-based safety observation program at each facility, which was updated during the year. The WOC enables employees to observe activities and discuss risk behavior and improvements. Safety days are also arranged to strengthen the safety culture within Gränges.

In 2025, Gränges Americas improved its safety performance by establishing dedicated cross-site and functional teams to focus on the primary drivers of injuries and potential serious injuries and fatalities. This progress reflects strengthened leadership commitment and an increasingly proactive safety culture.

Actions related to people (S1-4)

At Gränges, people are at the heart of everything we do. The company's ambition is to be an employer of choice in every geography where it operates. Through our People Plan, Gränges continues to shape a high-performing, inclusive and safe workplace that supports both individual growth and collective success.

As part of the integration efforts of Shandong, Gränges Asia successfully onboarded over 600 employees. This achievement was driven by a clear strategy focused on investment in people, emphasizing transparency, training, and cultural inclusion.

Strong leadership culture

Gränges' corporate culture and core values – Sustainable, Action oriented and Committed - guide employees daily actions and lay the foundation for conducting business responsibly, ethically, and open minded. During the year, Gränges continued to promote its core values among employees, through regional workshops and recognition programs.

Read more about Gränges core values in the section Business Conduct, p. 121.

Employer of choice

Gränges believes that fair working conditions, wellbeing benefits and personal development is key to enable employees to realize their full potential and stay at the company. The company offers a competitive compensation package, and emphasizes a positive social and physical work environment, continuous training, and development opportunities. Employees receive occupational health services both on and off site, including flexible work options, wellness grants, regular health checks, and social protection against loss of income.

Gränges conducts an employee survey every second year to monitor and follow-up on employee engagement, motivation, and wellbeing. In 2025, no employee survey was conducted. Identified activities to improve engagement from the result in 2024 was carried out throughout the year in each location.

Gränges monitors employee turnover as an important indicator of engagement and workplace stability. Turnover is notably higher in the Americas due to competitive labor markets, wage pressure, and changing workforce expectations. To address this and support long-term retention, the company is implementing targeted measures, including improved onboarding for new employees, local retention efforts, leadership development, competitive wages and a strong focus on culture and engagement.

Right team, skills and development

Sustaining employee engagement depends on leadership that is both authentic and continuously evolving. To support this, Gränges invests in comprehensive leadership programs, including first-line manager training, and a global senior leadership program. These initiatives are designed to foster strong leadership at every level, ensuring managers can effectively motivate and engage their teams while supporting ongoing professional development.

During the year, Gränges continued the implementation of the first-line manager training program. All sites conducted trainings based on Gränges' leadership model and work-center vision to further strengthen and empowering front-line managers. In addition, all members in Gränges' Global Leadership

Team has now taken part in Gränges' Senior Leadership program providing participants greater insights of the Navigate plan and improved leadership skills to make the plan happen.

Gränges also has a structured performance management program that includes training and competence development aligned with regional needs for all employees. Every employee should have an annual performance and development discussion and an individual development plan to ensure continuous competency development. In 2025, 82 percent of employees had performance and development discussions (100). The reason for the decrease is that discussions for employees in Shandong were not conducted during 2025 and are planned to take place in early 2026. Excluding Shandong, the result is 100 percent.

All teams engaged in Navigate

Ensuring consistent follow-through of the Navigate plan is essential for fostering engagement throughout all levels of Gränges and drive long-term success. By embedding the plan into everyday actions and strategic initiatives, the company aims to align its workforce toward shared goals and promote a culture of accountability and motivation. A major focus remains on reinforcing the strength and cohesion of the global leadership team to ensure strategic alignment, better cross-regional collaboration, and reinforce a common direction across the organization.

Every year, Gränges brings together the Global Leadership Team at the Global Leadership Summit held at one of the companies locations. This event brings together the Global Leadership Team to share regional insights, participate in workshops targeting critical areas of the Navigate plan, and cultivate a stronger, more collaborative leadership culture.

Clear and consistent employee communication also plays a vital role in building awareness of, and engagement in, the Navigate plan. Through regular updates, local dialogues and leadership involvement, Gränges continues to create a strong sense of purpose and direction throughout the company.

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Respecting human rights and fair working conditions

Gränges is committed to being an open and inclusive employer, valuing diverse perspectives, experiences, and ideas. The company promotes equal opportunities and rights with zero tolerance for discrimination. While diversity and inclusion matters are managed mainly at the local level, group-wide principles provide the foundation for priority activities. Gränges aims to further diversify its workforce but faces challenges due to the geographical locations of its production facilities, shift work in production, and a flexible job market.

Gränges upholds international standards on human rights and labor conditions and does not tolerate any form of forced or child labor. The company does not have any employees below the age of 18. While the risk of child and forced labor is low in Gränges’ operations, it has been identified as a greater risk in the company’s supply chain, especially within the extrac-tive industry.

The company ensures fair working hours, adequate wages, appropriate rest periods, and time off for all employees. Gräng-es also respects employees’ rights to form worker’s councils, collective bargaining units, or other representations, with 63 percent (76) of employees covered by collective bargaining in 2025.

Incident reporting related to human rights (S1-17)

During the year, no incidents of discrimination or human rights breaches were reported. There was no related fines, penalties or compensation to be paid by Gränges related to discrimina-tion or human rights.

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Targets (S1-5, MDR-T)

Topic	Target	Target year	Baseline	Outcome
Health and Safety	Total Recordable Rate (TRR) ≤3.0	2026	-	The Total Recordable Rate (TRR) was 7.6
Health and Safety	Severity rate <50	2027	-	Severity rate was 174
Diversity and inclusion	≥30 percent women in senior management	2025	-	The share of women in senior management was 27 percent
Employee wellbeing	Employee Engagement Index ≥85	2026	-	Employee Engagement Index was 82 (2024 result, scale 0–100)

Performance against Health and Safety targets are continuously tracked, and is a part of the monthly reporting process. Performance is communicat-ed, reviewed and analyzed in cross-regional teams on a monthly basis, and on Group level on a quarterly basis. Performance against diversity and inclusion and employee wellbeing targets are tracked on an annual basis. Internal stakeholders were involved in the target setting.



Metrics

S1-6, S1-7

Employee by head count by gender

Gender	Number of employees (head count)
Male	2,983
Female	573
Other	n/a
Not disclosed	n/a
Total employees	3,556
Contracted workers	165

Refer to Note 10 in the Financial Statement for average number of employees.

S1-6

Employees by contract type, by gender

2025	Female	Male	Other	Not disclosed	Total
Number of employees	573	2,983	n/a	n/a	3,556
Number of permanent employees	383	2,357	n/a	n/a	2,740
Number of temporary employees	190	626	n/a	n/a	816
Number of non-guaranteed employees	0	0	n/a	n/a	0
Number of full-time employees	566	2,978	n/a	n/a	3,544
Number of part-time employees	7	5	n/a	n/a	12

Reporting principles and definitions:

Data is reported at a regional level and consolidated annually at group level using common definitions and principles. Employee head count by country include countries with at least 50 employees representing at least 10 percent of the company's total number of employees. Data is based on headcount on 31 December. Data for employee turnover is based on average number of employees (expressed as present full-time positions).

Contracted worker is defined as individuals working on-site or off-site on behalf of Gränges.

Permanent contract is defined as a contract for an indeterminate period.

Temporary contract is defined as a contract of limited duration.

S1-6

Employee by head count by country

Country	Number of employees (head count)
China	1,194
Poland	841
Sweden	571
United States of America	915

S1-6

Employee turnover

	2025	2024	2023
Employee turnover, %	11.6	13.9	14.0
Employee turnover, number of employees	404	393	380

S1-6

Employees by contract type, by business area

2025	Europe	Asia	Americas	Total
Number of employees	1,447	1,194	915	3,556
Number of permanent employees	1,343	482	915	2,740
Number of temporary employees	104	712	0	816
Number of non-guaranteed employees	0	0	0	0
Number of full-time employees	1,435	1,194	915	3,544
Number of part-time employees	12	0	0	12

Comment:

In 2025, the total number of employees increased from 2,890 to 3,556. The increase was mainly driven by the inclusion of the production facility in Shandong, China, in the Sustainability data 2025. Gränges Europe and Americas also increased their number of employees to reflect volume growth. Employee turnover decreased from 13.9 to 11.6 percent compared to previous year, driven by an increase in average number of employees. Data on gender reported as Other and Not Reported is not available 2025. Gränges has no non-employees or non-guaranteed workers.

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S1-8

Collective bargaining coverage and social dialogue

	Collective Bargaining Coverage	Collective Bargaining Coverage	Social dialogue
Coverage Rate	Employees – EEA (for countries with >50 employees representing >10% total employees)	Employees – Non-EEA (estimate for regions with >50 employees representing >10% total employees)	Workplace representation (EEA only) (for countries with >50 employees representing >10% total employees)
0–19%			
20–39%		United States of America	
40–59%		China	
60–79%			
80–100%	Sweden, Poland		Sweden, Poland

Comment:

In 2025, Sweden and Poland had a collective bargaining coverage above 80 percent, China a coverage above 40 percent and Gränges Americas a coverage above 20 percent. The company’s total coverage rate amounted to 63 percent (76). The decrease is driven by the inclusion of the production facility in Shandong, China, in the sustainability data 2025, as they currently have no collective bargaining coverage. Collective bargaining agreements are not represented by any European working group. Employees not covered by collective bargaining agreements are covered by corresponding levels of protection, benefits, and employment standards.

Reporting principles and definitions:

Data is reported at a regional level and consolidated annually at group level using common definitions and principles. Data is based on headcount on 31 December.

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S1-9

Diversity metrics

%	Women	Men	<30 years	30–50 years	>50 years
Board of Directors	40	60	0	20	80
Group Management	17	83	0	33	67
Senior management	27	73	0	47	53
White-collar	30	70	10	62	29
Blue-collar	11	89	20	58	22
Total	16	84	17	59	24

Comment:

In 2025, the share of women in Gränges’ total workforce was 16 percent (14) and senior management 27 percent (25). Gränges sees clear challenges to improve the gender balance including high turnover rates in some regions because of stronger employment markets, operating in countries where gender roles are traditional as well as operating in an industry with shift work. Gränges works to improve the gender balance both in the total workforce and among senior management.

Reporting principles and definitions:

Data is reported at a regional level and consolidated annually at group level using common definitions and principles. Data is based on headcount on December 31.

Senior management is defined as members included in Gränges’ Global Leadership Team.

S1-9

Diversity metrics

Number	Women	Men	<30 years	30–50 years	>50 years
Board of Directors	4	6	0	2	8
Group Management	1	5	0	2	4
Senior management	16	44	0	28	32
White-collar	276	645	90	568	263
Blue-collar	297	2,338	521	1,533	581
Total	573	2,983	611	2,101	844





S1-13

Training and skills development metric

%	Female	Male	Total
The percentage of employees that participated in regular performance and career development reviews	72	84	82

S1-13

Training and skills development metric

	Female	Male	Total
Average number of training hours per employee and by gender	18.1	15.5	15.9

S1-16

Remuneration metrics

	2025	2024	2023
Gender pay gap, total	2.18	-	-
Annual total remuneration ratio	34	-	-

Comment:
In 2025, 82 percent (100) of Gränges’ employees received performance and development reviews. This corresponded to 100 percent of the reviews agreed by management. The reason for the decrease is that reviews for employees in Shandong were not conducted during 2025 and are planned to take place in early 2026. Excluding Shandong gives a result of 100 percent participation rate for women, men and total. During the year, the average number of training hours increased slightly to 15.9 (11.7).

Reporting principles and definitions:
Data is reported at a regional level and consolidated annually at group level using common definitions and principles. Data covers employees in duty adjusted for those who are long-term absent as well as new employees who did not have a performance and development discussion as they started their employment after the period when the annual performance and development discussions were conducted. Training data is based on average number of employees and the scope is limited to trainings conducted by or together with an external party as well as the group-wide Code of Conduct, anti-corruption and IT security trainings.

Comment:
2025 is the first year data on remuneration metrics is collected, therefore no comparable data is available.

Reporting principles and definitions:
Data is reported at a regional level and consolidated annually at group level using common definitions and principles. Data for the gender pay gap is based on all employees’ gross hourly pay, which has been calculated using total basic salary and total hours worked. Basic salary is defined as all salary provided to employee excluding variable compensation. Total hours is defined as all hours reported for the full year, including overtime. The annual total remuneration ratio is calculated as the ratio between the total annual remuneration of the highest-paid individual and the average total annual remuneration of all other employees.

Comment:
In 2025, the total sick-leave was 2.5 percent (3.3). An employee engagement survey was conducted in 2024 with a result of 82, a strong improvement compared to 77 in 2022. In 2026, a new survey will be conducted.

Reporting principles and definitions:
Data is reported at a regional level and consolidated annually at group level using common definitions and principles. Data for sick-leave is based on average number of employees (expressed as present full-time positions). Data for employee engagement comes from Gränges’ employee survey, which is conducted every second year. Contracted workers are not included in these key performance indicators.

Sick-leave is defined as all absent hours for sickness within a year divided by total annual working hours (as applicable in local standards). Excludes permitted leave absences such as holidays, study, and parental leave.

Employee Engagement Index is a calculated mean from a number of questions in Gränges’ employee survey related to energy and clarity, two important dimensions of employee engagement. The mean is converted to an index 0–100.

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Own KPI

Employee wellbeing

	2025	2024	2023
Sick leave, %	2.5	3.3	3.1
Employee Engagement Index (0-100)	-	82	-





S1-14

Health and safety – Own workforce

	2025	2024	2023
Percentage of own workers in headcount who are covered by the company's health and safety management system based on legal requirements and/or recognized standards or guidelines	99	99	99
Percentage of own workers who are covered by a health and safety management system which is based on legal requirements and/or recognized standards or guidelines and which has been internally audited and/or audited or certified by an external party	96	46	49
Number of fatalities as a result of work-related injuries and work-related ill health	0	0	0
Number of recordable work-related accidents (excluding fatalities)	55	57	44
Rate of recordable work-related accidents	7.6	10.1	8.0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	1,262	1,390	761

Comment:

On a Group level, Gränges experienced a decrease in the number and rate of recordable accidents in 2025, as well as in number of days lost to work-related injuries. The decrease was mainly driven by Gränges Americas and Gränges Asia, and are a result of extensive incident reduction work, continued work by EHS subject matter experts to implement risk reduction actions, leadership development and ISO 45001 certification for all facilities in Gränges Americas.

The increase in percentage of own workers who are covered by a health and safety management system is a result of ISO 45001 certifications conducted during 2025 for the facility in Finspång, Shandong and all facilities in Gränges Americas. The facilities in Shanghai and Konin were already certified.

Gränges Europe experienced an increase in Total Recordable Rate, due to accidents happening in the last quarter. The accidents were behavior and PPE related, and led to improved handling processes, reinforcement of PPE compliance, strengthened onboarding and added warning signs.

Work-related hazards that pose a risk of serious injury include areas in which pedestrians move close to mobile equipment such as trucks, when working near molten metal, and at high altitudes. During the year, there was a continued focus on safety across all regions and several activities were completed to reduce the risk of serious injuries. All own employees and contracted workers working at Gränges' sites are covered by the company's health and safety management system.

Reporting principles and definitions:

All incidents and accidents are registered and categorized in local incident reporting systems. Events reported are tracked weekly and monthly. Data is reported at regional level and consolidated monthly at group level using common definitions and principles. Data includes contracted workers and is based on total working hours January 1–December 31. Data for employees covered by OHS management systems and internal safety assessments is based on headcount on December 31.

Recordable accident is defined as either a medical treatment case, a restricted work case or a lost workday case.

Total Recordable Rate (TRR) is defined as total number of recordable accidents per million hours worked.

Lost workday case is defined as an accident resulting in absence from work.

Lost workdays are defined as the total number of workdays accumulated by employees being absent from work due to work-related accidents.

Severity Rate is defined as total number of lost workdays per million hours worked.

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Own KPI

Total Recordable Rate (TRR)

Number of recordable accidents per million hours worked	2025	2024	2023
Gränges Europe	13.9	11.1	8.5
Gränges Asia	1.7	3.9	1.3
Gränges Americas	8.7	13.8	12.8
Gränges total	7.6	10.1	8.0

Own KPI

Severity rate

Number of lost workdays per million hours worked	2025	2024	2023
Gränges Europe	385	529	297
Gränges Asia	124	130	45
Gränges Americas	9	22	35
Gränges total	174	245	138





Impacts, risks and opportunities (IRO-1)

Impacts

With a global supplier and customer base, Gränges indirectly impacts society and workers throughout its value chain. Ensuring a responsible supply chain is a key element of the “Responsible” focus area in Gränges’ sustainability plan. Gränges’ expectations on labor practices and human rights are reflected in its Supplier Code of Conduct, and the interests and rights of value chain workers inform the company’s approach to supplier engagement and long-term sourcing decisions. Gränges’ assessment shows that its most significant impacts relate to workers in the supply chain, and these workers form the primary focus of the company’s value-chain due-diligence activities.

Gränges acknowledges that it could have indirect negative impacts on people in the value chain if its suppliers do not follow international standards for responsible labor practices and human rights. The company also recognizes that actual and potential impacts on value chain workers may arise from, or be connected to, the company’s business model and strategic priorities, for example related to the need for stable raw-material supply. This can influence working conditions at suppliers and create risks such as excessive working hours.

Risks and opportunities

Identified risks include risks of human and labor rights breaches within Gränges’ supply chain and the company is working actively to mitigate these risks through its Responsible Sourcing Program. Insights from this due-diligence process inform how Gränges adapts its sourcing strategy and strengthens supplier engagement. If risks are identified, Gränges may adjust purchasing decisions, implement corrective-action plans with suppliers or increase monitoring intensity. In this way, potential and actual impacts on value chain workers contribute directly to how the company supports a responsible and resilient value chain.

Material topic	Impact, risks, opportunities
Labor and human rights in the value chain	Potential negative impact on people based on the countries and suppliers from which materials and services are sourced, as the aluminium industry has known risks of breaches of labor and human rights within its value chain.

Labor and human rights risk assessment

As part of its Responsible Sourcing Program, Gränges has conducted a comprehensive desktop risk assessment at both sector and country levels. Much of the aluminium supplies originates from countries where labor rights are not enforced despite being codified into local law. Violations of freedom of association and collective bargaining rights are common in the extractive and smelting sectors and there is a risk of forced and child labor in extraction, though few reports exist for aluminium mining specifically. Labor rights are at risk throughout the value chain where people’s health and safety are at risk in every stages. Gender equality is a specific concern due to underrepresentation of women in extractive, refining, and smelting activities.

Policies (S2-1)

Gränges’ Code of Conduct establishes the foundation for responsible business conduct and include group-wide principles and practical guidance. The policy is based on international standards on human rights and labor conditions, including the UN Global Compact, UN Universal Declaration of Human Rights, UN Sustainable Development Goals, and the OECD Guidelines for Multinational Corporations.

Gränges’ Responsible Sourcing Policy outlines the company’s group-wide procedures and requirements related to responsible sourcing. The Supplier Code of Conduct outlines requirements on suppliers’ to support Gränges’ values and principles. The company is committed to operating responsibly, ethically, and in compliance with all applicable laws and regulations and expects its suppliers, contractors, and vendors to maintain similarly high standards.

The Supplier Code of Conduct includes principles relating to an open and non-discriminatory workplace, health and safety, human rights, and fair working conditions, including forced labor, minimum age, working hours, freedom of association, and right to collective bargaining.

Engaging with value chain workers and process to remediate negative impacts (S2-2, S2-3)

Engagement with value chain workers are primarily conducted through Gränges’ Responsible Sourcing Program. The program aims to identify suppliers that pose the greatest risk to the company, including potential violation against workers’ rights. It also provides the framework for Gränges to provide or enable remedy if human or labor rights impacts are identified, by requiring corrective-action plans, supporting suppliers in implementing improvements and monitoring their progress, in line with international responsible business standards. Gränges also reviews its own sourcing practices to ensure the company does not cause or contribute to negative impacts in the supply chain.

Value chain workers can raise concerns through Gränges’ Whistleblower Function, available at the company’s webpage. Every reported concern is taken seriously and receives fair and objective follow-up. Gränges Whistleblower policy states that anyone who reports is protected from retaliation or other negative consequences.

Actions related to workers in the value chain (S2-4)

Gränges’ Responsible Sourcing Program enforces sustainability practices in the supply chain and aims to mitigate sustainability risks. For further information on how Gränges ensures a responsible supply chain, refer to section Responsible Sourcing on page 124.

Targets (S2-5, MDR-T)

Gränges does not have a Group target related to workers in the value chain. This is an integral part of a responsible supply chain. Refer to page 124 for Gränges’ target on responsible sourcing.

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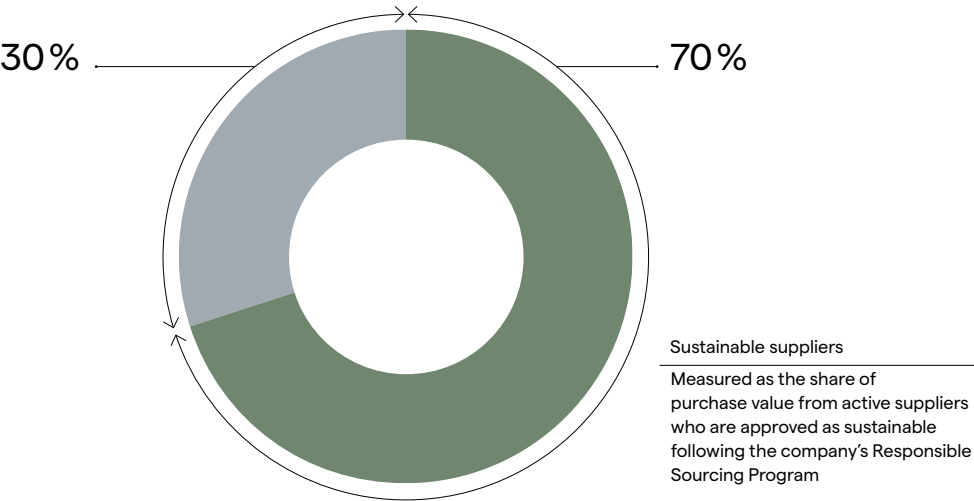
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Responsible business conduct is central to Gränges’ long-term success. Strong governance frameworks, a clear ethical culture and robust policies guide the company’s efforts to manage risks, promote integrity and ensure compliance across the organization and value chain.

Gränges has zero tolerance for corruption, strengthens accountability through mandatory trainings and whistleblowing mechanisms, and advances responsible sourcing to uphold human rights and sustainability standards. Together, these measures support trusted operations and a resilient, sustainable business.

Sustainable suppliers



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Read more
G1 Business conduct
Own Responsible sourcing



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Impacts, risks and opportunities (IRO-1)

Impacts

Responsible business conduct is crucial for long-term success, as it helps companies manage risk, build trust, and contribute positively to the societies and environments in which they operate. For Gränges, conducting business with high integrity and in an ethical and responsible way strengthens performance and reputation, while supporting a sustainable and resilient value chain.

