

Gränges' Green Bond Report 2025



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Green bond report

Gränges is committed to integrating sustainability into the financing of the group. In 2021, the company formalized this commitment through the establishment of a Green and Sustainability-linked framework.

Green bond framework

Gränges' updated Green Bond Framework was published on October 31, 2024 to support Gränges path to net-zero. A second party opinion was issued by Sustainalytics. The Green Project categories are Sustainable and circular aluminium solutions, Energy intensity and technology and Renewable energy. The framework and the related Second Party Opinion is available on [Gränges' website](#).

Green bonds

Gränges issued its inaugural green bond in February 2025. The total outstanding amount was SEK 600 million as per December 31, 2025. The bond (ISIN: SE0013885464) matures on 14 February 2030. The net proceeds of the bond have been used to refinance existing eligible green projects. Further details on the terms and conditions are available on Gränges' website.

Governance

The evaluation and selection of eligible Green Finance Projects are conducted