Gränges has an actual positive impact on people through a strong corporate culture that promotes ethical behavior, supports employee engagement, and fosters long-term relationships with business partners. At the same time, the company acknowledges potential negative impacts related to corruption and bribery risks within the value chain. These risks are actively mitigated through robust governance frameworks, including the Code of Conduct and Anti-Corruption Policy. By setting clear sustainability and ethical expectations for suppliers, Gränges not only mitigates negative impacts but also drives positive change across the value chain – helping improve working conditions, reduce environmental impact, and strengthen governance practices globally.

Risks and opportunities

Corruption and bribery pose significant risks throughout the aluminium value chain, particularly in areas such as mining approvals, sales transactions, and transportation logistics. These unethical practices can severely damage Gränges’ reputation and erode customer trust. Gränges maintains a strict zero-tolerance policy toward unethical or unlawful conduct, including bribery, corruption, and unfair competition. Upon detection of any such behavior, the company responds swiftly and decisively to uphold compliance with international business standards and legal requirements, thereby protecting Gränges from financial loss and reputational harm.

Material topic	Impact, risks, opportunities
Corporate culture	Actual positive impact on people through a strong corporate culture that promotes clear expectations, strengthens employee loyalty, and fosters long-term relationships with business partners.
Responsible sourcing	Actual positive impact on both the environment and people by setting clear sustainability requirements on suppliers through Gränges’ Supplier Code of Conduct (SCoC), promoting responsible practices across the value chain.
Corruption/ bribery	Actual negative impact on people and the environment arising from corruption and bribery risks in the global value chain, particularly in high-risk areas such as mining approvals, sales transactions, and the transportation industry, as identified in sector risk analyses. Risk of lower confidence in Gränges among business partners and reputational loss if corruption/bribery would occur.

Business conduct policies and corporate culture (G1-1)

Core values and corporate culture

Gränges’ core values have been a central pillar of the company’s corporate culture for many years, providing clear guidance to employees in their day-to-day work. The core values not only underpin responsible and ethical decision-making but also reinforce Gränges’ ambition and culture. These shared values are embedded across the entire Group, yet the company maintains flexibility within its culture to respect and adapt to regional differences. To ensure that these values remain at the heart of Gränges’ operations, an annual review process is conducted. This process evaluates activities throughout the Group, assesses the level of employee commitment, and identifies focus areas for the coming year.

During the year, the company continued to promote the core values through workshops, recognition programs and targeted activities to increase engagement, including a sustainability quiz in Asia designed to highlight the core value Sustainable.

Business conduct policies

Gränges’ has a number of steering documents in form of policies and procedures that apply to all employees at Gränges. These documents provide a framework and serve as a guide for the conduct of business, delineating the distribution of responsibilities among the Board, Group Management, and employees. The adoption of Group policies occurs through approval by the Board or Group Management.

Gränges’ Code of Conduct lays the foundation for responsible business operations, offering group-wide principles and practical guidance following international standards such as UN Global Compact, UN Universal Declaration of Human Rights and OECD Guidelines for multinational businesses. The local HR functions are responsible for ensuring that each manager distributes the Code of Conduct to employees and that training is conducted annually. The policy applies to all employees, board members, temporary staff (such as independent contractors and consultants), intermediaries, and others acting on behalf of Gränges worldwide.

Gränges Anti-Corruption Policy outlines the company’s anti-corruption principles and legal and ethical requirements to prevent corrupt practices. The policy is aligned with the principles of the company’s Code of Conduct, which follows UN Global Compact.

The Whistleblower Policy provides information about the company’s Whistleblower Function, how it works in practice and how reports are managed. The company encourages employees to speak up if any misconduct or irregularity is observed.

Gränges’ Responsible Sourcing Policy outlines the company’s group-wide procedures and requirements related to responsible sourcing. The Supplier Code of Conduct reflects suppliers’ commitment to uphold Gränges’ values and principles. Gränges is dedicated to maintaining ethical business practices and expects its suppliers and partners to meet high sustainability standards.

Refer to page 85 for more information on Gränges’ policies.

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Global trainings to ensure effectiveness of policies

To ensure effective implementation of group-wide policies and principles, Gränges provides annual Code of Conduct training for employees, the Board of Directors, and contracted workers. The company also requires all white-collar employees to annually conduct its anti-corruption and IT security trainings. These trainings combine facts and guidelines with practical cases to enhance understanding of appropriate action in various situations. The trainings are updated on a yearly basis to ensure it is relevant and provide new insights to participants. In 2025, Gränges developed a blue collar sustainability training beside the training already provided to white-collars. High engagement was reflected in the participation rates of 100 percent in all trainings.

Mechanism for identifying, reporting and investigating concerns

The company promotes a culture where individuals are encouraged to speak up and raise concerns of misconduct towards Gränges values and policies. This could be done through internal channels such as contacting a manager or relevant functions such as HR or legal, or through an externally managed Whistleblower Function. Accessible via the company's website, intranet, or phone, this function allows employees and business partners to provide anonymous information without fear of retaliation. The goal is to ensure Gränges is informed of serious improprieties within the Group, handle submissions correctly per laws and regulations, and protect those who report in good faith from identity exposure or negative consequences. Information about the function is included in the Code of Conduct. Gränges is subject to the legal requirements of the Swedish Whistleblower Protection Act (2021:890), which implements the EU Whistleblowing Directive (EU) 2019/1937.

The Whistleblower Function is managed by an external and independent party, which receives and handles all reports. Gränges' Whistleblower Committee, which in 2025 was composed of the Internal Control Review Manager, collaborates with the external party. Every reported concern receives fair

and objective follow-up. Qualified whistleblower cases are investigated, while non-qualified cases are delegated to designated representatives within each region provided that the whistleblower accepts this.

In 2025, 9 cases (12) were reported through the Whistleblower Function or other forums, of which 2 cases were investigated as qualified cases in accordance with current Swedish legislation. The investigations confirmed no cases of irregularities.

Prevention and detection of corruption and bribery (G1-3)

Gränges maintains a comprehensive Global Anti-Corruption Policy that establishes clear principles and outlines the fundamental legal and ethical requirements that all employees, board members, temporary staff, intermediaries, and others acting on behalf of the company must adhere to in order to prevent corrupt practices. To reinforce awareness of corruption risks and support effective policy implementation, Gränges has developed a specialized e-learning training program focused on anti-corruption. This training targets all white-collar employees, particularly those in positions with a higher risk of encountering corrupt practices, such as employees working in sales, purchasing, and senior executive roles with external contacts.

As part of its ongoing internal controls, Gränges integrates an assessment of anti-bribery and anti-corruption procedures into its regular internal control reviews. This process supports the early detection of risks and ensures that policies remain effective and relevant. If an incident of corruption is reported, the matter is thoroughly investigated and managed by an independent external party. This approach ensures objectivity, compliance with relevant laws and regulations, and protection for those who report concerns in good faith.

Gränges' CEO and the respective regional Presidents are notified of all qualified whistleblower cases. An annual overview of reported whistleblowing cases is also presented to the Board of Directors.

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G1-4

Incidents of corruption or bribery

	2025	2024	2023
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0	0
Number of confirmed incidents of corruption or bribery	0	1	0
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0	1	0
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0	1	0

Comment:

In 2025, Gränges continued to conduct its annual groupwide Code of Conduct and anti-corruption trainings. All employees who had access to computers conducted the group-wide e-learning Code of Conduct training, whereas blue-collar employees conducted classroom trainings. Total training participation ended at 100 percent (100).

Gränges also conducted the annual anti-corruption e-learning training. White-collar employees are identified as the function most exposed to corruption risks; therefore, Gränges’ anti-corruption training is targeted specifically at this group, with 100 percent of white-collar employees covered by the training and with 100 percent (100) participation in 2025.

No confirmed corruption incidents were detected during 2025.

Reporting principles and definitions:

Data regarding corruption and bribery incidents are annually collected through Gränges’ Whistleblower Function. Data for Code of Conduct and anti-corruption training participation is collected and consolidated annually via the e-learning system used for online training. Data includes employees in duty and is adjusted for long-term sick-leave, parental leave, resignations and employees off duty for a longer period.

Own KPI

Anti-corruption training

Share of white-collar employees trained in anti-corruption, %	2025	2024	2023
Gränges Europe	100	100	100
Gränges Asia	100	100	100
Gränges Americas	100	100	100
Gränges total	100	100	100

Own KPI

Code of Conduct training

Share of employees trained in the Code of Conduct, %	2025	2024	2023
Gränges Europe	99.6	100	100
Gränges Asia	100	100	100
Gränges Americas	100	100	100
Gränges total	100	100	100

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Responsible sourcing

Responsible sourcing practices

In the value chain of the aluminium industry there are potential risks of human rights violation and environmental concerns. It is therefore essential for Gränges to ensure responsible sourcing business practices to identify, prevent, and mitigate risks.

Gränges has certified all its aluminium rolling and recycling facilities and the chain of custody of the materials against the Aluminium Stewardship Initiative (ASI) Performance Standard and Chain of Custody Standard, with the exception of Shan-dong. These certifications assure customers and business partners of the company's commitment to meet increasing sustainability requirements and the demand for sustainable aluminium.

Gränges' Responsible Sourcing Program

Gränges' Responsible Sourcing Program enforces sustainability practices within its supply chain to mitigate risks. In line with the Responsible Sourcing Policy, all business units must implement a local responsible sourcing program which covers suppliers with an annual spend above 500 kSEK or equivalent in local currency.

A six step program

The first step is to conduct a pre-check and risk screening to identify supplier-specific sustainability risks associated with the supplier's country of origin and sector. During onboarding, new suppliers must commit to the Supplier Code of Conduct.

Depending on suppliers' business impact and potential sustainability risks, Gränges conducts desktop or onsite sustainability assessments or audits to evaluate supplier performance. Assessment results are analyzed, findings lead to discussions on corrective actions, and supplier performance ratings are integrated into local supplier reviews. Continuous development involves providing training to suppliers, while re-assessments and re-audits occur at least every three years to ensure ongoing compliance and improvement.



Escalation routines to address breaches

If a supplier refuses to sign the SCoC, declines a third-party assessment, shows no willingness to align with the agreed Corrective Action Plan, or fails to make improvements within a specified timeframe, an escalation process is initiated. Each of Gränges' business units has a local escalation team and internal procedures to address deviations from the responsible sourcing program. Actions taken can result in blocked purchase orders and terminated business relationships.

Implementation during the year

During the year, Gränges has continued to focus on the implementation of the Responsible Sourcing Program, updated last year. An ongoing process has been maintained to ensure supplier commitment to the Supplier Code of Conduct, with a significant proportion of suppliers reaffirming their adherence to these standards. High-risk suppliers have been systematically identified, evaluated, and addressed through targeted follow-up assessments, all in alignment with the company's Responsible Sourcing Policy. Where actual material impacts on value chain workers are identified, Gränges works with suppliers to provide or enable remedy through corrective-action plans, escalation procedures and monitored follow-up.

Additionally, Gränges has prioritized training for scrap suppliers in Europe to enhance their understanding of responsible sourcing requirements as part of broader initiatives aimed at delivering positive impacts for value chain workers. The effectiveness of these actions is tracked through supplier assessments, high-risk supplier re-evaluations and verification that corrective-action plans are implemented and sustained.

Planned actions include strengthening supplier collabora-

tion and expanding capability-building efforts to pursue material opportunities for improved sustainability performance in the supply chain.

Target (MDR-T)

As part of the new program, Gränges has committed to a 2030 goal of 100 percent sustainable suppliers. This is measured as the share of purchase value from active suppliers approved as sustainable in Gränges' Responsible Sourcing Program.

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List of datapoints in cross-cutting and topical standards that derive from other EU legislation (ESRS 2 IRO-2)



Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	x		x		116
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			x		61
ESRS 2 GOV-4 Statement on due diligence paragraph 30	x				79
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	x	x	x		87, 102
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	x		x		Not applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	x		x		Not applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			x		Not applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				x	89-90
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		x	x		89
ESRS E1-4 GHG emission reduction targets paragraph 34	x	x	x		89-91
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	x				92
ESRS E1-5 Energy consumption and mix paragraph 37	x				92
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	x				93
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	x	x	x		94-95
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	x	x	x		94-95
ESRS E1-7 GHG removals and carbon credits paragraph 56				x	Not applicable
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			x		Not applicable
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)		x			Not applicable
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)					Not applicable
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		x			Not applicable
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			x		Not applicable
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	x				102-103
ESRS E3-1 Water and marine resources paragraph 9	x				104-105
ESRS E3-1 Dedicated policy paragraph 13	x				Not applicable
ESRS E3-1 Sustainable oceans and seas paragraph 14	x				Not applicable
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	x				105
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	x				105
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	x				83
ESRS 2- IRO 1 - E4 paragraph 16 (b)	x				83
ESRS 2- IRO 1 - E4 paragraph 16 (c)	x				83
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	x				Not material
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	x				Not material
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	x				Not applicable

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Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page reference
ESRS E5-5 Non-recycled waste paragraph 37 (d)	x				109
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	x				109
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	x				114
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	x				114
ESRS S1-1 Human rights policy commitments paragraph 20	x				114
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			x		114
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	x				114
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	x				112, 114
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	x				114, 122
ESRS S1-14 Number of fatalities and number and rate of workrelated accidents paragraph 88 (b) and (c)	x		x		118
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	x				118
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	x		x		117
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	x				117
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	x				114
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	x		x		Not applicable
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	x				119
ESRS S2-1 Human rights policy commitments paragraph 17	x				119
ESRS S2-1 Policies related to value chain workers paragraph 18	x				119
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	x		x		Not applicable
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			x		79, 119
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				114, 121
ESRS S3-1 Human rights policy commitments paragraph 16	x				Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	x		x		Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	x				Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	x				Not material
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	x		x		Not material
ESRS S4-4 Human rights issues and incidents paragraph 35	x				Not material
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	x				Not applicable
ESRS G1-1 Protection of whistleblowers paragraph 10 (d)	x				Not applicable
ESRS G1-4 Fines for violation of anticorruption and anti-bribery laws paragraph 24 (a)	x		x		123
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	x				121-122

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Content index of ESRS disclosure requirements and incorporation by reference

The table below outlines the Disclosure Requirements complied with in preparing the sustainability statement, following the outcome of the materiality assessment.

Section	Disclosure requirement		Incorporation by reference	Page	Additional information
ESRS 2: General disclosures	BP-1	General basis for preparation of the sustainability statement		77	
	BP-2	Disclosures in relation to specific circumstances		77	
	GOV-1	The role of the administrative, management and supervisory bodies	Corporate Governance Report	78	
	GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies		78	
	GOV-3	Integration of sustainability-related performance in incentive schemes	Corporate Governance Report	78	
	GOV-4	Statement on due diligence		79	
	GOV-5	Risk management and internal controls over sustainability reporting	Risk Management	79	
	SBM-1	Strategy, business model and value chain		79-81	
	SBM-2	Interests and views of stakeholders		82	
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		81, 83	
	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		83	
	IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement		83	
	MDR-P	Policies adopted to manage material sustainability matters		85	
	MDR-A	Actions and resources in relation to material sustainability matters		77	
	MDR-M	Metrics in relation to material sustainability matters		92-95, 103, 105, 108-109, 115-118, 120, 123	
	MDR-T	Tracking effectiveness of policies and actions through targets		91, 102, 104, 107, 114, 119, 124	
ESRS E1: Climate change	GOV-3	Integration of sustainability-related performance in incentive schemes		78	
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		87-88	
	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		87	
	E1-1	Transition plan for climate change mitigation		89	
	E1-2	Policies related to climate change mitigation and adaptation		89	
	E1-3	Actions and resources in relation to climate change policies		90	
	E1-4	Targets related to climate change mitigation and adaptation		91	
	E1-5	Energy consumption and mix		92	
	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions		94-95	
	E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities		-	Omitted in the reporting year in accordance with the ESRS phase-in provisions

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ESRS E2: Pollution	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		102	
	E2-1	Policies related to pollution		102	
	E2-2	Actions and resources related to pollution		102	
	E2-3	Targets related to pollution		102	
	E2-4	Pollution of air, water and soil		103	
	E2-6	Anticipated financial effects from material pollution-related risks and opportunities		-	Omitted in the reporting year in accordance with the ESRS phase-in provisions
ESRS E3: Water	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		104	
	E3-1	Policies related to water and marine resources		104	
	E3-2	Actions and resources related to water and marine resources		104	
	E3-3	Targets related to water and marine resources		104	
	E3-4	Water consumption		105	
	E3-5	Anticipated financial effects from material water and marine resources-related risks and opportunities		-	Omitted in the reporting year in accordance with the ESRS phase-in provisions
ESRS E5: Resource and circular economy	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		106	
	E5-1	Policies related to resource use and circular economy		106	
	E5-2	Actions and resources related to resource use and circular economy		106	
	E5-3	Targets related to resource use and circular economy		107	
	E5-4	Resource inflows		106-107	
	E5-5	Resource outflows – Products and materials/waste		107	
	E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities		-	Omitted in the reporting year in accordance with the ESRS phase-in provisions

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ESRS S1: Own workforce	SBM-2	Interests and views of stakeholders		82	
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		83	
	S1-1	Policies related to own workforce		112	
	S1-2	Processes for engaging with own workforce and workers' representatives about impacts		112	
	S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	ESRS G1: Business conduct	112	
	S1-4	Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	ESRS G1: Business conduct	112	
	S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		114	
	S1-6	Characteristics of the undertaking's employees		115	
	S1-7	Characteristics of non-employees in the undertaking's own workforce		115	
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	S1-13	Training and skills development metrics		117	
	S1-14	Health and safety metrics		118	
	S1-16	Remuneration metrics (pay gap and total remuneration)		117	Data limitations: Gender pay gap is calculated using basic salary excluding variable compensation. Annual total remuneration ratio is calculated using the average annual total remuneration for all other employees as denominator.
	S1-17	Incidents, complaints and severe human rights impacts		114	

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ESRS S2: Workers in the value chain	SBM-2	Interests and views of stakeholders		82	
	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model		83	
	S2-1	Policies related to value chain workers		119	
	S2-2	Processes for engaging with value chain workers about impacts	ESRS G1: Business conduct	119	
	S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	ESRS G1: Business conduct	119	
	S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	ESRS G1: Business conduct	119	
	S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities		119	
ESRS G1: Business conduct	GOV-1	The role of the administrative, management and supervisory bodies		78	
	IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities		121	
	G1-1	Business conduct policies and corporate culture		121	
	G1-2	Management of relationship with suppliers		124	Omission: G1-2 14. Reason: Not material.
	G1-3	Prevention and detection of corruption or bribery		122	
	G1-4	Incidents of corruption or bribery		123	

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Consolidated income statement

SEK million	Note	2025	2024
Sales revenues		28,333	23,439
Other operating revenues		29	66
Net sales	6, 7, 8, 9, 34	28,362	23,506
Cost of materials		-20,008	-15,490
Payroll expenses	10, 11	-2,515	-2,360
Other operating expenses	12, 13	-3,372	-3,226
Depreciation, amortization and impairment charges	20, 21, 22	-852	-859
Items affecting comparability	14	-	-48
Operating profit		1,614	1,523
Profit from associates and joint ventures	15	-17	-8
Financial income	16	18	27
Financial costs	16	-298	-292
Profit before taxes		1,317	1,251
Income tax	17	-259	-240
Profit for the year		1,058	1,010
Profit for the year attributable to			
– owners of the parent company		1,015	1,013
– non-controlling interests		43	-3
Earnings per share			
Earnings per share attributable to owners of the parent company, basic, SEK	18	9.55	9.53
Earnings per share attributable to owners of the parent company, diluted, SEK	18	9.54	9.51

Consolidated statement of comprehensive income

SEK million	Note	2025	2024
Profit for the year		1,058	1,010
<i>Items not to be reclassified to profit/loss for the year</i>			
Remeasurement of pensions before tax	11	10	18
Tax on above	17	3	-7
Total items not to be reclassified to profit/loss for the year		13	11
<i>Items to be reclassified to profit/loss for the year</i>			
Change in hedging reserve before tax	32	-36	-138
Tax on above	17	0	11
Translation differences		-1,298	648
Total items to be reclassified to profit/loss for the year		-1,334	522
Comprehensive income for the year		-263	1,543
Comprehensive income for the year attributable to			
– owners of the parent company		-212	1,540
– non-controlling interests		-51	3

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Consolidated balance sheet



SEK million	Note	2025	2024
ASSETS			
Non-current assets			
Intangible assets	20	1,330	1,514
Property, plant and equipment	21	8,423	9,417
Right-of-use assets	22	263	316
Deferred tax assets	17	64	70
Interests in associates and joint ventures	15	187	234
Other non-current receivables	23	224	218
Total non-current assets		10,493	11,769
Current assets			
Inventories	24	5,477	5,129
Receivables	25, 26, 34	4,113	3,648
Interest-bearing receivables	25, 30	4	0
Cash and cash equivalents	19	547	850
Total current assets		10,142	9,627
TOTAL ASSETS		20,634	21,396

SEK million	Note	2025	2024
EQUITY AND LIABILITIES			
Equity			
Share capital	27	143	142
Share premium		1,885	1,885
Reserves		386	1,626
Retained earnings		7,296	6,589
Equity attributable to owners of the parent company		9,710	10,242
Non-controlling interests		545	597
Total equity		10,255	10,838
Non-current liabilities			
Deferred tax liabilities	17	534	627
Pension liabilities	11	225	244
Interest-bearing liabilities	25, 30	1,900	1,866
Other provisions	28	50	57
Other non-current liabilities	25	65	87
Total non-current liabilities		2,774	2,881
Current liabilities			
Interest-bearing liabilities	25, 30	2,994	3,611
Current tax liabilities		43	33
Other provisions	28	91	50
Other current liabilities	25, 29	4,477	3,982
Total current liabilities		7,605	7,677
TOTAL EQUITY AND LIABILITIES		20,634	21,396

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Consolidated statement of changes in equity



SEK million	Note	Reserves				Retained earnings including profit for the year	Total Gränges' shareholders	Non-controlling interests	Total equity
		Share capital	Share premium	Hedging reserve	Translation reserve				
Opening balance at January 1, 2025		142	1,885	-60	1,685	6,589	10,242	597	10,838
Profit for the year		-	-	-	-	1,015	1,015	43	1,058
Items in other comprehensive income		-	-	-39	-1,201	13	-1,227	-94	-1,321
Group comprehensive income		-	-	-39	-1,201	1,028	-212	-51	-263
Dividend		-	-	-	-	-340	-340	-	-340
Share swap	32	-	-	-	-	12	12	-	12
Received warrant premiums		-	-	-	-	8	8	-	8
Exercise of call options		-	-	-	-	-1	-1	-	-1
Share issue	27	0	-	-	-	-	0	-	0
Total transactions with owners		0	-	-	-	-320	-320	-	-320
Closing balance at December 31, 2025		143	1,885	-98	484	7,296	9,710	545	10,255
Opening balance at January 1, 2024		142	1,885	65	1,045	5,670	8,808	2	8,809
Profit for the year		-	-	-	-	1,013	1,013	-3	1,010
Items in other comprehensive income		-	-	-125	640	11	527	6	533
Group comprehensive income		-	-	-125	640	1,024	1,540	3	1,543
Dividend		-	-	-	-	-319	-319	-	-319
Share swap	32	-	-	-	-	50	50	-	50
Received warrant premiums		-	-	-	-	9	9	-	9
Exercise of call options		-	-	-	-	-6	-6	-	-6
Directed share issue to non-controlling interests	27	-	-	-	-	160	160	592	752
Total transactions with owners		-	-	-	-	-106	-106	592	486
Closing balance at December 31, 2024		142	1,885	-60	1,685	6,589	10,242	597	10,838

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Consolidated cash flow statement



SEK million	Note	2025	2024
Operating profit		1,614	1,523
Depreciation and impairment charges		852	876
Change in net working capital etc.		-853	-1,557
Income taxes paid		-272	-352
Cash flow from operating activities		1,342	489
Investments in property, plant, equipment and intangible assets	20, 21	-773	-1,325
Acquisition		-	-752
Divestments	21	0	0
Cash flow from investing activities		-772	-2,076
Dividend		-340	-319
Share swap		12	50
Share issue	27	0	-
Received option/warrant premiums		9	9
Exercise of call options		-1	-6
Directed share issue	27	-	752
Interest paid		-280	-282
Interest received		18	25
New loans		5,399	7,571
Repayment of loans		-5,567	-5,887
Cash flow from financing activities		-750	1,913
Cash flow for the year		-181	326
Cash and cash equivalents at January 1		850	461
Cash flow for the year		-181	326
Translation differences on cash and cash equivalents		-122	63
Cash and cash equivalents at December 31	19	547	850

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Notes to the consolidated financial statements



1 General information

The Group's parent company, Gränges AB, is a Swedish public listed company. Company registration number is 556001-6122, and its registered office is in Stockholm with its head office on Linnégatan 18, SE-114 47 Stockholm. This document was approved for publication by the Board of Directors of Gränges AB on March 13, 2026.

2 Basis of preparation of consolidated financial statements

Basis of preparation

The Gränges Group consists of the parent company Gränges AB and its directly and indirectly owned subsidiaries.

The significant accounting principles applied in preparing these consolidated financial statements are described below.

Unless otherwise stated, these principles have been applied consistently throughout all periods presented.

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU, the Swedish Annual Accounts Act, and RFR 1 Supplementary Accounting Rules for Groups.

The financial statements are prepared under the historical cost convention, except for certain financial assets and liabilities, including derivatives, which are measured at fair value.

Preparing financial statements in accordance with IFRS requires the use of significant accounting estimates.

Management is also required to make certain judgements in applying the Group's accounting principles. Areas which involve a high degree of judgement, are complex or where assumptions and estimates have a material impact on the consolidated accounts are described in Note 5.

An asset or liability is classified as current when it relates to the Group's normal operating cycle, is held for trading, matures within 12 months, or consists of cash and cash equivalents at the balance sheet date.

Other items are classified as non-current. A dividend is classified as a liability only upon formal approval by a general meeting of shareholders.

Unless otherwise stated, all amounts are stated in SEK million.

Negative amounts refer to expenses or outgoing payments (cash flow).

Items affecting comparability

Items affecting comparability are presented in Note 14 and refer to non-recurring income and expenses.

Separating significant non-recurring items improves transparency and facilitates an understanding of the underlying business performance.

Consolidation

Subsidiaries

All entities over which the Group has control are classified as subsidiaries.

The Group controls a company when it is exposed to or has the right to a variable return from its involvement with the company and has the ability to affect those returns through its power over the company. Subsidiaries are included in the consolidated accounts as of the date when the control is transferred to the Group and are consolidated up to the date when the controlling influence ceases.

Business combinations are accounted for in accordance with the acquisition method. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business and equity interests issued by the Group. The consideration also includes fair value of all assets or liabilities resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related expenditures are expensed as incurred.

Intercompany transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Associates and joint ventures

Shares in companies where the Group, in collaboration with others, exercises joint control are classified as joint ventures, while cases where the Group holds significant influence are considered associates. Joint arrangements and associates are included in the Group's financial reports from the date when joint control is established and are excluded from the date when this control is lost.

Gränges has assessed that the ownership in Yunnan Chuangge New Materials Science & Technology Co., Ltd should be classified as an associate, while the ownership in Zhejiang Granges Sheng'an Aluminum Co., Ltd is classified as a joint venture. Refer to Note 15 for additional information on these joint arrangements.

Associates and joint ventures are accounted for using the equity method, meaning that the investment is initially recognized in the Group's statement of financial position at cost. The carrying amount is then increased or decreased to reflect the Group's share of the profit or loss and other comprehensive income from its associates and joint ventures. The Group's share of the profit or loss is presented under the line "Profit from associates and joint ventures" in the income statement and under the line "Investments in associates and joint ventures" in the balance sheet.

Foreign currency translation

Functional currency and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which they operates ('the functional currency'). The consolidated financial statements are presented in Swedish krona (SEK), which is the Group's presentation currency.

Transactions and balance sheet items

Transactions in foreign currency are translated to the functional currency at the exchange rates applying on the transaction date or the date when the items were remeasured. Foreign exchange gains and losses arising from payments of such transactions and upon translation of monetary assets and liabilities in foreign currency at closing day rates are recognized in the income statement. The exception is when the transactions constitute hedges and meet the criteria for hedge accounting of cash flows or net investments, in which case any gains and losses are recognized in other comprehensive income.

Financial receivables and liabilities in foreign currency are stated at the closing rate and any gain or loss is recognized in financial items in the income statement. Other monetary items in foreign currency are carried at the closing rate and any gain or loss is recognized in operating items in the income statement.

3 New accounting standards

New standards, amendments and interpretations effective from January 1, 2025 or later have not had any material impact on these financial statements.

New standards, amendments and interpretations effective from January 1, 2026 are not expected to have any significant impact on the Group's financial statements. Gränges is currently evaluating how the, by IASB, issued IFRS 18 Presentation and Disclosures in Financial Statements standard will impact the financial report. The standard will be applicable for reporting periods starting from January 1, 2027, and onwards.

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Material accounting policies

Revenue from contracts with customers

Revenue is recognized to depict the transfer of promised goods or services to Gränges’ customers in an amount that reflects the compensation which expects to be entitled to in exchange for those goods or services.

Gränges mainly sells rolled aluminium products for heat exchangers and selected niche applications. Revenue is generated through sale of material that is produced for a certain customer and application.

Revenue is recognized at the point in time when control is transferred to the customer.

The transaction price for Gränges’ products is based on the added value Gränges offers in terms of material properties and production complexity (fabrication price), and the price of the raw material, aluminium (metal price). The cost of the aluminium is mainly passed on to the customer through metal price clauses where the aluminium price is usually determined in connection with the delivery. Commodity price risk is described in Note 31.

In determining the transaction price for Gränges’ products the Group considers the effect of variable consideration. The variable consideration, early payment discounts and retrospective volume discounts, is estimated at contract inception and included in the transaction price only to the extent that it is highly probable that a significant reversal of accumulated revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, Gränges updates the estimated transaction price including updating its assessment of whether an estimate of variable consideration is constrained.

Other revenue is limited and do under normal circumstances primarily refer to rental revenue from properties in Finspång, Sweden. The rental revenue is recognized on a straight-line basis over the lease term.

Gains or losses on the sale of property, plant and equipment are accounted for as “Other operating revenues” or “Other operating expenses” and are included in the income statement.

Assets

Intangible assets

The Group has expenses for research and development. Expenditure for research is carried as a cost immediately while expenditure for development is recognized as an intangible asset if the underlying economic factors are identifiable and represent future economic benefits controlled by the Group.

The Group is running a large number of development projects but the criteria for recognizing the projects as intangible assets are currently not met as the future economic benefits for the company cannot be identified and because it is not possible to obtain any degree of certainty during the development phase of the intangible assets.

Capitalized expenditure for internally generated or specially adapted software is recognized as intangible assets. These are depreciated on a straight-line basis over 10 years.

The customer relationships acquired as part of business combination are recognized at their fair value at the date of acquisition and are amortized on a straight-line basis over their estimated useful lives of 12 to 20 years.

Goodwill arises from business combinations and refers to the amount by which the purchase price exceeds the fair value of the identifiable acquired net assets. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of the cash-generating unit to which the goodwill is attributed to is compared with the recoverable amount, which is the highest of the value in use and the fair value less cost of disposal. Any impairment is recognized immediately as an expense and is not subsequently reversed.

Other acquired intellectual property rights are amortized over the time of the rights.

Property, plant and equipment

Property, plant and equipment are tangible, long-lived assets which are intended for the production or delivery of goods or for administrative purposes. They are stated at cost in the balance sheet less accumulated depreciation and impairment. Maintenance of assets is recognized in operating expenses when the maintenance is carried out while more significant periodic maintenance and expenses for replacements and improvements are accounted for as an investment and added to the cost of the assets.

To distribute the cost down to the estimated residual value, items of property, plant and equipment are depreciated on a straight-line basis, divided into different components, over their useful lives using the following percentage rates:

- buildings and land improvements 10–40 years,
- machinery, inventory and installations 5–30 years,
- fixtures and vehicles 5–20 years,
- IT equipment 5 years.

Useful lives and residual values of assets are reviewed each year and adjusted where required.

If the residual value exceeds the carrying amount no further depreciation charges are recognized. This applies especially to buildings.

If there are indications of impairment of an asset, the asset is written down to its recoverable amount if this is lower than the carrying amount. The recoverable amount is the higher of net realizable value and value in use.

Loan expenses directly attributable to the production of the Group’s own property, plant and equipment are recognized as part of the cost of the asset.

Inventories

Inventories are measured at the lower of cost and net realizable value. Purchased goods are measured at cost in accordance with the FIFO principle while own-produced finished goods and products in progress are measured at production cost. A deduction is made for obsolescence. The net realizable value is the estimated selling price less selling costs. For a description of inventories as hedged item in a fair value hedge see “Fair value hedging”, under section “Financial Instruments”.

Financial instruments

The Group’s financial assets consist of cash and cash equivalents, lending, accounts receivables as well as derivatives. Purchases and sales of financial assets are recognized at the transaction date, which is the date when the Group undertakes to buy or sell the asset. Accounts receivables are recognized when the invoice has been sent. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or has been transferred and the Group has transferred essentially all risks and benefits associated with ownership to another party.

The Group’s financial liabilities consist of borrowings and accounts payable as well as derivatives. Financial liabilities are recognized in the balance sheet when the counterparty has performed and a contractual obligation to pay exists. Accounts payables are recognized when the invoice has been received. Financial liabilities are removed from the balance sheet when the contractual obligation has been fulfilled or in some other way is extinguished.

Financial instruments are initially recognized at fair value plus transaction costs, which applies to all financial assets and liabilities that are not measured at fair value through profit and loss. These are initially recognized at fair value excluding transaction costs.

Financial assets and liabilities are in general not netted even when there is a legal right of netting the carrying amounts and an intention to settle them by a net amount or to simultaneously realize the asset and settle the liability. The legal right must not depend on future events and must be legally binding for the company and the counterparty both in case of normal business activities and in the event of default, insolvency or bankruptcy.

Interest income and interest expense are recognized using the effective interest method and accounted for under “Financial income” and “Finance expenses” respectively.

Derivatives

Derivatives are classified either as measured at fair value through profit and loss or as hedging instruments for which hedge accounting is applied. Derivatives are measured at fair value at the balance sheet date and accounted for as assets or liabilities. Gains and losses on changes in fair value are recognized in profit or loss when the derivative is not part of a hedge relationship which meets the criteria for hedge accounting. Purchases and sales of derivatives are recognized at the transaction date.

Hedge accounting

The Group uses the following criteria for classifying a derivative or other financial instrument as a hedging instrument: (1) the hedging instrument is expected to be very effective in offsetting changes in the fair value of or cash flows for an identifiable item (hedged item), (2) the hedge efficiency can be reliably measured, (3) satisfactory documentation is drawn up before the hedging instrument is acquired showing, in particular, that the hedge relationship is effective, (4) in case of the use of cash flow hedges, that the future transaction is deemed to be highly probable, and (5) the hedge relationship is reviewed on a regular basis.

Gains and losses on the hedging instrument are recognized in the income statement at the same time as gains and losses from the hedged item.

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Fair value hedging

Changes in the fair values of derivatives designated as hedging instruments are recognized immediately in the income statement. Changes in the fair value of the hedged item (inventory) relating to the hedged risk are recognized in the income statement in the same way and are recognized as an adjustment on the hedged item's carrying amount. Hedge accounting is discontinued if: (a) the hedge instrument has expired, been terminated, exercised or sold or (b) the hedge no longer meets the aforementioned criteria for hedging. In the case of a discontinued hedge, changes in the fair value of the hedged item are recognized in the balance sheet until the hedged item (inventory) is recognized as cost of materials in the income statement.

Cash flow hedges

The effective portion of changes in the fair value of the hedging instrument is recognized in other comprehensive income and accumulated in the hedging reserve until the hedged transaction is executed. At that time the accumulated gains or losses on the hedging instrument will be reclassified to the income statement. Accrued and realized interest from cash flow hedges related to interest rate risk is reported in interest expense together with the related hedged item.

The ineffective portion of the hedging instrument is recognized immediately in the income statement. When a hedging instrument has expired, been sold, exercised or terminated, the accumulated gains or losses will remain in the hedging reserve and will be recognized in the income statement upon execution of the hedged transaction. If the hedged transaction is no longer expected to occur, the accumulated gain or loss on the hedging instrument will be recognized immediately in the income statement.

Operating segments

Gränges' operations are organized into three business areas: Gränges Americas, Gränges Asia and Gränges Europe. These constitute the Group's operating segments and correspond to the internal reporting submitted to the highest executive decision maker, which is the President and CEO.

The segment structure is market-based and the operations are organized by geographical areas. Each business area is headed by a President, who is responsible for the operational activities within the respective area.

Gränges Americas uses continuous casting technology and includes three production facilities in Huntingdon, Salisbury, and Newport. The largest end-customer markets for Gränges Americas are heat exchanger material for the HVAC industry and specialty packaging material. Gränges Americas also acts as a distributor of heat exchanger materials for the automotive industry in North and South America, sourced from Gränges Asia and Gränges Europe.

Gränges Asia includes the two Chinese production facilities in Shanghai and Shandong as well as the jointly owned casting and recycling center in Yunnan. The largest market for Gränges Asia is heat exchanger material for the automotive industry. Gränges partner in China, Shandong Innovation Group holds a 20 percent minority interest in Gränges Asia.

Gränges Europe includes the two production facilities in Finspång, Sweden, and Konin, Poland, as well as the Gränges Powder Metallurgy business unit in St Avold, France. The largest market for Gränges Europe is heat exchanger material for the automotive industry.

Group functions and other items that cannot be allocated to the business areas are reported under Other and eliminations. The segment reporting presents volume, net sales, adjusted operating profit, capital employed and return on capital employed for each segment. Financial items and taxes are reported and followed up for the Group as a whole. No detailed breakdown is presented for the number of employees or items in the balance sheet, in addition to capital employed. Capital employed does not include any tax items or accrued interest per segment.

Share-based payment

The Group has investment programs for senior managers and other key employees where participants have invested in warrants in Gränges AB (publ). The participants have received conditional cash contributions intended for the investments. If the participant terminates their employment or is terminated within three years from the date of payment of the contributions, an amount corresponding to the cash contribution less tax ("net contribution") shall be repaid to Gränges. Further, the participants undertake not to sell the warrants within three years, should this happen the participant will be liable for repayment of an amount corresponding to the net contribution on a pro rata basis in relation to the number of warrants sold compared with the original allocation.

The cash contributions and attributable social security contributions are recognized as personnel costs in the income statement over the vesting period of three years.

The warrants have been issued on market terms. The warrant premiums are determined by an independent valuation institute using a generally accepted valuation model (Black-Scholes) and is recognized directly in equity at the inception of the programs.

For foreign participants who are not able to invest directly in Gränges shares or related financial instruments, adapted synthetic programs have been established. The synthetic programs are cash-settled and give rise to a liability that is measured at fair value at each reporting date using the Black-Scholes valuation model. Changes in fair value are recognized as personnel costs, with a corresponding liability in the balance sheet.

To manage the financial exposure arising from the synthetic programs, the Group enters into derivative instruments with a third party. These derivatives are measured at fair value on an ongoing basis, and changes in fair value are recognized in operating profit.

Other principles

Right-of-use assets

Carrying amounts for right-of-use assets and lease liabilities are based on cash flows at present value during expected contract periods. Discount rates are determined on the basis of assumptions regarding interest rates for loans during the corresponding period and with corresponding collateral. Right-of-use assets with contracts shorter than 12 months or which terminate within 12 months from the transition date are classified as short-term contracts and are therefore not included in the reported lease liabilities or rights of use. In addition, rights of use for office equipment or other low-value assets have also been classified as low-value contracts and are not included in the reported liabilities or right-of-use assets.

Right of use assets are depreciated from the commencement date of the contract and follow the depreciation period that is the shortest of the economic life or the contract period. At the commencement of a new lease agreement, an assessment is made whether it is reasonable or not to exercise an option to extend the lease, or the use of the opportunity to

purchase the underlying assets, or utilize early termination. This means that Gränges as a lessee itself determines which contract length is considered reasonable instead of taking into account the termination clause in the agreements.

Cash and cash equivalents

Cash and cash equivalents comprise cash and cash equivalents with maturities of up to three months and only subject to insignificant changes in value.

Pensions

The Gränges Group's pension system in Europe and US primarily consists of defined contribution plans, but defined pension benefit plans also exist.

For defined contribution pension plans the company has a responsibility to make contractual payments for its employees' future pensions. Future pensions are determined by the size of contributions and the return on the plan assets. After the contributions have been paid the company has no further payment obligations under the defined contribution plan. No provisions are therefore made in the balance sheet.

The company's pension costs for its defined contribution plans consist of payments to employees' pension plans during the reporting period and are accounted for as payroll expenses.

Defined benefit pension plans are based on a promise from the company to the employees that they will receive a certain pension upon retirement, normally defined as a percentage of their final salary. The company is responsible for the size of the future pension benefit and the economic value of this obligation are recognized in the income statement and balance sheet.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. For the Swedish plans, mortgage bonds are used to determine the discount rate.

The cost relating to service during the current period is accounted for as payroll expenses. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in financial costs in the income statement.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

Provisions

Provisions are recognized for potential loss-making contracts and for restructuring when the decision to restructure is made. Provisions do not cover any potential future operating losses. As regards restructuring reserves, there must exist a detailed plan identifying which operations will be restructured as well as a well-founded expectation among those affected by the restructuring. It must also be possible to reliably estimate the cost of the restructuring. The outcome of the Group's long-term incentive programs is dependent on the Gränges' share's total return. Expected costs for LTI are



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reported as provision.

Provisions are calculated based on the best estimate of expected costs. If the effect is significant, expected future cash flows will be discounted.

Contingent liabilities and contingent assets

A contingent liability or contingent asset is a potential obligation or potential asset whose existence is uncertain and which will be confirmed by the occurrence or non-occurrence of a specific future event, such as the outcome of legal proceedings or the final settlement of an insurance claim. If the probability that the liability has been incurred exceeds 50 percent a provision is recognized in the balance sheet. If the probability is lower a contingent liability is shown as an additional disclosure in the financial statements, unless the probability of an outgoing payment is remote. An asset is only recognized in the balance sheet if it is highly probable that the Group will receive the asset. Disclosures regarding contingent assets are given where an inflow of resources is probable.

Tax

Income tax is the sum of current tax and changes in deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively. Current tax is recognized at the amount that is expected to be paid to the tax authorities based on the taxable income that is reported for the units included in the consolidated financial statements. The income tax is determined using tax rates that have been enacted on the balance sheet date. Uncertain tax positions are taken into account when calculating current tax if it is considered more than 50 percent probability that the position will lead to an additional tax expense.

Deferred tax in the balance sheet has been calculated at the nominal tax rate based on temporary differences for assets and liabilities at the balance sheet date.

A provision for deferred tax on retained earnings in foreign subsidiaries is recognized to the extent that it is likely that the dividend will be distributed in a near future.

Deferred tax assets are reviewed continually and recognized in the balance sheet only to the extent that it is likely that future taxable profits can be used.

Deferred tax liabilities and deferred tax assets are offset insofar as this is possible under local tax laws and regulations.

Financial assets at amortized cost

The model for the financial assets in this category is to receive contractual cash flows, which have been assessed to only consist of payments of principal and interest. Assets in this category comprise of accounts receivables and other receivables as well as cash and cash equivalents. They are included in current assets, with the exception of items maturing later than 12 months from the end of the reporting period, which are classified as non-current assets.

Accounts receivables are always classified as current assets. The assets in this category are carried at amortized cost in the balance sheet applying the effective interest rate method. Accounts receivables are measured at the amount expected to be paid, that is after deducting expected credit losses.

The Group applies an impairment model based on forward-looking expected credit losses (ECL). The ECL allowance applies to all items (from initial recognition). An analysis of expected credit losses is performed using a provision matrix adjusted for the market location of the customer to measure expected credit losses, where historical, current and forward-looking factors are taken into consideration. The ECL allowance is based on the life-time ECL for all accounts receivables.

Expected credit losses are calculated as the difference between the carrying amount of the asset and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For accounts receivables expected credit losses are calculated without discount. The asset's carrying amount is written down and the impairment loss including future changes in expected credit losses are recognized in the consolidated income statement.

The Group defines credit-impaired assets as assets which are past-due more than 90 days or assets with other observable information indicating a measurable decrease in estimated future cash flows.

Accounts payable

Accounts payables are obligations to pay for goods or services which have been acquired from suppliers or service providers in the course of the company's operating activities. Accounts payable are classified as current liabilities and are measured at amortized cost.

Supplier financing

The Group has entered into supplier financing arrangements (supply chain financing) with a number of selected suppliers. In addition, commercial debt instruments, such as commercial notes, are in certain cases used as part of working capital management.

Liabilities are recognized when the counterparty has performed and a contractual obligation to pay exists. Classification in the statement of financial position is based on the economic substance of the liability. Liabilities that retain the characteristics of accounts payable are recognized as accounts payable, while other liabilities are recognized as other liabilities. The liabilities are measured at amortized cost. Any interest or fee components are recognized as finance costs.

Borrowings (loans)

Borrowings are initially recognized at fair value, net of transaction costs. Subsequently loans are carried at amortized cost and any difference between the amount received (net of transaction costs) and the amount repayable is recognized in the income statement over the term of the loan by applying the effective interest method.

Lease liabilities

Leasing liabilities are based on calculated present value of payments during expected contract periods. Primarily the discount rate is based on implicit rate in the agreement. When implicit rate cannot be identified, the marginal

loan interest rate is used instead, which corresponds to the interest rate the company would be offered if the acquisition was financed with loans from a financial institution.

Cash flow

The cash flow statement, which has been prepared using the indirect method, shows cash flows from operating activities, investing activities and financing activities, and explains changes in "Cash and cash equivalents" for the reporting period.

Acquisitions

The acquisition method is used to account for the acquisitions of subsidiaries and operations, which are considered business combinations under IFRS 3. All payments to acquire a business are recorded at fair value at the acquisition date. The excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recorded as goodwill.

At asset acquisitions the individual assets and liabilities acquired are recognized and measured based on their fair values at the acquisition date according to the relevant IFRS standards. No goodwill is recognized in an asset acquisition; instead, the excess cost over the fair value of the individual net assets acquired is allocated to the acquired assets.

Non-controlling interests

Non-controlling interests are recognized as a separate item in the Group's equity.

Government grants

Government grants are recognized in the financial statements when it is a reasonable assurance that the grant will be received. The grants are accounted for either as income or a reduction of expenses, and are in the latter case, matched with the expenses which they are intended to compensate for. Government grants attributable to investments are accounted for as a reduction of the cost of the asset and reduces the basis for the depreciation.



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5 Significant accounting assessments and assumptions



In preparing Gränges’ consolidated accounts, it is necessary to make a number of assessments and assumptions which can influence the carrying amounts of assets and liabilities. Future events and changes in operating parameters may make it necessary to make other assessments and assumptions. When preparing the financial statements, management makes

its best assessments in areas of significant importance. Accounting items where changes in assessments and assumptions would have a significant impact on the consolidated financial statements during next financial year are:

Accounting item	Note	Assessments and assumptions that are of significant importance for carrying amounts
Pension liability	11	The present value of pension obligations is affected by several factors determined on an actuarial basis using various assumptions. The assumptions applied in calculating the net pension cost (income) include, among other things, the discount rate.
Taxes	17	The tax rate in one of Gränges’ subsidiaries in China depends on whether the company qualifies as a high-tech enterprise. This classification entitles the subsidiary to a reduced corporate income tax rate of 15 percent instead of the standard rate of 25 percent. To obtain this classification, specific criteria must be met, and local authorities must subsequently assess, for each relevant year, whether these requirements have been fulfilled. Gränges currently assesses that the criteria are likely to be met for the financial year 2025 and therefore applies a tax rate of 15 percent for its Chinese operations for the year.
Intangible assets	20	Impairment testing of goodwill is performed annually, or earlier if indications of impairment arise. The key assumptions used in impairment testing relate to forecasts of future cash flows, including assumptions about sales growth and operating margins. Determining the discount rate also requires assumptions regarding the weighted average cost of capital. Other intangible assets are amortized on a straight-line basis over their estimated useful lives, meaning that changes in estimated useful life affect the carrying amounts. Impairment testing of these assets is performed when indications of impairment exist. No intangible assets were impaired during 2025.
Property, plant and equipment	21	Depreciation of property, plant and equipment is based on the estimated useful lives of the individual components, and the assets are tested for impairment when there are indications of a decline in value. Changes in assumptions regarding recoverable amount, estimated useful life or the Group’s expected future performance may result in significant changes in asset values. The ongoing expansion investments in production facilities are significant in nature, and depreciation begins only when the facilities are taken into use. The valuation and accounting of these assets therefore depend on adherence to project timelines and investment calculations. Any deviations from the assumptions underlying the assessment of recoverable amount, useful life and investment calculations may affect the need for future impairments.
Inventories	24	Inventories are measured at production cost using calculation models based on current prices and cost levels, where direct and indirect production-related costs are allocated to the manufactured products. When assessing obsolescence, assumptions and judgements are made regarding turnover rates and the realizability of the inventory. In 2025, inventory obsolescence amounted to SEK 41 million.

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6 Operating segment information



SEK million	2025					2024				
	Gränges Americas	Gränges Asia	Gränges Europe	Other and eliminations	Total	Gränges Americas	Gränges Asia	Gränges Europe	Other and eliminations	Total
Sales volume external, ktonnes	239.1	198.1	179.4	-	616.6	229.8	112.9	163.1	-	505.8
Sales volume internal, ktonnes	-	7.2	10.9	-18.0	0	-	7.9	10.9	-18.8	0
Total sales volume	239.1	205.3	190.2	-18.0	616.6	229.8	120.8	174.0	-18.8	505.8
Income statement										
Net sales, external	13,248	7,163	7,951	-	28,362	11,414	4,731	7,360	-	23,506
Net sales, internal	-	298	649	-947	0	-	373	632	-1,005	0
Total net sales	13,248	7,461	8,600	-947	28,362	11,414	5,104	7,992	-1,005	23,506
Depreciation, amortization and impairment charges	-433	-145	-268	-6	-852	-465	-117	-271	-5	-859
Adjusted operating profit ¹	1,175	341	275	-176	1,614	1,068	278	353	-127	1,571
Adjusted operating profit per tonne, kSEK	4.9	1.7	1.4	n/a	2.6	4.6	2.3	2.0	n/a	3.1

¹ Adjusted for items affecting comparability, see Note 14 for further information.

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7 Geographic breakdown of net sales, non-current assets and average number of employees

Net sales are distributed regionally based on where the customers are located.

Non-current assets and the average number of employees are based on where Gränges is located.

2025 SEK million	Poland	Sweden	Rest of Europe	China	Rest of Asia Pacific	USA	Rest of North and South Americas	Total
Net sales	2,323	333	4,660	5,346	1,813	12,185	1,703	28,362
Non-current assets ¹	2,467	1,755	122	1,312	1	4,361	-	10,017
Average no. of employees	828	506	34	1,177	12	909	-	3,467

2024 SEK million	Poland	Sweden	Rest of Europe	China	Rest of Asia Pacific	USA	Rest of North and South Americas	Total
Net sales	2,158	372	4,330	3,077	1,629	9,920	2,020	23,506
Non-current assets ¹	2,605	1,657	104	1,545	0	5,335	-	11,247
Average no. of employees	815	494	30	711	11	865	-	2,926

¹ Excluding deferred tax assets, interests in associates and joint ventures, interest-bearing receivables and other non-current receivables.

The ten largest customers accounted for 34 percent (45) of sales. No customer accounted for more than 10 percent of total sales in 2025 or 2024.

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8 Revenue from contracts with customers

Gränges is a global supplier of rolled aluminium products for thermal management systems, specialty packaging, and selected niche applications. Gränges' customers are found in the automotive, HVAC, specialty packaging, and battery industries as well as in other niche markets such as transformers and wind turbines. Gränges has three business areas: Gränges Americas, Gränges Asia, and Gränges Europe.

The transaction price for Gränges' products is based on the added value Gränges offers in terms of material properties and production complexity (fabrication price), and the price of the raw material, aluminium. The fabrication price is to a large extent pre-defined while the aluminium price is variable and based on metal price clauses connected to the market price.

Net sales by business area

SEK million	2025	2024
<i>Gränges Americas</i>		
Fabrication revenue	4,828	4,718
Raw material and other revenue	8,416	6,691
Revenue from contracts with customers	13,243	11,409
Other revenue	4	5
Total net sales Gränges Americas	13,248	11,414
<i>Gränges Asia</i>		
Fabrication revenue	1,994	1,694
Raw material and other revenue	5,434	3,408
Revenue from contracts with customers	7,427	5,102
Other revenue	33	3
Total net sales Gränges Asia	7,461	5,104
<i>Gränges Europe</i>		
Fabrication revenue	3,556	3,404
Raw material and other revenue	5,000	4,552
Revenue from contracts with customers	8,555	7,956
Other revenue	45	35
Total net sales Gränges Europe	8,600	7,992

<i>Other and eliminations</i>		
Fabrication revenue	-540	-587
Raw material and other revenue	-407	-418
Revenue from contracts with customers	-947	-1,005
Other revenue	-	-
Total net sales other and eliminations	-947	-1,005
Total fabrication revenue	9,838	9,230
Total raw material and other revenue	18,441	14,233
Total revenue from contracts with customers	28,279	23,462
Total other revenue	83	43
Total net sales	28,362	23,506

Other revenue is limited and mainly relate to rental revenue from properties in Finspång, Sweden.

In determining the transaction price for Gränges' products the Group considers the effect of variable consideration. The variable consideration (early payment discounts and retrospective volume discounts) is estimated at contract inception and included in the transaction price only to the extent that it is highly probable that a significant reversal of accumulated revenue will not occur when the uncertainty associated with the variable consideration is subsequently resolved. The variable consideration is recognized as accrued expenses in the balance sheet.

The fabrication price allocated to the remaining (unsatisfied or partially unsatisfied) performance obligations in contracts with customers is shown in the table below.

Remaining performance obligations at December 31

SEK million	2025	2024
Within 1 year	6,510	6,298
After 1 year but within 2 years	3,778	1,602
After 2 years	2,783	673
Total¹	13,070	8,574

¹ Corresponding to sales volume of 675 ktonnes (444).

Since the raw material price is variable, based on metal price clauses, Gränges only disclosures the amount of fabrication price allocated to the remaining performance obligations in contracts with customers.

9 Lease income

Future minimum lease payments relating to leases and other leases as lessor attributable to non-cancellable agreements are distributed on the balance sheet date over the following maturity dates:

SEK million	2025	2024
Within 1 year	15	15
Within 2–5 years	31	19
After 5 years	5	5
Total future lease income	51	40

Lease income amounts to SEK 15 million (17) during 2025 and refer to rental income from properties in Finspång, Sweden.

10 Payroll expenses

Average number of employees

	2025		2024	
	Average no. of employees	Of which, women	Average no. of employees	Of which, women
Gränges AB				
Sweden	22	13	25	12
Subsidiaries				
Sweden	484	101	470	97
China	1,177	223	711	100
US	909	119	865	123
Poland	828	77	815	79
Other countries	47	8	41	7
Group total	3,467	542	2,926	418

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Board members and other senior executives

	2025		2024	
	No. at balance sheet date	Of which, women	No. at balance sheet date	Of which, women
Board members elected by AGM	7	3	8	3
CEO, Deputy CEO and other senior executives	6	1	6	1

Salaries, remuneration, social security contributions and pension costs

SEK million	2025				2024			
	Salaries and remuneration (of which, variable portion) ¹	Social security contributions	Pension cost	Total	Salaries and remuneration (of which, variable portion) ¹	Social security contributions	Pension cost	Total
Gränges AB								
Board, CEO, Deputy CEO and other senior executives	-44 (-20)	-16	-7	-67	-44 (-21)	-15	-6	-65
Other employees	-37	-11	-12	-59	-42	-13	-14	-69
Subsidiaries								
Other senior executives	-32 (-18)	-1	-1	-34	-25 (-13)	-1	-1	-27
Other employees	-1,843	-436	-76	-2,355	-1,732	-393	-73	-2,199
Group total	-1,956	-463	-95	-2,515	-1,844	-422	-94	-2,360

1 Government grants have reduced salaries and benefits by SEK 0 million (3) during 2025.

Salaries and other remuneration to the Board members, CEO, Deputy CEO and other senior executives

Remuneration principles

Remuneration to the CEO, Deputy CEO and other senior executives consists of base salary, variable remuneration, pension benefits and other benefits. Senior executives are defined as the members of Group Management. The remuneration structure is designed to attract, motivate and retain key individuals, and to be market-competitive, performance-oriented and aligned with the interests of the shareholders.

Board members

As of the Annual General Meeting 2025, the Board of Directors comprised nine ordinary members, of whom seven were elected by the AGM and two were employee representatives. All AGM-elected directors are independent in relation to the company and its major shareholders.

Remuneration to the Chair of the Board and the other six AGM-elected directors is paid in accordance with the resolution of the Annual General Meeting.

CEO and other senior executives

The CEO’s base salary is prepared by the Remuneration Committee and determined by the Board of Directors. Remuneration for the Deputy CEO and other senior executives is decided by the CEO in consultation with the Chair of the Board.

Variable remuneration is based on performance in relation to established targets and consists of a short-term incentive program (STI) and long-term incentive programs (LTI).

Short-term incentive program (STI)

The outcome of the STI is based on financial and non-financial performance indicators for the Gränges Group. The financial target relates to value creation and the non-financial target is linked to reducing the Group’s carbon footprint. The STI remuneration may amount to a maximum of 60 percent of the fixed annual base salary for each member of Group Management, except for those holding the position of Regional President, for whom the maximum remuneration may amount to up to 100 percent of the fixed annual base salary.

Long-term incentive programs (LTI)

Gränges’ long-term incentive structure consists of two components. The first component comprises restricted share units (RSU), which are allocated to participants in proportion to their STI outcome. RSUs vest over three years and their value is adjusted in accordance with the total shareholder return on

the Gränges share. The second component consists of long-term incentive programs in which participants invest their own funds in warrants. Currently, four incentive programs are running in parallel: IP 2022, LTI 2023, LTI 2024 and LTI 2025.

Incentive programs

IP 2022, LTI 2023, LTI 2024 and LTI 2025 are long-term incentive programs in which participants invest their own funds in warrants. At the time of acquisition, participants pay a market-based warrant premium to the company. To encourage participation, the company provides a net contribution corresponding to 50 percent of the premium paid after tax. The net contribution is recognized as a personnel expense over the three-year vesting period and may be reclaimed in full or in part if a participant terminates their employment or disposes of the warrants during this period. The cost of the net contribution is presented in the table Remuneration and other benefits.

The warrant premium is determined based on a market-based valuation using the Black–Scholes model. The valuation is based on assumptions regarding the underlying share price, exercise price, expected volatility, risk-free interest rate, and term at the time of acquisition. Since participants themselves pay the premium, the company does not recognize any cost for the fair value of the instruments; the expense relates solely to the net contribution.

For participants who are unable to invest directly in shares, synthetic alternatives with corresponding economic exposure are offered. The obligations for the synthetic programs are hedged using equity derivatives.

IP 2022

The Annual General Meeting 2022 resolved to introduce IP 2022. The premium amounted to SEK 14.63 per warrant and the exercise price is SEK 87.53 per share. As of 31 December 2025, 102,250 warrants and 122,000 synthetic warrants were outstanding.

LTI 2023

The Annual General Meeting 2023 resolved to introduce LTI 2023. The premium amounted to SEK 16.14 per warrant and the exercise price is SEK 115.66 per share. As of 31 December 2025, 595,000 warrants and 465,000 synthetic warrants were outstanding.

LTI 2024

The Annual General Meeting 2024 resolved to introduce LTI 2024. The premium amounted to SEK 14.95 per warrant and the exercise price is SEK 145.98 per share. As of 31 December 2025, 584,800 warrants and 414,700 synthetic warrants were outstanding.

LTI 2025

The Annual General Meeting 2025 resolved to introduce LTI 2025. The premium amounted to SEK 14.85 per warrant and the exercise price is SEK 159.37 per share. As of 31 December 2025, 563,400 warrants and 435,600 synthetic warrants were outstanding.

Pension

The retirement age for the CEO is 65 years. The CEO has a direct pension in the form of a company-owned endowment insurance. The premiums to the endowment insurance amounts to 35 percent of the basic salary. For other senior executives, including the Deputy CEO, the retirement age is 60–65

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years depending on the country of employment and the pensions are premium-based and amount to a maximum of 30 percent of the base salary.

Notice periods and severance pay

The company and the CEO have a mutual contractual notice period of six months. In the event of termination by the company, the CEO is also entitled to severance pay corresponding to an additional twelve months’ salary, without deduction for any other income. For the Deputy CEO and other members of Group Management, a mutual notice period of six months applies. If the company terminates the employment, severance pay corresponding to an additional twelve months’ salary is paid, with no deduction for the first six months.

Other benefits

Other benefits includes company cars and medical care benefits.

Remuneration and other benefits in 2025

SEK million	Basic salary/ Directors’ fee	STI ¹	LTI ²	Total variable remuneration	Other benefits	Pension cost	Total
Board of Directors							
Fredrik Arp	-1.0	-	-	-	-	-	-1.0
Steven Armstrong	-0.4	-	-	-	-	-	-0.4
Mats Backman	-0.6	-	-	-	-	-	-0.6
Mikael Bratt	-0.4	-	-	-	-	-	-0.4
Martina Buchhauser	-0.5	-	-	-	-	-	-0.5
Peter Carlsson	-0.1	-	-	-	-	-	-0.1
Cecilia Daun Wennborg	-0.5	-	-	-	-	-	-0.5
Gunilla Saltin	-0.5	-	-	-	-	-	-0.5
Senior executives							
CEO Jörgen Rosengren	-7.7	-4.0	-5.2	-9.3	-0.1	-2.7	-19.8
Deputy CEO Oskar Hellström	-5.7	-3.0	-3.9	-6.9	-0.5	-1.7	-14.8
Other senior executives (4 individuals)	-20.1	-13.5	-9.2	-22.7	-1.1	-3.2	-47.1
Total	-37.5	-20.5	-18.3	-38.8	-1.8	-7.5	-85.7

Remuneration and other benefits in 2024

SEK million	Basic salary/ Directors’ fee	STI ³	LTI ⁴	Total variable remuneration	Other benefits	Pension cost	Total
Board of Directors							
Fredrik Arp	-0.9	-	-	-	-	-	-0.9
Steven Armstrong	-0.4	-	-	-	-	-	-0.4
Mats Backman	-0.5	-	-	-	-	-	-0.5
Mikael Bratt	-0.3	-	-	-	-	-	-0.3
Martina Buchhauser	-0.4	-	-	-	-	-	-0.4
Peter Carlsson	-0.4	-	-	-	-	-	-0.4
Cecilia Daun Wennborg	-0.3	-	-	-	-	-	-0.3
Katarina Lindström	-0.1	-	-	-	-	-	-0.1
Hans Porat	-0.1	-	-	-	-	-	-0.1
Gunilla Saltin	-0.4	-	-	-	-	-	-0.4
Senior executives							
CEO Jörgen Rosengren	-7.2	-4.2	-4.3	-8.5	-0.5	-2.4	-18.6
Deputy CEO Oskar Hellström	-5.4	-3.2	-2.7	-6.0	-0.7	-1.6	-13.8
Other senior executives (4 individuals)	-18.3	-14.7	-5.3	-20.1	-2.5	-2.7	-43.6
Total	-35.0	-22.2	-12.4	-34.5	-3.8	-6.7	-80.0

1 The amounts are attributable to 2025 but disbursed in 2026.
2 The CEO has received a cash contribution of SEK 2.2 million, corresponding to a net contribution of SEK 1.1 million related to LTI 2025. The Deputy CEO has received a cash contribution of SEK 1.1 million, corresponding to a net contribution of SEK 0.6 million related to LTI 2025. Other senior executives have received cash contributions of SEK 2.3 million, corresponding to net contributions of SEK 1.1 million, respectively gross salary deductions of SEK 1.1 million related to LTI 2025. The cash contributions are recognized over the vesting period of three years.
3 The amounts were attributable to 2024 but disbursed in 2025.
4 In 2024 the CEO received a cash contribution of SEK 2.4 million, corresponding to a net contribution of SEK 1.2 million related to LTI 2024. The Deputy CEO received a cash contribution of SEK 1.1 million, corresponding to a net contribution of SEK 0.6 million related to LTI 2024. Other senior executives received cash contributions of SEK 2.3 million, corresponding to net contributions of SEK 1.1 million, respectively gross salary deductions of SEK 1.1 million related to LTI 2024. The cash contributions are recognized over the vesting period of three years.



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Gränges has pension plans in Sweden, Poland and the US. Approximately 84 percent (81) of the employees in Sweden are covered by defined contribution pension plans, with the remainder covered by defined benefit plans. All permanent full-time employees in the US are eligible for the defined contribution plan. Approximately 4 percent (6) of permanent full-time employees in the US are eligible for the defined benefit pension plan.

Defined contribution plans

Employees of Gränges in the Swedish and American operations are mainly covered by pension plans classified as defined contribution plans. Defined contribution plans are arrangements in which the company pays annual contributions to its employees’ pension plans and where future pensions are determined by the amount of contributions paid and the return on the pension assets. In Sweden employees covered by a collective bargaining agreement have defined contribution pension plans, as do salaried employees born after 1979 under the ITP1 supplementary pension plan.

Defined benefit plans

The defined benefit pension plan in Sweden applies for salaried employees covered by the ITP2 supplementary pension plan, based on a collective agreement between the Confederation of Swedish Enterprise and the trade unions for salaried employees in the private sector. The pension plan is a net plan under which the pension obligation is not linked to changes in Swedish social insurance schemes. Under the applicable collective agreement, all salaried employees born in 1979 or after are covered by a defined contribution plan, ITP1. This means that the scope of the defined benefit plan will be reduced over time. The Group also operates defined benefit pension plans for hourly union employees in the US under broadly similar regulatory frameworks. However, these plans are closed to new entrants.

The Swedish plans are based on final salary at the time of retirement and length of service and provide a guaranteed level of pension payments for life. The American plans have a benefit based on a combination of pension factors and length of service. In the Swedish plans, pension payments are normally indexed in line with the consumer price index, whereas in the US plans, pension payments are not adjusted for inflation. With the exception of this inflationary risk in Sweden, the plans face broadly similar risks, including the risk of increased life expectancy and sensitivity to changes in interest rates.

The defined benefit plans are accounted for as a provision in the balance sheet. Swedish plans are unfunded, but US plans are partially funded. To secure unfunded accrued pension rights of their employees in Sweden, companies need to take out a Credit Insurance Policy with Försäkringsbolaget PRI Pensionsgaranti. PRI Pensionsgaranti also administers and calculates the Group’s unfunded pension obligations. The Group’s pensions in Sweden are regulated by the Act (1967:531) respecting retirement pensions.

The Gränges Benefits Committee in the US is responsible for the oversight and management of the plans’ investments. It has a written Investment Policy. The aim of the investment decisions made by the Committee is to achieve optimal returns while taking into account a reasonable level of risk. Investments are diversified, such that the failure of any single investment would not have a material impact on the overall value of assets. An asset and liability management assessment is conducted periodically.

Assumptions for defined benefit plans

The assumptions are defined in consultation with professional actuaries. Assumptions on future salary adjustments and sales are specific to the Group. The discount rate is determined by reference to high-quality corporate bonds traded in a well functioning market, which reflect the duration of the pension obligation. In Sweden the discount rate is based on secured mortgage bonds.

Assumptions for defined benefit plans

	Sweden		US		Poland	
	2025	2024	2025	2024	2025	2024
Discount rate, %	3.8	3.5	5.2-5.4	5.5-5.6	5.2	5.5
Future salary adjustments, %	3.0	3.1	n/a	n/a	2.5	2.7
Income base amount, %	2.7	2.8	n/a	n/a	n/a	n/a
Inflation, %	1.7	1.8	n/a	n/a	n/a	n/a
Employee turnover, %	6.5	5.0	4.0-20.0	4.0-20.0	1.0-5.0	1.0-5.0
Weighted average remaining duration, years	15.0	16.0	12.0	12.0	n/a	n/a

The assumptions for life expectancy in Sweden are based on DUS23 (DUS23) life expectancy tables.

The mortality assumption in the US is based on the Pri-2012 (Pri-2012) mortality tables, Scale MP-2021 (MP-2021).

Distribution of pension costs

SEK million	Sweden		US		Poland		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Defined contribution plans	-47	-43	-40	-39	-	-	-87	-83
Current service costs	-5	-5	-1	-3	-1	-1	-6	-9
Administrative expenses	-	-	-2	-4	-	-	-2	-4
Pension costs recognized as operating expenses	-52	-49	-43	-47	-1	-1	-96	-96
Interest on net pension liabilities recognized as a financial expense	-8	-7	-1	-2	-1	-1	-9	-9
Pension costs recognized in the income statement	-60	-56	-44	-49	-1	-1	-105	-105
Actuarial gains and losses recognized in the statement of comprehensive income	14	-2	-8	18	-1	0	6	16
Return on plan assets greater than discount rate	-	-	11	1	-	-	11	1
Total pension costs	-45	-58	-41	-29	-2	-1	-88	-88

Distribution of pension liabilities at December 31

SEK million	Sweden		US		Poland		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Present value of unfunded pension obligations	-202	-212	-12	-21	-12	-11	-225	-244
Present value of funded and partially funded pension obligations	-	-	-240	-279	-	-	-240	-279
Funded plan assets	-	-	240	279	-	-	240	279
Total net pension liabilities	-202	-212	-12	-21	-12	-11	-225	-244

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Changes in the present value of pension obligations

SEK million	Sweden		US		Poland		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Pension obligations at January 1	-212	-207	-300	-292	-11	-10	-523	-509
Current service costs	-5	-5	-1	-3	-1	-1	-6	-9
Interest on pension provision	-8	-7	-13	-15	-1	-1	-21	-23
Actuarial gains and losses recognized in the statement of comprehensive income:								
– due to changes in financial assumptions	15	0	-6	16	0	1	9	18
– due to changes in demographic assumptions	2	-	0	3	0	0	2	3
– due to experienced-based adjustments	-2	-3	-2	-1	-1	-1	-4	-5
Benefits paid during the year	7	7	21	24	1	1	29	32
Other	0	3	-	0	0	0	0	3
Translation differences	-	-	49	-31	0	-1	49	-32
Pension obligations at December 31	-202	-212	-252	-300	-12	-11	-466	-523

Changes in the present value of plan assets

SEK million	Sweden		US		Poland		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Plan assets at January 1	-	-	279	254	-	-	279	254
Administrative expenses	-	-	-2	-4	-	-	-2	-4
Interest on plan assets	-	-	12	13	-	-	12	13
Return on plan assets greater than discount rate	-	-	11	1	-	-	11	1
Employer contributions	-	-	7	13	-	-	7	13
Benefits paid during the year	-	-	-21	-24	-	-	-21	-24
Other	-	-	-	0	-	-	-	0
Translation differences	-	-	-46	25	-	-	-46	25
Plan assets at December 31	-	-	240	279	-	-	240	279
Net pension liabilities	-202	-212	-12	-21	-12	-11	-225	-244

Distribution of plan assets

SEK million	Sweden		US		Poland		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
<i>Quoted</i>								
Equity instruments	-	-	78	119	-	-	78	119
Interest-bearing securities	-	-	157	151	-	-	157	151
Total	-	-	235	270	-	-	235	270
<i>Unquoted</i>								
Cash	-	-	5	9	-	-	5	9
Total	-	-	5	9	-	-	5	9
Total plan assets	-	-	240	279	-	-	240	279

Sensitivity analysis of the effect on the pension liabilities (+increase/-decrease in pension liabilities)

SEK million	Sweden	US	Total
Discount rate, %	+0.5	-14	-10
	-0.5	15	11
Increased/decreased life expectancy, years	+1	7	8
	-1	-7	-8

The sensitivity analysis is based on a change in an individual actuarial assumption while other assumptions remain unchanged. This method shows the obligation's sensitivity to a single assumption. This is a simplified method, as actuarial assumptions are normally correlated.

Defined benefit pension liabilities terms

SEK million	Sweden	US	Poland	Total
Benefits scheduled for disbursement within 12 months	8	22	1	31
Benefits scheduled for disbursement within 1–5 years	42	108	4	154
Benefits scheduled for disbursement after 5 years or more	328	98	7	432

Contributions to plans for post-employment remuneration are estimated at SEK 8 million for the financial year 2026.



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12 Remuneration to auditors

SEK million	2025	2024
EY		
Audit engagement	-9.4	-8.9
Audit services in addition to audit engagement	-3.2	-1.1
Tax advisory services	-0.2	-0.1
Other	-	-1.3
Total remuneration to auditors	-12.8	-11.5

Audit engagement refers to the examination of the annual report and accounting records and of the Board of Directors and CEO's management of the company, other tasks incumbent on the company's auditor as well as advice and other assistance occasioned by observations made in the course of such examinations or the performance of such other tasks.

Audit services in addition to the audit engagement primarily comprise the review of interim financial information and the statutory sustainability statement.

Tax advisory services include advice on tax, including transfer pricing issues, as well as value-added tax.

13 Other operating expenses

SEK million	2025	2024
Energy and utility expenses	-994	-931
Freight expenses	-584	-568
Consumable material	-489	-487
Repair and maintenance expenses	-482	-483
Consultant fees	-207	-195
Insurance	-81	-82
Travel expenses	-38	-40
Vehicle operating expenses	-44	-44
Other	-453	-397
Total other operating expenses	-3,372	-3,226

Government grants have reduced other operating expenses by SEK 68 million (62) during 2025.

14 Items affecting comparability

SEK million	2025	2024
Integration and start-up costs Shandong	-	-31
Impairment of tangible assets	-	-17
Total items affecting comparability	-	-48

There are no items affecting comparability in 2025.

Following the acquisition of Shandong in 2024, costs for integration and start-up, amounting to SEK 31 million were incurred. These costs were classified as items affecting comparability and excluded from the adjusted operating profit for 2024.

In addition, impairments of tangible assets of SEK 17 million were recognized in 2024. The impairments related to production equipment that had been taken out of use and were also treated as items affecting comparability.

15 Associates and joint ventures

Gränges has a joint arrangement with Zhejiang Gränges Sheng'an Aluminum Co., Ltd which provides stamping capacity for Gränges' customers in China. Gränges owns, taking into account non-controlling interests, 40 percent of the company and the holding is classified as a joint venture and is accounted for using the equity method.

Yunnan Chuangge New Materials Science & Technology Co., Ltd, a jointly owned company with Shandong Innovation Group (SIG), operates a recycling and casting facility in the hydropower-rich province of Yunnan, China. Gränges owns, taking into account non-controlling interests, 39.2 percent of the company and the holding is classified as an associate and accounted for using the equity method.

Investments accounted for in accordance with the equity method

SEK million	Zhejiang Gränges Sheng'an Aluminum Co., Ltd	Yunnan Chuangge New Materials Science & Technology Co., Ltd	Total
Carrying amount at January 1, 2025	22	212	234
Share of profit/loss	2	-18	-17
Translation differences	-3	-27	-30
Carrying amount at December 31, 2025	21	166	187
Carrying amount at January 1, 2024	19	207	226
Share of profit/loss	2	-10	-8
Translation differences	1	14	15
Carrying amount at December 31, 2024	22	212	234

No capital injection is deemed to be required to any of the companies in 2026.

16 Financial income and costs

SEK million	2025	2024
Interest income	18	25
Net foreign exchange gain	-	1
Total financial income	18	27
Interest expense	-254	-243
Net interest expense, pensions	-9	-9
Interest expense on lease liabilities	-13	-13
Net foreign exchange loss	-6	-
Other financial expenses	-16	-27
Total financial costs	-298	-292
Total financial income and costs	-280	-265

Other financial expenses primarily consists of costs for financing and bank fees.



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Tax expense

SEK million	2025	2024
Profit before taxes	1,317	1,251
Current tax	-275	-284
Deferred tax	16	44
Total tax	-259	-240
Tax as % of profit before taxes	20%	19%

Reconciliation of the Group's tax rate

The following table shows a reconciliation of reported tax and tax calculated on Swedish tax rate of 20.6 percent (20.6). The main tax components are shown below.

SEK million	2025	2024
Earnings before tax multiplied by nominal tax rate in Sweden	-271	-258
Effect of foreign operations with tax rates other than 20.6% (20.6)	6	10
Non-deductible expenses	-18	-8
Non-taxable income	4	13
Tax subsidies abroad	24	30
Other income taxes paid abroad	-8	-14
Adjustment of tax in respect of prior years	4	-14
Total tax	-259	-240

Gränges' Chinese subsidiary has for tax purpose received a pre-qualification as a High and New-Technology Enterprise for the three-year period 2025 to 2027. The pre-qualification means that the company preliminary pays 15 percent in corporate income tax instead of the ordinary tax of 25 percent for the period. In order to finally obtain the lower tax rate, the company must meet special requirements established by the authorities in China for each one of the three years. Gränges currently considers it to be more likely than not that the special requirements will be met for the financial year 2025 and therefore applies a tax rate of 15 percent for the Chinese operation. If the ordinary tax rate of 25 percent had been applied for 2025, tax as a percentage of profit before tax for the Group would not have deviated significantly from the current 20 percent.

Non-deductible expenses mainly refer to limitations on the deductibility of interest expenses in Sweden.

Tax subsidies abroad primarily relate to state tax credits in the United States, as well as deductions in China where eligible research and development expenses qualify for a 200 percent tax deduction.

Change in deferred tax in the income statement

SEK million	2025	2024
Change in deferred tax in balance sheet	87	14
Change in deferred tax, hedging reserve in other comprehensive income	0	-11
Change in deferred tax, actuarial gains and losses on pensions in other comprehensive income	-3	7
Acquisition	-	12
Translation effects in other comprehensive income	-69	22
Change in deferred tax in the income statement	16	44

Deferred tax on temporary differences

SEK million	2025			2024		
	Deferred tax asset (+)	Deferred tax liability (-)	Net deferred tax	Deferred tax asset (+)	Deferred tax liability (-)	Net deferred tax
Intangible assets	0	-71	-71	0	-97	-97
Property, plant and equipment	8	-748	-740	31	-864	-833
Financial instruments	18	-30	-12	19	-20	-1
Pension provisions	39	-36	3	54	-52	2
Other non-current items	61	-6	55	73	-6	66
Total non-current items	126	-890	-764	176	-1,039	-862
Inventories	44	-1	43	40	-1	39
Other current items	175	-1	174	220	0	220
Total current items	219	-2	217	260	-2	259
Tax losses	78	-	78	47	-	47
Set-off	-358	358	0	-413	413	0
Net deferred tax assets (+) / liabilities (-)	64	-534	-469	70	-627	-557

Deferred tax

Deferred tax consists of the Group's tax items, which are settled in the future. The table below specifies deferred tax assets and tax liabilities relating to temporary differences between the carrying amounts and tax bases of assets and liabilities.

Deferred tax assets in respect of tax losses have been taken into account in full since the company is of the opinion that sufficient income will be generated in the future to be utilized against the tax losses. The tax losses are mainly attributable to Sweden and can be carried forward indefinitely.

In addition, the Group has tax loss carryforwards related to non-deductible interest expenses under the Swedish interest deduction limitation rules. No deferred tax asset has been recognized for these amounts, as the recoverability is not considered probable. The unrecognized tax loss carryforwards amount to SEK 66 million, corresponding to a deferred tax effect of SEK 14 million, and expire within three to six years.

Deferred tax assets on other non-current items mainly refer to lease liabilities.

Deferred tax assets on other current items mainly refers to accrued expenses in China.

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18 Earnings per share

Earnings per share are calculated by dividing the profit for the year attributable to the owners of the company by the weighted average number of outstanding shares. The weighted average number of shares before dilution is based on the actual number of shares in circulation during the period. For diluted earnings per share, this number is adjusted for the potential ordinary shares arising from dilutive call options and warrants.

In previous years, Gränges has issued call options and warrants under the incentive programs IP 2020, IP 2022 and LTI 2023. These call options and warrants were considered dilutive during the year and have therefore been included in the calculation of diluted earnings per share. The programs increased the weighted average number of shares by 7,991 (89,521), 94,551 (85,361) and 10,896 (4,991) potential ordinary shares, respectively. The LTI 2024 and LTI 2025 incentive programs were not dilutive and therefore did not affect the calculation. For further information on the incentive programs, see Note 10.

	2025	2024
Profit for the year attributable to owners of the parent company (SEK million)	1,015	1,013
Weighted average number of outstanding shares, basic	106,330,276	106,308,618
Weighted average number of outstanding shares, diluted	106,443,713	106,488,491
Earnings per share attributable to owners of the parent company, basic, SEK	9.55	9.53
Earnings per share attributable to owners of the parent company, diluted, SEK	9.54	9.51

19 Supplementary information to the consolidated cash flow statement

Reconciliation between opening and closing balance of liabilities whose cash flows are recognized in financing activities

SEK million	2025	2024
Net interest-bearing liabilities at January 1	5,476	3,439
Cash flow	-168	1,684
<i>Non-cash items</i>		
Translation differences	-465	213
Change in accrual borrowing costs	1	0
New and remeasured leases	46	140
Net interest-bearing liabilities at December 31	4,890	5,476

Cash and cash equivalents

SEK million	2025	2024
Cash and bank balances	547	850
Total cash and cash equivalents	547	850

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SEK million	Goodwill	IT	Customer relationships	Other	Total
Carrying amount at January 1, 2025	1,047	52	404	10	1,514
Acquisitions	-	0	-	12	12
Impairment	-	-	-	-	-
Amortization	-	-10	-42	-4	-55
Translation differences	-98	-6	-36	-1	-140
Carrying amount at December 31, 2025	949	36	327	18	1,330
Cost at December 31, 2025	949	292	581	67	1,891
Accumulated amortization and impairment	-	-256	-254	-49	-560
Carrying amount at December 31, 2025	949	36	327	18	1,330
Carrying amount at January 1, 2024	979	60	419	16	1,474
Acquisitions	-	-	-	0	0
Impairment	-	-	-	-	-
Amortization	-	-11	-44	-8	-62
Translation differences	68	4	29	1	102
Carrying amount at December 31, 2024	1,047	52	404	10	1,514
Cost at December 31, 2024	1,047	305	642	58	2,054
Accumulated amortization and impairment	-	-252	-237	-48	-539
Carrying amount at December 31, 2024	1,047	52	404	10	1,514

Impairment test of goodwill

Impairment testing of goodwill is made annually or continuously during the year if an event that may result in impairment need arises. Gränges has defined the three business areas Gränges Americas, Gränges Asia and Gränges Europe to constitute cash-generating units (CGUs). Goodwill for Gränges Americas amounts to SEK 360 million (427), for Gränges Asia to SEK 6 million (6) and for Gränges Europe to SEK 583 million (614) as of December 31, 2025.

The annual impairment test of goodwill was carried out during the fourth quarter 2025. The forecast period is five years with an average annual growth of 2.7 percent for Gränges Americas, 10.3 percent for Gränges Asia and 5.3 percent for Gränges Europe. The continuing value for cash flows beyond the forecast period (from year six) is based on a terminal growth rate of 2.0 percent for all of the three CGUs. Cash flows have been discounted at a present value using a discount rate calculated at 8.3 percent (8.3) after tax, corresponding to 8.5 percent (8.5) before tax.

Through sensitivity analysis, the Group evaluated whether reasonably possible adverse changes in discount rate or growth rate assumptions could result in a need for goodwill impairment. The analysis concluded that the goodwill values for Gränges Americas and Gränges Asia remain robust and are not adversely affected under less favorable assumptions regarding both discount rates and long-term growth. For Gränges Europe, the analysis indicates a greater sensitivity to changes in these assumptions, where a scenario combining lower long-term growth with a higher discount rate could reduce the headroom available.

IT

IT mainly refers to capitalized production and ERP systems.

Customer relationships

The majority of the customer relationships arose in conjunction with the acquisition in the US during 2016 and in Poland 2020. The acquired businesses had a number of customers that they have had long relationships with. The customer relationships are recognized at their fair value at the date of acquisition and are subsequently amortized on a straight-line basis over their estimated useful lives.

Other

The Group is running a large number of development projects but the criteria for recognizing the projects as intangible assets are currently not met. Total costs for research and development projects amount to SEK 70 million (72) for 2025.

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21 Property, plant and equipment

SEK million	Land, land improvements and buildings	Machinery and equipment	Fixed assets under construction	Fixtures, vehicles, etc.	Total
Carrying amount at January 1, 2025	2,366	4,993	1,924	134	9,417
Acquisitions	3	7	743	7	761
Divestments and disposals	0	-1	-	-5	-6
Transferred assets, fixed assets under construction	278	1,144	-1,445	23	0
Impairment	-	-1	0	-	-1
Depreciation	-107	-600	0	-27	-733
Translation differences	-273	-607	-130	-6	-1,015
Carrying amount at December 31, 2025	2,268	4,936	1,092	127	8,423
Cost at December 31, 2025	3,144	11,665	1,092	490	16,391
Accumulated depreciation and impairment	-876	-6,728	0	-364	-7,968
Carrying amount at December 31, 2025	2,268	4,936	1,092	127	8,423
Carrying amount at January 1, 2024	1,805	4,393	1,316	128	7,642
Asset acquisition	321	339	-	2	661
Acquisitions ¹	0	9	1,304	12	1,325
Divestments and disposals	0	-3	-	-2	-5
Transferred assets, fixed assets under construction	207	558	-784	20	0
Impairment	0	-18	-	-	-18
Depreciation	-97	-607	-	-31	-735
Translation differences	131	322	88	5	546
Carrying amount at December 31, 2024	2,366	4,993	1,924	134	9,417
Cost at December 31, 2024	3,239	11,827	2,002	500	17,568
Accumulated depreciation and impairment	-873	-6,834	-79	-366	-8,151
Carrying amount at December 31, 2024	2,366	4,993	1,924	134	9,417

¹ Includes government grants of SEK 3 million for 2024. The grant has reduced the acquisitions.

22 Right-of-use-assets and lease liabilities

SEK million	Land and buildings	Machinery and equipment	Fixtures, vehicles, etc.	Total right-of-use-assets	Total lease liabilities
Carrying amount at January 1, 2025	156	113	47	316	335
Acquisitions	4	-	42	46	46
Interest expense on lease liabilities	-	-	-	-	13
Extension and termination options	0	0	-	0	0
Lease payments	-	-	-	-	-82
Depreciation	-22	-18	-22	-63	-
Remeasurements	-	-	-	-	-
Canceled contracts	0	0	0	0	0
Translation differences	-16	-17	-3	-36	-36
Carrying amount at December 31, 2025	122	78	64	263	275
Cost at December 31, 2025	171	180	98	449	
Accumulated depreciation	-48	-103	-35	-186	
Carrying amount at December 31, 2025	122	78	64	263	
Carrying amount at January 1, 2024	86	114	20	220	237
Acquisitions	82	10	48	140	140
Interest expense on lease liabilities	-	-	-	-	13
Extension and termination options	0	0	-	0	0
Lease payments	-	-	-	-	-71
Depreciation	-18	-21	-21	-60	-
Remeasurements	-	-	-	-	-
Canceled contracts	0	0	-	0	0
Translation differences	5	10	0	16	16
Carrying amount at December 31, 2024	156	113	47	316	335
Cost at December 31, 2024	202	217	78	496	
Accumulated depreciation	-46	-104	-30	-180	
Carrying amount at December 31, 2024	156	113	47	316	

The expense related to short-term leases and leases of low-value assets for 2025 amounts to SEK 9 million (8). The expense related to variable lease payments not included in the lease liabilities is not significant.

For further information about non-current and current lease liabilities, see Note 30. For maturity analysis for lease liabilities, see Note 31.



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23 Other non-current receivables

SEK million	2025	2024
Derivatives	215	208
Other non-current receivables	9	9
Total other non-current receivables	224	218

24 Inventories

SEK million	2025	2024
Raw materials	1,445	1,307
Work in progress	1,964	1,738
Finished goods and merchandise	1,795	1,898
Derivatives	85	-19
Other	229	247
Provision for obsolescence	-41	-42
Total inventories	5,477	5,129

Inventories are measured at the lower of cost and net realizable value after deduction of selling costs.

The amount of inventories recognized as an expense is included in cost of materials and amounted in 2025 to SEK 20,008 million (15,490) including the change in the provision for obsolescence of SEK -2 million (2).

25 Overview of financial instruments

2025 SEK million	Note	Measurement level	Financial instruments at fair value through profit or loss	Derivatives in- cluded in hed- ge accounting	Financial assets measured at amortized cost	Financial liabilities measured at amortized cost	Total	Of which interest- bearing
<i>Non-current assets</i>								
Non-current financial receivables	23	-	-	-	-	-	0	-
Non-current derivatives	23, 32	2	209	5	-	-	215	-
Total			209	5	-	-	215	-
<i>Current assets</i>								
Accounts receivable	26	-	-	-	3,304	-	3,304	-
Other current receivables	26	-	-	-	460	-	460	-
Current derivatives	26, 30	2	74	66	-	-	140	4
Cash and cash equivalents	30	-	-	-	547	-	547	547
Total			74	66	4,311	-	4,451	551
<i>Non-current liabilities</i>								
Non-current financial liabilities	30	-	-	-	-	1,875	1,875	1,875
Non-current derivatives	30	2	25	15	-	-	40	25
Total			25	15	-	1,875	1,915	1,900
<i>Current liabilities</i>								
Current financial liabilities	30	-	-	-	-	2,991	2,991	2,991
Accounts payable	29	-	-	-	-	3,105	3,105	-
Other current liabilities	29	-	-	-	-	413	413	-
Current derivatives	29, 30	2	158	84	-	-	242	3
Total			158	84	-	6,509	6,751	2,994
Total financial instruments (receivables + / liabilities -)			100	-28	4,311	-8,384	-4,000	-4,343

Measurement of financial instruments

The Group uses the following hierarchy to determine the fair values of financial instruments:

- Level 1: Quoted, unadjusted prices in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included in Level 1 that are directly or indirectly observable for the instrument.
- Level 3: Non-observable inputs that have significant impact on the fair value of the instrument.

Currency forwards

Fair value of currency forward contracts is calculated by discounting the difference between the contracted forward rate and the forward rate that can be contracted on the balance sheet date for the remaining contract period.

Aluminium futures

Aluminium futures are measured at observable quoted prices on LME (London Metal Exchange) and SHFE (Shanghai Futures Exchange) for similar assets and liabilities.

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Interest-bearing receivables and liabilities

The fair value of interest-bearing assets and liabilities is provided for disclosure purposes and is estimated by discounting the future cash flows of principal and interest at the current market rate. In the fair value measurement of borrowings, the credit spread has remained constant unless there is clear evidence that a change in the Group's creditworthiness has resulted in an observable change in the credit spread. As per December 31, 2025, the fair value of borrowings amounted to SEK 4,903 million (5,487).

Other receivables and liabilities

For other receivables and liabilities, which are short-term, the carrying amount is considered to reflect the fair value.
No transfers from one level to another in the valuation hierarchy were made in 2025 and 2024.

2024 SEK million	Note	Measurement level	Financial instruments at fair value through profit or loss	Derivatives in- cluded in hed- ge accounting	Financial assets measured at amortized cost	Financial liabilities measured at amortized cost	Total	Of which interest- bearing
Non-current assets								
Non-current financial receivables	31, 32	-	-	-	-	-	-	-
Non-current derivatives	23, 32	2	-	208	-	-	208	-
Total			-	208	-	-	208	-
Current assets								
Accounts receivable	26	-	-	-	2,897	-	2,897	-
Other current receivables		-	-	-	467	-	467	-
Current derivatives	26, 31, 32	2	63	55	-	-	117	0
Cash and cash equivalents		-	-	-	850	-	850	850
Total			63	55	4,214	-	4,331	850
Non-current liabilities								
Non-current financial liabilities	30	-	-	-	-	1,818	1,818	1,818
Non-current derivatives	32	2	48	13	-	-	60	48
Total			48	13	-	1,818	1,878	1,866
Current liabilities								
Current financial liabilities	30	-	-	-	-	3,611	3,611	3,611
Accounts payable	29	-	-	-	-	2,586	2,586	-
Other current liabilities	29	-	-	-	-	464	464	-
Current derivatives	29, 31, 32	2	76	80	-	-	156	0
Total			76	80	-	6,661	6,818	3,611
Total financial instruments (receivables + / liabilities -)			-61	170	4,214	-8,479	-4,156	-4,627



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26 Current receivables

SEK million	2025	2024
Accounts receivable	3,304	2,897
Derivatives	136	117
Other current receivables	460	467
Total non-interest-bearing financial receivables	3,901	3,481
Advances to suppliers/accrued income	140	109
Tax receivables	73	58
Total current receivables	4,113	3,648

Change in provisions for expected credit losses

SEK million	2025	2024
Provisions for expected credit losses at January 1	-35	-36
Expected credit losses recognized in income statement	-11	-2
Used during the year	0	4
Translation differences	1	-1
Provisions for expected credit losses at December 31	-45	-35

Accounts receivables maturity structure

SEK million	2025	2024
Not yet due	2,832	2,416
Overdue 1–30 days	404	406
Overdue 31–60 days	68	58
Overdue 61–90 days	7	14
Overdue more than 90 days	38	38
Provisions for expected credit losses at December 31	-45	-35
Accounts receivable, carrying amount at December 31	3,304	2,897

The maturity structure of overdue receivables has been relatively stable over time and reflects the fact that Gränges operates in certain regions and markets where payments from customers are generally somewhat slow. Overdue accounts receivable are allocated across the whole customer base.

Credit losses have historically been relatively small and stable. Five customers accounted for 15 percent of total outstanding accounts receivable at December 31, 2025 (five customers accounted for 19 percent of the total outstanding accounts in 2024).

A more detailed description of the customer base is given in Note 8.

27 Share capital and number of shares

	2025	2024
Opening numbers of shares	106,308,618	106,308,618
Share issue	153,536	-
Closing numbers of shares	106,462,154	106,308,618

SEK million	2025	2024
Share capital, opening balance	142	142
Share issue	0	-
Share capital, closing balance	143	142

The articles of association for Gränges AB (publ) state that the share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000. The number of shares shall be not less than 75,000,000 and not more than 300,000,000. The share capital comprises a single class of share.

The number of shares and votes increased during 2025 as a result of the exercise of warrants issued under the IP 2022 incentive program, adopted by the Annual General Meeting on 4 May 2022. Through the exercise of these warrants, the number of shares and votes increased by 153,536, from 106,308,618 to 106,462,154. As a consequence, the share capital increased by SEK 205,703, from SEK 142,429,652 to SEK 142,635,356. The quota value per share amounts to SEK 1.339775. Earnings per share and the effect of dilution are presented in Note 18.

28 Other provisions

	Employee benefits	
SEK million	2025	2024
Carrying amount at January 1	108	108
Provisions made during the year	106	54
Provisions used during the year	-61	-62
Unutilized provisions reversed during the year	0	1
Reclassifications	0	0
Translation differences	-12	8
Carrying amount at December 31	141	108
of which non-current	50	57
of which current	91	50

A provision for employee benefits is recognized in accordance with agreements entered for long-term incentive programs and other personnel obligations.

29 Other current liabilities

SEK million	2025	2024
Accounts payable	3,105	2,586
Derivatives	239	156
Non-interest-bearing liabilities	413	464
Total non-interest-bearing financial liabilities	3,757	3,206
Employee-related liabilities	404	427
Accrued expenses	248	288
Employee withholding tax	11	10
Other current liabilities	57	50
Total other current liabilities	4,477	3,982

Supplier finance arrangements and commercial debt instruments

The Group participates in supplier finance arrangements (supply chain financing) and utilizes commercial debt instruments, such as Chinese commercial acceptance bills, as part of its working capital management.

Under these arrangements, a third-party financing provider may settle approved supplier invoices prior to their original due dates. The Group subsequently settles the payment with the financing provider in accordance with the agreed terms.

The arrangements do not involve any security over the Group's assets and do not contain any financial covenants.

As of the balance sheet date, liabilities related to supplier finance arrangements and commercial debt instruments amounted to:

SEK million	2025	2024
Recognized as accounts payable	899	708
Recognized as other liabilities	403	452
Total	1,302	1,160

As of December 31, 2025, all suppliers had received payment from the financing provider.

The liabilities are included in "Accounts payable" and "Other liabilities," respectively, in the statement of financial position.

For accounts payable subject to these arrangements, payment terms generally range from 90 to 180 days. The corresponding payment terms for accounts payable not subject to the arrangements range from 3 to 30 days.

The arrangements form part of the Group's ongoing working capital management. If the financing providers were to choose not to renew or provide financing, this could impact the Group's liquidity. However, the Group assesses that alternative sources of financing would be available if needed.

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30 Financial and interest-bearing liabilities

Financing

Gränges' interest-bearing liabilities include financing from banks, financial institutions, and the credit market.

As of December 31, 2025, outstanding loans from banks and credit institutions amounted to USD 70 million, SEK 600 million and CNY 892 million, of which USD 70 million and SEK 600 million had a sustainability-linked structure. The margin on the sustainability-linked agreements is affected by Gränges' sustainability performance. Gränges' sustainability-linked revolving credit facility of SEK 3,000 million was unutilized at the end of the period. During the fourth quarter of 2025, one of two extension options was exercised, extending the maturity of the SEK 3,000 million revolving credit facility and the USD 70 million loan by one year.

Gränges' non-current interest-bearing liabilities consisted of term loans of USD 70 million (70), SEK 400 million (200), CNY 25 million (0) and bonds of SEK 600 million (600) issued under Gränges' MTN program (Medium Term Note). The revolving credit facility of SEK 3,000 million (3,000) was unutilized as of December 31, 2025.

Current interest-bearing liabilities consisted of interest-bearing loans of SEK 200 million (200), USD 0 million (20), and CNY 867 million (1,075), and bonds of SEK 600 million (0) issued under Gränges' MTN program as well as commercial papers of SEK 888 million (1,374). Overdraft facilities were utilized with PLN 37 million (45).

The majority of the loan facilities are subject to financial covenants, including a Net Debt to EBITDA ratio and an Interest Coverage Ratio. The covenants were fulfilled as of December 31, 2025.

Interest-bearing liabilities are measured at amortized cost and the carrying amount as of December 31, 2025, was SEK 4,894 million (5,477). The fair value of interest-bearing liabilities amounted to SEK 4,903 million as of December 31, 2025 (5,487). For other receivables and liabilities, which are short-term, the carrying amount is considered to reflect the fair value.

Under the current loan agreements, Gränges has entered customary undertakings not to pledge assets or otherwise use its property to give creditors priority over existing lenders.

SEK million	Carrying amount	
	2025	2024
<i>Non-current interest-bearing liabilities</i>		
Interest-bearing loans	1,067	960
Bonds in MTN program	600	600
Interest-bearing derivatives	25	48
Lease liabilities	207	258
Total non-current interest-bearing liabilities	1,900	1,866
<i>Current interest-bearing liabilities</i>		
Interest-bearing loans	1,340	2,040
Bonds in MTN program	600	-
Overdraft Facilities	95	121
Commercial papers	888	1,374
Interest-bearing derivatives	3	0
Lease liabilities	68	76
Total current interest-bearing liabilities	2,994	3,611
Total interest-bearing liabilities	4,894	5,477
<i>Interest-bearing receivables</i>		
Current interest-bearing derivatives	4	0
Cash and cash equivalents	547	850
Total interest-bearing receivables	551	850
Net interest-bearing liabilities	4,343	4,627

31 Financial risk

Financial risk management

Gränges operates globally and is exposed to various financial risks, such as market risk related to currency rates, commodity prices and interest rates, but also to liquidity risk and credit risk. Gränges uses derivatives and other financial instruments to mitigate these risks in accordance with the Group's Financial Management Policy which is approved by the Board.

Gränges manages financial risks in a non-speculative manner and all transactions in financial derivatives are executed in order to limit financial risks within the Group.

Currency risk

Transaction exposure

Gränges is exposed to currency risk as sales and purchases are largely made in different currencies. Movements in the exchange rates may cause fluctuations in the value of financial instruments, such as debt instruments, accounts receivable and accounts payable, and the value of expected and contracted cash flows. In 2025, sales volume to countries outside Sweden accounted for 99 percent (98) of Gränges' total sales volume. The largest currencies were USD, CNY and EUR.

The sales price for Gränges' products is divided into a metal price component for the raw material and a conversion price component covering Gränges' processing costs and margin. The cost of the aluminium is passed on to the customer through metal price clauses. Both purchase and sales price for the metal component are generally based on the same price index and in the same currency, for example the London Metal Exchange (LME) or Shanghai Futures Exchange (SHFE). Therefore, no material currency exposure arises from the metal price component. The largest portion of Gränges' cost base for processing is in USD, CNY, PLN and SEK while the conversion price is set primarily in USD, CNY and EUR. The conversion price is generally contracted for a longer period of time.

The Group's sensitivity to exchange rate fluctuations before currency hedges is shown in the table on the next page.

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2025	Change, %	Effect on operating profit, SEK million
EUR/SEK	+/-10%	+/-69
USD/SEK	+/-10%	+/-43
USD/CNY	+/-10%	+/-71
EUR/PLN	+/-10%	+/-136
USD/PLN	+/-10%	-/+9

The objective of Gränges’ currency hedging activities is to minimize the effect of rapid changes in currency rates in the short and medium term by hedging a part of the Group’s foreign currency exposure. Transaction exposure is hedged up to 24 months in advance. In 2025, 50–75 percent of the forecasted currency exposure of the coming 12 months was hedged.

The Group’s total outstanding currency hedges at the balance sheet date are shown in the table below.

Currency contracts linked to hedging of future income and expenses

	2025		2024	
	Net volume, million	Price	Net volume, million	Price
EUR/SEK	-73	11.08	-53	11.46
USD/SEK	-33	9.41	-25	10.38
USD/CNY	-76	7.01	-60	6.94
EUR/PLN	-140	4.32	-95	4.44
USD/PLN	-23	3.66	27	4.06

Gränges applies hedge accounting. The various types of hedging are described in Note 32.

Translation exposure

As SEK is the presentation currency for the Group, Gränges is exposed to currency risk upon translating net investments in foreign operations to SEK. This refers mainly to CNY, USD and PLN where changes in exchange rates may impact the consolidated balance sheet. The translation exposure related to net investments in foreign operations was SEK 5,884 million (6,084) at December 31, 2025.

Gränges is also exposed to currency risk when translating income statements from foreign operations to SEK. The translation exposure related to the adjusted operating profit was SEK 1,647 million (1,533) for full year 2025. As such, a 10 percent depreciation of SEK against all currencies would have a positive impact on the adjusted operating profit of SEK 165 million (153).

Gränges does not hedge the translation exposure.

Commodity price risk

The price of aluminium is Gränges most significant commodity price risk. Aluminium is traded on the LME and SHFE and the prices set on these exchanges are used as basis for Gränges metal purchases and sales. Commodity price exposure arises as there is a time lag between purchase of raw materials and sales of finished goods. Price changes that may occur may affect Gränges operating profit negatively.

Gränges primarily reduces the exposure by matching price terms from suppliers with price terms offered to its customers. Furthermore, Gränges is also using financial derivatives, such as forwards and futures contracts with LME and SHFE as underlying price index, to reduce the metal price exposure.

As per December 31, 2025, Gränges had sold a net volume of 53,825 tonnes (57,700) based on LME and 24,730 tonnes (28,695) based on SHFE.

Interest rate risk

Gränges’ interest rate risk is primarily related to the Group’s interestbearing liabilities and assets. The majority of Gränges’ borrowings have variable interest rates. The average duration of the loan portfolio may be prolonged either by changing interest rate terms in loan agreements or by using financial instruments, such as interest rate swaps. As per December 31, 2025, the average duration of the loan portfolio was six months (eight), including interest rate swaps.

Credit risk

Credit risks related to accounts receivable and other current assets is managed as part of the commercial risk and is monitored continuously by the legal entities. Gränges’ customers are spread over various countries and geographic markets. Credit losses have historically been low due to the relatively strong financial position of Gränges’ customers as well as strict credit procedures. Credit insurances are used occasionally.

Gränges’ credit risks related to financial instruments are managed by choosing counterparties with a good credit rating and by limiting the exposure per counterparty. Gränges also enters into ISDA agreements with financial counterparties, which entails a right to offset assets and liabilities in relation to the same counterparty in the case of a credit event.

Sensitivity analysis

Gränges financial instruments are exposed to different type of market risks which can affect the income statement or equity. Financial instruments, especially derivatives, are used as a means of hedging financial and operational exposures.

The table below shows a partial analysis of the sensitivity of financial instruments, where the isolated effect on the income statement and other comprehensive income is calculated. This is done on the basis of a chosen hypothetical change in market prices or prices in the balance sheet at December 31, 2025. The calculations reflect financial instruments outstanding as of the balance sheet date, including related currency hedging instruments entered into subsequent to period-end in order to present a representative economic risk position. In accordance with IFRS, the analysis only covers financial instruments and is not intended to provide a full overview of the Group’s market risk, for example:

- For currency hedges of concluded contracts changes in the fair value of the hedging instrument will affect the income statement while changes in the fair value of the underlying hedged contract that is offset by the hedging instrument will not be shown, as this is not a financial instrument.
- If one of the parameters changes the analysis will not take into account any correlations with other parameters.
- Financial instruments in the functional currency of individual units do not create a currency risk and are therefore not included in this analysis. For the same reason the currency exposure is not included upon translation of such financial instruments into the presentation currency.

Generally, the effect on the income statement and other comprehensive income of financial instruments shown in the table is expected to offset the effects of the hedged items in cases where the financial instruments are included in a hedging relationship.

Accounting effects of changes in market risk are recognized in the income statement and other comprehensive income depending on classification according to hedge accounting. Effects which are accounted for in the income statement also affect other comprehensive income in addition to the figures presented in the table.

SEK million	Accounting before tax effects on			
	Income statement		Other comprehensive income	
	2025	2024	2025	2024
Interest rate risk: +/-1 % parallel shift in yield curves, all currencies	-/+25	-/+21	-	-
Currency risk: +/-10 % change in FX rate, EUR/SEK	-	-/+8	-/+91	-/+42
Currency risk: +/-10 % change in FX rate, USD/SEK	-	-/+8	-/+25	-/+19
Currency risk: +/-10 % change in FX rate, USD/CNY	-	-	-/+6	-/+37
Currency risk: +/-10 % change in FX rate, EUR/PLN	-	-/+4	-/+194	-/+184
Currency risk: +/-10 % change in FX rate, USD/PLN	-	+/-7	+/-14	+/-14
Price risk: +/-20 % change in LME prices	-/+293	-/+243	-/+33	-/+35



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Liquidity risk

Liquidity risk is the risk that Gränges will be unable to fulfil its payment obligations. Gränges' Financial Management Policy stipulates metrics to ensure adequate liquidity in the Group. Cash flow from operating activities is managed centrally and Gränges monitors both short and long-term liquidity in the Group.

The table below shows the maturity structure for the Group's contractual financial liabilities. The amounts refer to non-discounted future cash flows

and may therefore differ from the recognized figures. All variable interest cash flows have been calculated at the rate prevailing on the balance sheet date and all future cash flows in foreign currency are translated to SEK using the closing rate at year-end. The table also includes derivatives which are recognized as assets at the balance sheet date, as derivatives can include both positive and negative cash flows, and the fair value varies over time. Financial liabilities are managed using operating cash flow, liquid and interest-bearing assets and available credit facilities.

2025 SEK million	Carrying amount	Contractual cash flows	<1 year	1–2 years	2–4 years	>4 years
Lease liabilities	-275	-401	-79	-68	-84	-170
Other interest-bearing liabilities	-4,640	-4,954	-3,055	-128	-740	-1,031
Accounts payable	-3,105	-3,105	-3,105	-	-	-
Other current liabilities	-9	-9	-9	-	-	-
Net-settled derivatives ¹⁾ – aluminium derivatives	-163	-	-	-	-	-
Inflow	-	52	52	-	-	-
Outflow	-	-215	-215	-	-	-
Gross-settled derivatives ¹⁾ – currency derivatives	69	-	-	-	-	-
Inflow	-	94	88	5	-	-
Outflow	-	-24	-24	-1	-	-
Total	-8,123	-8,563	-6,347	-191	-824	-1,201

2024 SEK million	Carrying amount	Contractual cash flows	<1 year	1–2 years	2–4 years	>4 years
Lease liabilities	-335	-425	-77	-65	-97	-186
Other interest-bearing liabilities	-5,148	-5,407	-3,678	-869	-860	-
Accounts payable	-2,586	-2,586	-2,586	-	-	-
Other current liabilities	-10	-10	-10	-	-	-
Net-settled derivatives ¹ – aluminium derivatives	-24	-	-	-	-	-
Inflow	-	57	57	-	-	-
Outflow	-	-82	-82	-	-	-
Gross-settled derivatives ¹ – currency derivatives	-16	-	-	-	-	-
Inflow	-	61	60	1	-	-
Outflow	-	-77	-75	-2	-	-
Total	-8,119	-8,468	-6,390	-935	-957	-186

¹ Including derivatives recognized as assets.



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The table below shows the fair value of all outstanding derivatives grouped by their treatment in the financial statements.

Derivatives and hedging

SEK million	2025		2024	
	Assets (+)	Liabilities (-)	Assets (+)	Liabilities (-)
Cash flow hedges				
Currency derivatives	56	-7	49	-39
Interest rate derivatives	-	-15	-	-11
Commodity derivatives	16	-78	7	-43
Total	72	-99	55	-93
Fair value hedges				
Currency derivatives	18	-5	6	-14
Commodity derivatives	36	-137	51	-39
Total	54	-143	57	-52
Other derivatives – changes in fair value recognized in income statement				
Share derivatives	209	-	207	-
Currency derivatives	19	-12	6	-71
Interest rate derivatives	0	-28	-	-
Commodity derivatives	0	0	-	-
Total	229	-40	213	-71
Total derivatives	355	-282	326	-217

Cash flow hedges

Gränges' purchases of aluminium forwards and futures with LME and SHFE as price base and currency forwards are identified as hedging instruments in the category cash flow hedges. All derivatives that are classified as hedging instruments in cash flow hedges are accounted for at fair value in the balance sheet. Changes in fair value are recognized in other comprehensive income and accumulated in the hedging reserve in equity and are reclassified to the income statement when the hedged cash flows are recognized in the income statement.

No gain or loss has been recognized in the income statement as a result of ineffective hedging in 2025 and 2024. All expected cash flows that were hedged in 2025 still qualify for hedge accounting.

Change in hedging reserve

SEK million	2025	2024
Opening hedging reserve before tax	-61	74
Reclassified to income statement	26	-48
Change in value during the year	-57	-87
Closing hedging reserve before tax	-93	-61
Deferred tax, hedging reserve	6	7
Closing hedging reserve after tax	-86	-54

A negative hedging reserve will result in a negative recognition in the income statement in the future. Accumulated hedging gains and losses from cash flow hedges which were recognized in the hedging reserve as at December 31, 2025 and are expected to be recognized in the income statement (before tax) are SEK -18 million for 2026 and SEK 200 million after 2026.

Fair value hedging

Gränges is using aluminium forwards and futures to hedge the inventory. Currency exposure related to the inventory is hedged with currency forwards. Metal and currency derivatives are jointly designated as a hedging instrument in the fair value hedge. Gain and loss on hedged items, as well as the hedging instrument, are recognized as currency gain and loss in the income statement. The value of inventory is adjusted with the change in fair value of the hedged item. Loss on the hedging instruments amounted to SEK -93 million (9) in 2025 and gain on the hedged items attributable to the hedged risk amounted to SEK 93 million (-9) in 2025.

Other derivatives

Share derivatives

Gränges has entered into financial instruments with an external counterparty for the purpose of managing the financial exposure arising from the Group's cash-settled synthetic incentive programs. The share derivatives are linked to the development of Gränges' share price and are intended to economically offset the income statement effect arising from the remeasurement of the liability related to the programs.

Interest rate derivatives

Gränges uses financial derivatives, such as interest rate swaps and cross-currency swaps in order to manage interest rate risk and currency risk. Interest rate swaps are used to convert floating interest rate to fixed interest rate. Cross-currency swaps are used to convert external financing in SEK to PLN. As per December 31, 2025, the nominal value of the interest rate swaps was USD 50 million and the nominal value of cross-currency swaps was PLN 150 million.

Offsetting

Financial assets and liabilities subject to an enforceable master netting arrangement or similar agreement relate to the Group's derivatives. Gränges has entered into ISDA-agreements with relevant financial counterparties.

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SEK million	Gross amounts	Offset	Net amounts in balance sheet	Derivatives not intended to be settled net	Collaterals received/ pledged	Net amounts
2025						
Derivative assets	159	-	159	83	-	76
Derivative liabilities	-264	-	-264	-83	-	-181
2024						
Derivative assets	118	-	118	56	-	62
Derivative liabilities	-159	-	-159	-56	-	-103

33 Guarantees and contingent liabilities

Contingent liabilities

SEK million	2025	2024
Guarantees	136	5
Total contingent liabilities	136	5

Guarantees

The guarantees primarily relate to Gränges’ Chinese subsidiary having issued a guarantee of 100 MCNY to its associated company as security for the latter’s loan obligations.

Disputes

From time to time disputes with counterparties arise in the ongoing operations. The Group regularly makes assessments and provisions if necessary in the accounts. Currently, the Group is not involved in any major litigation that is expected to have a material adverse effect on the financial statements..

Environmental issues

Companies in the Gränges Group have for a long time had industrial manufacturing at facilities in Finspång, Västerås and Upplands Väsby. The operations in Västerås and Upplands Väsby have been discontinued for a long time. In light of the public review of potentially polluted areas in Sweden conducted by the Swedish Environmental Protection Agency and country administrative boards, Gränges has become involved in reviews and investigations regarding facilities where industrial manufacturing has historically been conducted. For example, industrial production has been conducted by various operators at Gränges’ facility in Finspång since the 16th century.

Gränges has conducted sampling related to its previous operations in Upplands Väsby. The results indicate the presence of certain contaminants, which may require both Gränges and third party to take risk-reducing measures. However, there is currently no such obligation for Gränges, and no provision or contingent liability has been made.

34 Related party transactions

Intra-group transactions are executed in accordance with specific arrangements at arm’s length terms and shared costs in Gränges are allocated among the companies in the Group using allocation formulas depending on the types of expenditure.
Transactions with Zhejiang Gränges Sheng’an Aluminum Co., Ltd are specified in the table below.

SEK million	2025	2024
Transactions with joint ventures		
Sales	28	21
Accounts receivable	6	7

For information on remuneration and benefits to board members and senior executives, see Note 10.
No other significant transactions with related parties occurred during the year.

35 Events after the balance sheet date

On February 23, 2026, the number of shares and votes in Gränges increased as a result of the exercise of warrants issued under the IP 2022 incentive program, as resolved by the Annual General Meeting on May 4, 2022.
As a result of the exercise, the number of shares and votes increased by 29,227, from 106,462,154 to 106,491,381. The share capital increased simultaneously by SEK 39,158, from SEK 142,635,356 to SEK 142,674,514.
No other significant events have occurred after the balance sheet date.

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Alternative performance measures

Gränges makes use of the alternative performance measures return on capital employed, financial net debt/adjusted EBITDA, return on equity and cash conversion. Gränges believes that these performance measures are useful for readers of the financial reports as a complement to other performance measures when assessing the possibility of dividends, the execution of strategic investments, and the Group's ability to meet financial commitments. Further, Gränges uses the alternative performance measures adjusted operating profit, adjusted operating profit per tonne and adjusted EBITDA, which are measures that Gränges considers to be relevant for investors who want to understand the profit generation excluding items affecting comparability. For definitions of the measures, see page 181.

SEK million	2025	2024
Adjusted operating profit		
Operating profit	1,614	1,523
Items affecting comparability	-	48
Adjusted operating profit	1,614	1,571
Adjusted operating profit per tonne		
Adjusted operating profit	1,614	1,571
Sales volume, ktonnes	616.6	505.8
Adjusted operating profit per tonne, kSEK	2.6	3.1
Adjusted EBITDA		
Adjusted operating profit	1,614	1,571
Depreciation, amortization and impairment charges	852	859
Adjusted EBITDA	2,466	2,430
Capital employed		
Total assets less cash and cash equivalents and interest-bearing receivables	20,083	20,546
Non-interest-bearing liabilities	-5,485	-5,081
Pensions	225	244
Capital employed	14,824	15,709
Return on capital employed		
Capital employed, rolling 12-month average	14,954	13,254
Adjusted operating profit	1,614	1,571
Return on capital employed, %	10.8	11.9

SEK million	2025	2024
Financial net debt		
Cash and cash equivalents and interest-bearing receivables	-551	-851
Interest-bearing liabilities	4,894	5,477
Lease liabilities	-275	-335
Financial net debt	4,067	4,292
Financial net debt/Adjusted EBITDA		
Financial net debt	4,067	4,292
Adjusted EBITDA, rolling 12-month	2,466	2,430
Financial net debt/Adjusted EBITDA	1.6	1.8
Return on equity		
Equity, rolling 12-month average	10,347	9,564
Profit for the period	1,058	1,010
Return on equity, %	10.2	10.6
Operating cash flow		
Operating profit	1,614	1,523
Depreciation, amortization and impairment charges	852	876
Change in working capital etc.	-853	-1,557
Investments in property, plant, equipment and intangible assets	-773	-1,325
Operating cash flow	841	-484
Cash conversion		
Operating cash flow	841	-484
Adjusted EBITDA	2,466	2,430
Cash conversion, %	34	n/a

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Ten-year summary



SEK million	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Sales volume, ktonnes	616.6	505.8	463.2	479.3	488.9	350.6	347.3	375.0	373.0	239.1
Income statement										
Net sales	28,362	23,506	22,518	24,492	18,130	11,008	11,978	12,910	11,435	7,207
Adjusted EBITDA ¹	2,466	2,430	2,389	2,064	1,686	1,201	1,327	1,357	1,303	952
Adjusted operating profit ¹	1,614	1,571	1,536	1,150	1,008	648	866	1,005	933	687
Operating profit	1,614	1,523	1,576	1,136	833	584	836	940	917	559
Profit for the year	1,058	1,010	1,010	700	595	363	600	688	652	498
Adjusted operating profit per tonne, kSEK	2.6	3.1	3.3	2.4	2.1	1.8	2.5	2.7	2.5	2.9
Balance sheet										
Non-current assets	10,493	11,769	9,808	9,249	8,323	7,633	6,025	4,489	3,827	4,071
Current assets	10,142	9,627	6,880	8,280	7,444	6,020	4,455	4,285	4,179	3,878
Equity	10,255	10,838	8,809	8,206	6,932	5,970	4,314	3,873	3,322	2,942
Non-current liabilities	2,774	2,881	3,395	3,783	3,297	3,068	3,414	2,522	2,555	3,209
Current liabilities	7,605	7,677	4,483	5,541	5,539	4,614	2,752	2,378	2,128	1,799
Capital employed	14,824	15,709	12,043	12,583	10,574	9,262	7,779	6,367	5,615	5,664
Financial net debt	4,067	4,292	2,741	3,882	3,059	2,697	2,842	-	-	-
Net debt	4,568	4,870	3,233	4,377	3,643	3,292	3,465	2,494	2,292	2,722
Cash flow										
Operating activities	1,342	489	3,291	1,102	988	1,414	1,441	1,351	968	686
Investing activities	-772	-2,076	-1,449	-993	-926	-1,736	-1,590	-819	-396	-2,732
Financing activities	-750	1,913	-2,250	-86	-793	1,149	440	-825	-650	2,245
Cash flow for the year	-181	326	-408	23	-732	827	292	-294	-79	198
Operating cash flow	841	-484	2,237	174	267	916	-56	613	569	712
Cash conversion	34	-20	94	8	16	76	-4	45	44	75

¹ Adjusted for items affecting comparability (see Note 14 in the notes to the consolidated accounts).

Capital structure, return indicators and employees

Capital employed ²	14,954	13,254	12,613	12,292	10,117	8,028	7,411	6,098	5,581	3,930
Return on capital employed, %	10.8	11.9	12.2	9.4	10.0	8.1	11.7	16.5	16.7	17.5
Equity ²	10,347	9,564	8,660	7,725	6,521	4,752	4,175	3,633	3,093	2,636
Return on equity, %	10.2	10.6	11.7	9.1	9.1	7.6	14.4	18.9	21.1	18.9
Financial net debt/Adjusted EBITDA, multiple	1.6×	1.8×	1.1×	1.9×	1.8×	2.2×	2.1×	-	-	-
Average number of employees	3,467	2,926	2,718	2,694	2,648	1,792	1,805	1,699	1,568	1,136

² Rolling 12-month average.

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	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Data per share, SEK¹										
Earnings per share ² , basic	9.55	9.53	9.50	6.59	5.60	4.21	7.05	8.08	7.67	5.90
Earnings per share ² , diluted	9.54	9.51	9.48	6.58	5.58	4.21	7.05	8.08	7.66	5.89
Equity	96.35	101.78	82.74	77.14	65.04	69.13	50.65	45.47	39.01	34.73
Operating cash flow	7.90	-4.54	21.01	1.64	2.51	10.61	-0.66	7.20	6.68	8.43
Dividend	3.40 ³	3.20	3.00	2.50	2.25	1.10	-	2.84	2.66	2.13
Dividend yield, %	2.33	2.43	2.59	2.93	2.12	1.10	-	3.98	3.56	2.79
Share price at year-end	145.70	131.70	116.00	85.30	106.10	100.20	87.73	71.37	74.70	76.25
Weighted outstanding ordinary shares, basic in thousands	106,330.3	106,308.6	106,308.6	106,308.6	106,308.6	86,324.8	85,177.3	85,177.3	85,011.8	84,259.8
Weighted outstanding ordinary shares, diluted in thousands	106,443.7	106,488.5	106,473.1	106,374.2	106,578.6	86,336.6	85,177.3	85,177.3	85,090.9	84,496.7
Sales volume by business area, ktonnes										
Gränges Americas	239.1	229.8	220.6	248.9	252.4	219.4	-	-	-	-
Gränges Eurasia	-	-	264.3	254.5	263.5	154.0	-	-	-	-
Gränges Asia	205.3	120.8	-	-	-	-	-	-	-	-
Gränges Europe	190.2	174.0	-	-	-	-	-	-	-	-
Other and eliminations	-18.0	-18.8	-21.7	-24.2	-26.9	-22.8	-	-	-	-
Total	616.6	505.8	463.2	479.3	488.9	350.6	-	-	-	-
Sales volume by end-customer, ktonnes										
Automotive	234.0	201.5	202.6	189.8	193.7	146.1	-	-	-	-
HVAC	90.6	91.3	86.0	104.5	105.7	86.2	-	-	-	-
Speciality packaging	97.1	87.6	80.0	86.8	85.6	64.4	-	-	-	-
Other niches	194.9	125.5	94.5	98.3	103.9	53.9	-	-	-	-
Total	616.6	505.8	463.2	479.3	488.9	350.6	-	-	-	-
Net sales by business area, SEK million										
Gränges Americas	13,248	11,414	11,326	13,115	9,488	6,748	-	-	-	-
Gränges Eurasia	-	-	12,334	12,633	9,648	5,037	-	-	-	-
Gränges Asia	7,461	5,104	-	-	-	-	-	-	-	-
Gränges Europe	8,600	7,992	-	-	-	-	-	-	-	-
Other and eliminations	-947	-1,005	-1,142	-1,256	-1,007	-778	-	-	-	-
Total	28,362	23,506	22,518	24,492	18,130	11,008	-	-	-	-

1 Calculated on weighted outstanding ordinary shares, diluted.

2 Calculated on profit attributable to the owners of the parent company.

3 Dividend for 2026 as proposed.

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Parent company income statement



SEK million	Note	2025	2024
Net sales	3	203	174
Payroll expenses	6	-126	-134
Other operating expenses	4, 5	-141	-97
Depreciation, amortization and impairment charges		0	0
Operating loss		-64	-58
Dividends from subsidiaries		0	55
Financial income	7	249	279
Financial costs	7	-231	-219
Financial items		18	116
Profit before taxes		-46	58
Tax on profit for the year	8	4	1
Profit for the year		-42	59

The parent company has no items which are accounted for as other comprehensive income.
Total comprehensive income is therefore the same as profit for the year.

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Parent company balance sheet



SEK million	Note	2025	2024
ASSETS			
Non-current assets			
Property, plant and equipment		0	0
Shares in Group companies	10	4,418	3,768
Deferred tax assets	8	64	52
Receivables from Group companies		0	1,181
Other non-current receivables		213	207
Total non-current assets		4,695	5,209
Current receivables			
Receivables from Group companies		2,593	2,298
Other receivables		78	35
Prepaid expenses and accrued income		43	27
Total current receivables		2,714	2,360
Cash and cash equivalents			
Cash and bank balances		187	135
Total cash and cash equivalents		187	135
Total current assets		2,901	2,496
TOTAL ASSETS		7,596	7,705

SEK million	Note	2025	2024
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	11	143	142
Total restricted equity		143	142
Non-restricted equity			
Retained earnings		3,497	3,758
Profit for the year		-42	59
Total non-restricted equity		3,455	3,818
Total equity		3,598	3,960
Provisions			
Pension liabilities	12	43	41
Other provisions	13	4	5
Total provisions		47	46
Non-current liabilities			
Interest-bearing liabilities	14	1,674	1,618
Other liabilities		0	1
Total non-current liabilities		1,674	1,619
Current liabilities			
Other provisions	13	15	13
Liabilities to Group companies		362	148
Interest-bearing liabilities	14	1,691	1,794
Accounts payable		3	6
Other liabilities		167	75
Accrued expenses and deferred income	15	38	43
Total current liabilities		2,276	2,080
TOTAL EQUITY AND LIABILITIES		7,596	7,705

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Parent company statement of changes in equity



SEK million	Restricted equity	Non-restricted equity		Total equity
	Share capital	Retained earnings	Profit for the year	
Opening balance at January 1, 2025	142	3,758	59	3,960
Appropriation of retained earnings:	-	-	-	-
Carried forward	-	59	-59	-
Dividend	-	-340	-	-340
Comprehensive income for the year	-	-	-42	-42
Share swap	-	12	-	12
Received warrant premiums	-	8	-	8
Exercise of call options	-	-1	-	-1
Share issue	0	-	-	0
Closing balance at December 31, 2025	143	3,497	-42	3,598
Opening balance at January 1, 2024	142	2,842	1,182	4,166
Appropriation of retained earnings:	-	-	-	-
Carried forward	-	1,182	-1,182	0
Dividend	-	-319	-	-319
Comprehensive income for the year	-	-	59	59
Share swap	-	50	-	50
Received warrant premiums	-	9	-	9
Exercise of call options	-	-6	-	-6
Closing balance at December 31, 2024	142	3,758	59	3,960

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Parent company cash flow statement



SEK million	Note	2025	2024
Operating loss		-64	-58
Change in net working capital etc.		-24	401
Taxes paid		-8	1
Cash flow from operating activities		-95	345
Cash flow from investing activities		-	-
Dividend paid to shareholders		-340	-319
Dividend received from subsidiaries		-	55
Share swap		12	50
Warrant premiums		8	9
Share issue	11	0	-
Exercise of call options		-1	-6
Interest paid		-210	-198
Interest received		227	262
New loans	9	4,920	5,770
Repayment of loans	9	-4,789	-5,512
Financial intra-group transactions		319	-340
Cash flow from financing activities		147	-228
Cash flow for the year		52	117
Cash and cash equivalents at January 1		135	19
Cash flow for the year		52	117
Cash and cash equivalents at December 31		187	135

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Notes to the parent company financial statements



1 Accounting principles

The Parent Company financial statements have been prepared in accordance with the Annual Accounts Act and RFR 2 Reporting for Legal Entities. Application of RFR 2 requires the Parent Company to apply IFRS and interpretations approved by the EU as far as possible within the framework of the Swedish Annual Accounts Act, the Pension Obligation Vesting Act and in regard to the connection between accounting and taxation. Changes in RFR 2 have not had material impact on the financial reports of the parent company.

An account of the Gränges Group’s accounting policies is described in Note 4 Accounting standards in the consolidated financial statements. The main deviations between the accounting policies applied by the Gränges Group and the parent company are described below.

Gränges Group applies IAS 19 Employee Benefits in the consolidated financial statements. The Parent Company applies the principles of the Pension Obligations Vesting Act (Sw Tryggandelagen). Consequently there are differences between the Gränges Group and the Parent Company in the accounting of defined benefit pension plans.

Group contributions received from subsidiaries are recognized as appropriations.

The parent company applies RFR 2, IFRS 16 item 1 and recognizes leases in the income statement on a straight-line basis over the lease term.

2 Financial risk management

Gränges’ financial risks are monitored centrally in the Group, see notes to the consolidated financial statements, Note 31 Financial risk.

The parent company uses derivatives and other financial instruments to mitigate the risk exposure in the subsidiaries. The Parent Company generally has no net exposure as external positions are offset with intercompany contracts. Hedge accounting is not applied to these contracts in the parent company.

Foreign exchange and interest rate risk related to financing is managed with foreign exchange and interest rate derivatives. The underlying exposure arises as a large share of the parent company’s external financing is in SEK and the majority of the intercompany loans are in foreign currency. The interest-bearing liabilities of the parent company are further described in Note 14 Interest-bearing liabilities.

3 Breakdown of net sales by area of operation

SEK million	2025	2024
Intra-group service charges	203	174
Total breakdown of net sales by area of operation	203	174

4 Operating lease payments

Distribution of lease payments

Future minimum lease payments relating to leases and other leases in the capacity of lessees attributable to non-cancellable agreements are distributed on the balance sheet date over the following maturity dates:

SEK million	2025	2024
Within one year	-6	-6
Later than one year but within five years	-5	-10
Total future minimum lease payments	-11	-16

Leasing costs amount to SEK 6 million (6) during 2025.

5 Remuneration to auditors

SEK million	2025	2024
Ernst & Young AB		
Audit engagement	-2.3	-1.8
Audit services in addition to audit engagement	-2.3	-0.3
Tax advisory services	-0.1	-0.1
Other	-	-1.3
Total remuneration to auditors	-4.7	-3.5

Audit engagement refers to the review of the annual report and accounting records and of the Board of Directors and CEO’s management of the company, other tasks incumbent on the company’s auditor as well as advice and other assistance occasioned by observations made in the course of such examinations or the performance of such other tasks.

Audit services in addition to the audit engagement primarily comprise the review of interim financial information and the statutory sustainability statement.

Tax advisory services include advice on tax, including transfer pricing issues, as well as value-added tax.

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6 Payroll expenses

Salaries and remuneration totaled SEK -81.3 million (-86.3), and social charges were SEK -44.8 million (-47.3), whereof SEK -18.5 million (-19.4) refers to pension costs. Pension costs of SEK -2.7 million (-2.4) refers to the CEO. The company's outstanding pension obligations for the CEO are SEK 10.3 million (7.4) and to former CEO SEK 10.5 million (10.5).

Read more about the average number of employees, salaries and remuneration, including incentives, in Note 10 to the consolidated financial statements.

7 Financial income and costs

SEK million	2025	2024
Interest income from Group companies	205	252
External interest income	44	25
Net foreign exchange gain	-	2
Total financial income	249	279
Interest expense to Group companies	-9	-13
External interest expense	-202	-177
Interest expense, pensions	-1	-1
Net foreign exchange loss	-2	-
Other financial expenses	-16	-27
Total financial costs	-231	-219
Total financial income and costs	18	61

8 Taxes

Tax expense for the year

SEK million	2025	2024
Profit before taxes	-46	58
Current tax	-8	-2
Deferred tax	12	4
Total tax	4	1
Tax as % of profit before taxes	-7.9	1.9

Reconciliation of effective tax

SEK million	2025	%	2024	%
Profit before taxes	-46	-	58	-
Tax at applicable tax rate	9	-20.6	-12	-20.6
Non-deductible expenses	-7	14.3	-1	-2.1
Non-taxable income	3	-6.9	17	28.6
Adjustment of tax in respect of prior years	0	0.0	0	0.0
Foreign taxes	-2	5.3	-2	-4.0
Total tax	4	-7.9	1	1.9

Deferred tax

SEK million	2025	2024
Tax loss carry forwards	59	47
Pension obligations	5	5
Other items	-	1
Total deferred tax asset (+) / liability (-)	64	52

Deferred tax assets in respect of tax losses have been taken into account in full since the company is of the opinion that sufficient income will be generated in the future to be utilized against the tax losses. The tax losses amount to SEK 286 million (227) per December 31, 2025 and can be carried forward indefinitely.

9 Supplementary information to parent company cash flow statement

Reconciliation between opening and closing balance of liabilities whose cash flows are recognized in financing activities

SEK million	2025	2024
Interest-bearing liabilities at January 1	3,412	3,039
Cash flow	131	258
<i>Non-cash items</i>		
Translation difference	-178	114
Change in accrued borrowing costs	1	0
Interest-bearing liabilities at December 31	3,366	3,412

Cash and cash equivalents

SEK million	2025	2024
Cash and bank balances	187	135
Total cash and cash equivalents	187	135

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10 Shares in Group companies



SEK million	Reg. no	Registered office	Share of capital and votes, %	Carrying amount, opening balance	Investments	Carrying amount, closing balance
Gränges Finspång AB	556002-6113	Finspång, Sweden	100/100	186	650	836
Gränges India Pvt Ltd. ¹	-	Pune, India	99.99/99.99	-	-	-
Gränges India Pvt Ltd.	-	Pune, India	0.01/0.01	-	-	-
Gränges Skultuna AB	556913-7358	Skultuna, Sweden	100/100	0	-	0
Gränges Americas Inc.	-	Delaware, USA	100/100	671	-	671
Gränges International Inc.	-	Delaware, USA	100/100	66	-	66
Gränges Aluminium (Shanghai) Co., Ltd.	-	Shanghai, China	80/80	255	-	255
Granges Aluminium (Shandong) Co., Ltd. ¹	-	Shandong, China	80/80	-	-	-
Zhejiang Granges Sheng'an Aluminum Co., Ltd. ¹	-	Shanghai, China	40/40	-	-	-
Yunnan Chuangge New Materials Science & Technology Co., Ltd. ¹	-	Yunnan, China	39.2/39.2	-	-	-
Gränges Japan Ltd.	-	Tokyo, Japan	100/100	4	-	4
Gränges Powder Metallurgy GmbH	-	Velbert, Germany	100/100	38	-	38
Gränges Powder Metallurgy SAS	-	Saint-Avoid, France	100/100	80	-	80
Gränges Konin S.A.	-	Warsaw, Poland	100/100	2,467	-	2,467
Remal Sp. z.o.o. ¹	-	Konin, Poland	84.5/84.5	-	-	-
Total shares in Group companies				3,768	650	4,418

¹ Indirect ownership

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11 Share capital

	2025	2024
Opening numbers of shares	106,308,618	106,308,618
Share issue	153,536	-
Closing numbers of shares	106,462,154	106,308,618

SEK million	2025	2024
Share capital, opening balance	142	142
Share issue	0	-
Share capital, closing balance	143	142

The articles of association for Gränges AB (publ) state that the share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000. The number of shares shall be not less than 75,000,000 and not more than 300,000,000. The share capital comprises a single class of share.

The number of shares and votes increased during 2025 as a result of the exercise of warrants issued under the IP 2022 incentive program, adopted by

the Annual General Meeting on 4 May 2022. Through the exercise of these warrants, the number of shares and votes increased by 153,536, from 106,308,618 to 106,462,154. As a consequence, the share capital increased by SEK 205,703, from SEK 142,429,652 to SEK 142,635,356. The quota value per share amounts to SEK 1.339775.

Earnings per share and dilutive effect is presented in the Group's Note 18.

12 Pensions

SEK million	2025	2024
Pension obligations at January 1	41	38
Pension costs	2	3
Interest expense, pensions	1	1
Pension payments	-2	-2
Pension obligations at December 31	43	41

Actuarial basis for calculating the capital value pursuant to the Pension Obligations Vesting Act is defined by the Swedish Financial Supervisory Authority. Application of the Pension Obligations Vesting Act is a condition for the right to make tax deductions.



13 Other provisions

SEK million	2025	2024
Non-current provisions		
Provisions for long-term incentive program (LTI)	3	4
Other provisions	1	1
Total non-current provisions	4	5
Current provisions		
Provisions for long-term incentive program (LTI)	15	13
Total current provisions	15	13

A provision for employee benefits is recognized in accordance with agreements entered for long-term incentive programs and other personnel obligations.

14 Interest-bearing liabilities

As per December 31, 2025, the parent company’s non-current interest-bearing liabilities consisted of term loans from banks and financial institutions of USD 70 million (70) and SEK 400 million (200), and a green bond of SEK 600 million (600) issued under Gränges’ MTN program (Medium Term Note).

Current interest-bearing liabilities consisted of interest-bearing loans of SEK 200 million (200), USD 0 million (20), commercial papers of SEK 888 million (1,374), and a sustainability-linked bond of SEK 600 million (0) issued under Gränges' MTN program. Gränges' sustainability-linked revolving credit facility of SEK 3,000 million was unutilized at December 31, 2025.

The loan facilities are subject to financial covenants, including a Net Debt to EBITDA ratio and an Interest Coverage Ratio. The covenants were fulfilled as of December 31, 2025.

	Carrying amount	
SEK million	2025	2024
<i>Non-current interest-bearing liabilities</i>		
Interest-bearing loans	1,035	960
Bonds in MTN program	600	600
Interest-bearing derivatives	40	58
Total non-current interest-bearing liabilities	1,674	1,618
<i>Current interest-bearing liabilities</i>		
Interest-bearing liabilities	200	420
Bonds in MTN program	600	-
Commercial papers	888	1,374
Interest-bearing derivatives	3	0
Total current interest-bearing liabilities	1,691	1,794
Total interest-bearing liabilities	3,365	3,412

15 Accrued expenses and deferred income

SEK million	2025	2024
Personnel-related liabilities	28	37
Other accrued expenses and deferred income	10	7
Total accrued expenses and deferred income	38	43

16 Pledged assets and contingent liabilities

Contingent liabilities

SEK million	2025	2024
Guarantee commitment PRI Pensionsgaranti	1	1
Guarantees issued on behalf of subsidiaries	967	1,297
Total contingent liabilities	968	1,298

Pledged assets

For the credit facilities described in Note 30 of the Group, Gränges AB has entered a customary undertaking to not pledge assets or in a similar manner use its property to give creditors a better right than the banks that are providing the credit facility.

Disputes

The company is not a party to any dispute. As long as the company does not have any legal or formal obligation as a result of a past event, and it is uncertain whether an outflow of economic resources will be required to settle a future obligation, no amount is recognized in the income statement or the balance sheet.

17 Related party transactions

No board member or senior executive of Gränges AB or its subsidiaries has independently or through a company or related party had any direct involvement in a business transaction concluded by Gränges AB that was or is of an unusual character or subject to unusual terms and conditions.

SEK million	2025	2024
Sales to related parties	203	174
Purchases from related parties	52	39
Interest income on receivables from related parties	205	252
Interest expenses on liabilities to related parties	9	13
Interest-bearing receivables from related parties	2,312	3,292
Interest-bearing liabilities to related parties	21	28
Non-interest-bearing receivables from related parties	281	187
Non-interest-bearing liabilities to related parties	98	38

18 Proposed appropriation of retained earnings

The Board of Directors proposes that the retained earnings of:

SEK	
Retained earnings	3,497,160,225
Profit for the year	-42,145,484
Non-restricted equity	3,455,014,741

Be appropriated as follows:

Dividend to shareholders of 3.40 SEK per share	361,971,324
Carried forward	3,093,043,417
Total	3,455,014,741

The proposed dividend of SEK 362 million, or SEK 3.40 per share, represents 36 percent of the Group’s profit attributable to owners of the parent company for 2025. In preparing its dividend proposal the Board of Directors has taken into account of the company’s financial position, cash flow and outlook.



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Proposed appropriation of retained earnings



The Board of Directors proposes that the retained earnings of:

SEK	
Retained earnings	3,497,160,225
Profit for the year	-42,145,484
Non-restricted equity	3,455,014,741
Be appropriated as follows:	
Dividend to shareholders of 3.40 SEK per share	361,971,324
Carried forward	3,093,043,417
Total	3,455,014,741

The proposed dividend of SEK 362 million, or SEK 3.40 per share, represents 36 percent of the Group’s profit attributable to owners of the parent company for 2025. In preparing its dividend proposal the Board of Directors has taken account of the company’s financial position, cash flow and outlook.

The undersigned certify that the consolidated accounts and the annual report have been prepared in accordance with the International Financial Reporting Standards (“IFRS”), as adopted for use in the EU, and generally accepted accounting principles respectively, and give a true and fair view of the financial position and results of the Group and the Company, and describes principal risks and uncertainties that the Group companies face.

The undersigned also certify that the annual report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the specifications adopted under the EU Taxonomy Regulation.

The contents of this Annual Report were approved March 13, 2026.

Stockholm, March 13, 2026
The Board of Directors of Gränges AB (publ)

Fredrik Arp
Chairman of the Board

Jörgen Rosengren
Chief Executive Officer

Martina Buchhauser
Member of the Board

Steven Armstrong
Member of the Board

Cecilia Daun Wennborg
Member of the Board

Mats Backman
Member of the Board

Mikael Bratt
Member of the Board

Gunilla Saltin
Member of the Board

Tobias Johansson
Member of the Board

Jennie Bjerner
Member of the Board

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Our auditor’s report regarding the annual accounts and the consolidated accounts was issued on March 16, 2026. Our limited assurance report regarding the statutory sustainability statement was issued on March 16, 2026.

Ernst & Young AB

Andreas Troberg
Authorized Public Accountant

This information is such that Gränges must disclose pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication on Tuesday, March 17, 2026.



Auditor's report



To the general meeting of the shareholders of Gränges AB,
corporate identity number 556001-6122

This is a translation from the Swedish original.

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Gränges AB (publ) for the year 2025 except for the statutory sustainability report on pages 76-130. The annual accounts and consolidated accounts of the company are included on pages 69-171 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinion do not cover the corporate governance report and the sustainability report on pages 55-68 and 76-130, respectively. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of finished goods and work-in-process products

Description

As described in Note 24 of the consolidated financial statements, inventories of finished goods and merchandise and work in progress products are recorded at 3 759 MSEK in the consolidated balance sheet per the 31st of December 2025, equivalent to 18 % of the Company's total assets. Inventories are valued at the lowest of acquisition cost and net realizable value.

The acquisition cost of inventories is based on the cost of production less obsolescence write-downs, if applicable. The valuation at production cost is performed using inventory valuation models where direct and indirect production-related costs are allocated to products. Incorrect assumptions and calculations related to direct and indirect production costs affect the valuation of goods produced which affects recorded inventory and the cost of goods sold. For this reason, we have determined that this is a key audit matter.

A description of the Company's inventory valuation method for finished goods and merchandise and work in progress products, as well as significant judgments and assumptions in relation to this, is presented in Note 4 and Note 5 under the notes to the consolidated financial statements.

How our audit addressed this key audit matter

In our audit for the current financial year, we have assessed the Company's routines for accounting for finished goods and merchandise and work in progress products, and whether the Company's accounting principles for inventory is compliant with applicable standards.

We have also performed procedures to verify calculation models and assessed the reasonableness of applied prices, consumption rates and assumptions regarding the allocation of indirect production costs. We have also performed procedures on metal hedging related to inventory.

Finally, we have also reviewed the disclosures provided in the annual report.

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Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-54, 76-130 and 178-185. The report on management remuneration for the financial year 2025 which will be issued after the date of this auditor's report is also considered other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

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We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Gränges AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing

Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

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The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Gränges AB for the financial year 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Gränges AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not

for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Ernst & Young AB, Hamngatan 26, 111 47, Stockholm, was appointed auditor of Gränges AB by the general meeting of the shareholders on the 12 May 2025 and has been the company's auditor since the May 10, 2007.

Stockholm 16 March 2026

Ernst & Young AB

Andreas Troberg
Authorized Public Accountant

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Auditor's limited assurance report on Gränges AB's (publ) sustainability statement



This is the translation of the auditor's limited assurance report in Swedish.

To the General Meeting of the shareholders of Gränges AB (publ), corporate identity number 556001-6122

Conclusion

We have conducted a limited assurance engagement of the sustainability statement prepared by Gränges AB (publ) (the company) for the financial year 2025. The sustainability statement is included on pages 76-130 of this document.

Based on our limited assurance engagement as described in the section Auditor's Responsibility, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects, prepared in accordance with the Swedish Annual Accounts Act, which includes:

- Whether the sustainability statement meets the requirements of ESRS;
- Whether the process carried out by the company to identify reported sustainability information has been conducted as described in the sustainability statement; and
- Compliance with the reporting requirements in Article 8 of the EU's Green Taxonomy Regulation.

Basis for Conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 – Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility under this recommendation is described in more detail in the section Auditor's Responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information than the sustainability statement

This document also contains other information than the sustainability statement and can be found on pages 1-75 and 131-185, with the exception of the information included in the ESRS content index regarding incorporation by reference on pages 127-128 and pages 172-177. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information, and we do not express any conclusion with assurance regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the

information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The disclosures in the sustainability statement regarding the previous financial year have, in certain cases, been subject to a limited assurance engagement in accordance with ISAE 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information applied together with RevR 6 Assurance of Sustainability Information in accordance with the assurance report issued March 17, 2025. Other comparative figures in the sustainability statement for the year 2025 have not been subject to a review.

Responsibilities of the Board of directors and Managing Director

The Board of Directors, and the Managing Director, are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12-12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion whether the sustainability statement is prepared in accordance with Chapter 6, Sections 12-12 f of the Swedish Annual Accounts Act based on our limited assurance engagement. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den

lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement, and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards of professional practice, and applicable laws and regulations.

We are independent of Gränges AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities according to these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

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The review procedures primarily include:

- Our review procedures regarding the sustainability statement included, but were not limited to the following:
- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement;
 - Evaluating whether information identified as material through the process the company has undertaken to identify the content of the sustainability statement is also included;
 - Evaluating whether the structure and presentation of the sustainability statements are consistent with the requirements of ESRS;
 - Conducting inquiries with relevant personnel and analytical review procedures regarding selected disclosures in the sustainability statements; and
 - Performing substantive review procedures of selected disclosures in the sustainability statements;
 - Obtain, through inquiries and analytical review procedures, support for the methods used for preparing material estimates and forward-looking information and on how these methods were applied;

Our review procedures regarding the process the company have undertaken to identify sustainability information to report included, but were not limited to the following:

- Obtaining an understanding of the process by conducting inquiries to understand the sources of the information used by management (e.g., stakeholder dialogues, business plans, and strategy documents);
- Review the company's internal documents of its process; and
- Evaluate whether the information obtained from our review of the process implemented by the company is consistent with the description of the process on page 83 of the sustainability report.

The review of the taxonomy disclosures included but was not limited to the following review procedures:

- Obtaining an understanding of the process for identifying economic activities that are covered by and are consistent with the EU Green Taxonomy and the corresponding disclosures in the sustainability statement;
- Conducting inquiries to relevant personnel and analytical review procedures on the taxonomy disclosures;
- Conducting inquiries to understand the sources of the information used in the taxonomy disclosures;
- Evaluating whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation; and
- Performing substantive review procedures of selected disclosures in the sustainability statement regarding the EU Green Taxonomy.

Inherent limitations

In reporting forward-looking information in accordance with ESRS, the board and management of Gränges AB (publ) must prepare forward-looking information based on specified assumptions about events that may occur in the future and possible future activities of Gränges AB (publ). Actual outcomes are likely to differ as expected events often do not occur as anticipated.

Stockholm, 16 March 2026
Ernst & Young AB

Andreas Troberg
Authorized Public Accountant

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Finishing

In the final step, the final product called rings is weighed, labeled and released to ensure both performance and appearance. Every coil is carefully prepared for safe delivery and reliable performance in customer production.

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The share and owners



Gränges’ shares are traded on Nasdaq Stockholm in the Large Cap segment since January 1, 2025. They are included in the Automobile & Parts category and traded under the ticker GRNG.

Since the IPO in October 2014 until the end of December 2025, the share price has risen by 278 percent. During the same period, shareholders have received a total return of 377 percent, including the reinvestment of dividends.

During 2025, the share price increased by 10.63 percent. At the end of 2025, the share price was SEK 145.70 corresponding to a market capitalization of SEK 15.5 billion. The highest price in 2025 was noted on December 30 at SEK 145.70, and the lowest price was SEK 105.30 on April 9. The average daily turnover was 200,370 shares (129,364) and total turnover of shares during the year was approximately 50 million (32).

Share capital and ownership

The share capital in Gränges amounts to SEK 143 million, distributed among 106,462,154 shares, each with a quota value of SEK 1,339,775. Gränges has only one class of shares.

During 2025, the number of shares and votes increased by 153,536 as a result of the subscription of shares through the exercise of warrants under the IP 2022 incentive program. Accordingly, the number of shares increased from 106,308,618 to 106,462,154 and the share capital increased by SEK 205,703, from SEK 142,429,652 to SEK 142,635,356.

On December 31, 2025, the number of known shareholders totaled 13,664 (12,347). The largest shareholder, The Fourth Swedish National Pension Fund (AP4), held 7.3 percent of the total share capital, followed by AFA Insurance with 6.9 percent, and Handelsbanken Fonder with 5.9 percent. The ten largest shareholders held 49.2 percent of the share capital. Foreign-owned share ownership amounted to 44 percent.

Issue and share buyback authorizations

The 2025 Annual General Meeting resolved to authorize the Board of Directors to, on one or more occasions until the next AGM, resolve on the issue of new shares and/or convertible bonds, with or without deviation from the shareholders’ pre-emption rights. The number of shares to be issued, or that may be issued through conversion of convertibles issued pursuant to the authorization, may not exceed ten percent of the total number of shares in the company after utilization of the authorization.

The AGM further resolved to authorize the Board of Directors to, on one or more occasions until the next AGM, resolve on the acquisition and/or transfer of the company’s own shares. Acquisitions may be made of such number of shares that the company’s holding of its own shares at any time after acquisition does not exceed ten percent of all shares in the company. Transfers may be made of up to the total number of own shares held by the company at any time, including the right to resolve on deviation from the shareholders’ pre-emption rights.

Dividend and dividend policy

Gränges’ dividend policy is to pay a dividend of between 30 and 50 percent of the profit for the year. When determining the dividends, the Board of Directors considers the company’s financial position, cash flow and outlook.

Gränges’ Board of Directors proposes a dividend of SEK 3.40 (3.20) per share for the 2025 fiscal year, in total SEK 362 million (340). The proposed dividend corresponds to 36 percent (34) of the profit attributable to owners of the parent company for 2025.

+377%

Total shareholder return since the stock listing (December 31, 2025)

+36%

Proposed dividend’s share of profit 2025

Share information

Market	Nasdaq Stockholm
Segment	Large Cap Stockholm
Ticker symbol	GRNG
ISIN code	SE0006288015
Listed since	October 10, 2014
Currency	SEK
Number of shares	106,462,154

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Share capital development

Date	Event	Change in number of shares	Total number of shares	Change in share capital, SEK	Total share capital, SEK
Jan 1, 2014		-	37,319,693	-	932,992,325
Aug 14, 2014	Decrease in share capital	-	37,319,693	-832,992,325	100,000,000
Sep 15, 2014	Share split	37,319,693	74,639,386	-	100,000,000
Nov 18, 2016	Rights issue	516,000	75,155,386	691,324	100,691,324
Apr 4, 2017	Rights issue	20,000	75,175,386	26,796	100,718,120
May 31, 2017	Rights issue	337,000	75,512,386	451,504	101,169,624
Dec 6, 2017	Rights issue	5,000	75,517,386	6,699	101,176,323
Nov 9, 2020	Non-cash issue	2,442,268	77,959,654	3,272,090	104,448,413
Dec 17, 2020	Rights issue	28,194,804	106,154,458	37,774,700	142,223,113
Dec 28, 2020	Rights issue	154,160	106,308,618	206,540	142,429,652
Aug 15, 2025	Rights issue	30,960	106,339,578	41,479	142,471,132
Nov 19, 2025	Rights issue	122,576	106,462,154	164,224	142,635,356

Ownership

Largest shareholders	Shares	Share of capital and votes, %
Fourth Swedish National Pension Fund	7,796,296	7.3
AFA Insurance	7,347,454	6.9
Handelsbanken Funds	6,279,981	5.9
KGH LTD	5,520,000	5.2
First National Pension Fund	5,300,000	5.0
Swedbank Robur Funds	4,967,807	4.7
Dimensional Funds Advisors	4,797,996	4.5
Vanguard	4,169,765	3.9
Carnegie Funds	3,449,974	3.2
Nordea Funds	2,754,672	2.6
Total 10 largest shareholders	52,383,945	49.2
Total other shareholders	54,078,209	50.8
Total	106,462,154	100.0

Source: Monitor by Modular Finance AB as of December 31, 2025. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen). The verification date may vary for foreign shareholders.

Geographical distribution

Country	Number of known shareholders	Share of capital, %
Sweden	13,259	55.9
United States	65	20.5
Cayman Islands	1	5.2
Norway	45	4.0
Finland	58	2.7
Other	236	8.7
Anonymous	n/a	3.0

Share distribution

Number of shares	Number of known shareholders	Share of capital, %
1–500	10,772	1.2
501–1,000	1,326	1.0
1,001–5,000	1,175	2.4
5,001–10,000	151	1.0
10,001–50,000	134	2.6
50,001–100,000	23	1.6
100,001–	83	87.1
Anonymous	n/a	3.1

Share data

Per share	2025	2024
Earnings, SEK ¹⁾	9.54	9.51
Equity, SEK ¹⁾	96.35	101.78
Operating cash flow, SEK ¹⁾	7.90	-4.54
Share price at end of period, SEK	145.70	131.70
Dividend, SEK	3.40 ²⁾	3.20
Dividend rate, %	36.0	34.0
Dividend yield, %	2.33	2.43

1 Profit attributable to owners of the parent company dividend with weighted outstanding ordinary shares, diluted.

2 The Board of Director's proposal to the AGM 2026.

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Definitions



Adjusted EBITDA

Adjusted operating profit before depreciation, amortization and impairment charges

Adjusted operating profit

Operating profit excluding items affecting comparability

Adjusted operating profit per tonne

Adjusted operating profit divided by sales volume

Average number of employees

The average number of employees converted to full-time positions

Capital employed

Total assets less cash and cash equivalents and interest-bearing receivables, minus non-interest-bearing liabilities, excluding pensions

Carbon emissions intensity

Total emissions of greenhouse gases (tonnes CO₂e) divided by the total packed products (tonnes)

Carbon emissions scope 1+2

Direct emissions from Gränges' operations and indirect emissions from purchased electricity, heat and steam consumed by Gränges

Carbon emissions scope 3

Emissions from extraction, production and processing of main purchased materials, fuel and energy related activities (not included in scope 1 or scope 2), upstream and downstream goods transportation as well as business travel

Cash conversion

Operating cash flow divided by adjusted EBITDA

Earnings per share

Profit attributable to owners of the parent company divided by the total number of shares

Financial net debt

Cash and cash equivalents and interest-bearing receivables minus interest-bearing liabilities, excluding lease liabilities

Financial net debt/Adjusted EBITDA

Financial net debt divided by adjusted 12-month rolling EBITDA

Items affecting comparability

Non-recurring income and expenses

ktonnes

Volume expressed in thousands of metric tonnes

Operating cash flow

Operating profit plus Depreciation, amortization and impairment charges plus Change in working capital etc. minus Investments in property, plant, equipment and intangible assets

Operating profit

Profit before net financial items and tax

Return on capital employed

Adjusted operating profit divided by average capital employed during the past 12-month period

Return on equity

Profit for the period divided by average equity during the past 12-month period

Sales volume

Volumes sold in metric tonnes

SEK

Swedish Krona

Share of sourced recycled aluminium

Sourced recycled aluminium used as input materials (tonnes) divided by total sourced metal input materials (tonnes)

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Glossary



Alloy

Material composed of one metal with additions of other metals and/or elements.

Aluminium strip

Rolled aluminium in coil form.

Battery casing materials

Battery cell casing materials are used for electric vehicles and energy storage applications. Features are a low carbon footprint, flexible formability and light weight.

Battery cathode foil (BCF)

A critical component in the lithium-ion battery cells necessary for the transition to electric vehicles.

Battery cooling plates

The most important heat exchanger to handle temperature inside the battery is the cooling plate. Electrical vehicles and battery packs need stable temperature control to function in an optimal way.

Brazing

Joining of metals through melting and solidification.

Brazed heat exchanger

Brazed plate heat exchangers represent the most compact, rugged and cost-effective means of transferring heat in many industrial, process, and refrigerant applications.

Casting

Method to convert molten metal to a desired solid form.

Cathode foil

Thin flat rolled aluminium product for cathode current collector in lithium-ion batteries.

Cladding

A layer of metal bonded to a dissimilar metal or alloy.

Heat exchanger

A device for transferring heat from one medium to another.

HVAC

Heating, Ventilation and Air Conditioning systems including heat exchangers.

LME

London Metal Exchange.

RECs

Renewable Energy Certificates.

Rolled aluminium

Aluminium that has been hot and/or cold rolled to desired gauge.

SBTi

The Science Based Target initiative is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) that defines and promotes best practice in emissions reductions and net-zero targets in line with climate science.

SHFE

Shanghai Futures Exchange.

Slab

Input material to the rolling process that is produced by casting.

Thermal management

The capability to control a system's temperature through technology based on heat transfer and thermodynamics concepts. Thermal management implies practicing all processes and methods to decrease (or increase) the temperature of a targeted system. It is a critical element in all types of electronic equipment, for example in heat exchangers and batteries.

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Annual General Meeting 2026



Gränges' 2026 Annual General Meeting will be held on Monday May 12, 2026, at GT30, Stockholm.

Participation

Shareholders wishing to attend the Annual General Meeting must be registered as shareholders in the share register maintained by Euroclear Sweden AB as of Monday, May 4, 2026, and have notified the company of their intention to attend no later than Wednesday, May 6, 2026.

Registration of participation must be provided in writing to Gränges AB, "Årsstämma", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden. When registering, shareholders must state their name (company name), personal ID or company registration number, address and daytime telephone number, as well as any assistants. The information provided is only used for Gränges' Annual General Meeting. More information about registration can be found in the notice convening the Annual General Meeting, which is expected to be published Tuesday March 31, 2026.

Nominee-registered shares

Shareholders whose shares are registered with a nominee must, to have the right to attend the Annual General Meeting, have their shares temporarily reregistered with Euroclear Sweden AB on Wednesday May 6, 2026, at the latest. The nominee should therefore be notified in good time before the date mentioned.

Notice convening the Annual General Meeting

Notice of Gränges' Annual General Meeting 2026 is expected to be published Tuesday, March 31, 2026 by a press release. The notice will be published on the company's website as well as in Post- och Inrikes tidningar (The Official Swedish Gazette).

All documents according to the Swedish Companies Act will be available at the company's head office and on the website, www.granges.com, no later than Tuesday, April 21, 2026 and will be sent immediately and free of charge for the recipient to the shareholders who request it and state their postal address. Printed information can be ordered via info@granges.com. The Annual General Meeting shareholder register will be available at the company's head office at Linnégatan 18 in Stockholm. All documents, including the Annual General Meeting shareholder register, are presented by keeping them available in this way.

Dividend

The Board of Directors proposes a dividend of SEK 3.40 (3.20) per share for the 2025 fiscal year, in total SEK 362 million (340). Proposal for record dates for the dividend will be announced in connection with the notice convening the Annual General Meeting. At the same time a proposal for dates for distribution of the dividend, provided that the Annual General Meeting approves the proposal, will also be announced. The payment will be distributed through Euroclear Sweden AB.

Further information about the Annual General Meeting, including the minutes, is available on the company's website: www.granges.com.

Annual and Sustainability Report

Gränges' Annual and Sustainability Report is available on the company's website, www.granges.com, in Swedish and English.

Financial calendar 2026

Interim report, Q1	April 23
Annual General Meeting 2026	May 12
Half-year report, Q2	July 16
Interim report, Q3	October 22
Year-end report 2026	January 28, 2027

For questions regarding investor relations please contact:

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Community engagement that builds skills, opportunities and sustainability



Community engagement is a vital part of our responsibility. Across regions, we support students, teachers, and local organizations in nurturing future talent, empowering young people to thrive. From classrooms and volunteer initiatives to scholarships, our teams work to strengthen the communities where we live and work, expanding opportunities and supporting resilient and inclusive societies.



In the US, Gränges' engagement spans from weekend food-packing drives with local food banks, to supporting mobile pantries by partnering with Second Harvest Food Bank in Tennessee. These efforts reach thousands of families and foster a culture of giving back in the heart of our communities. In 2025, we also supported schools in Carroll County contributing to sports clubs and programs.



In Poland, Gränges supports education by sponsoring initiatives such as "Young Engineer's Day," and in 2025, we also funded new school lockers for students at a primary school in Konin. We advance inclusion through sports events for youth with disabilities, and promote circularity by recycling awareness through the Every Can Counts initiative.



In Yunnan, Gränges launched two education projects: A "Smart Class" at Bubiao Primary, with interactive boards and online coding to build digital skills and a scholarship at Wenshan University, supporting top students in materials science and fostering future technical talent.



Gränges partners with "Curt Nicolin High School" in Finspång, to provide internships, study visits, and industry-aligned learning. We also support local development initiatives, such as "Growth Finspång" to strengthen networks and projects that help attract and retain new residents.

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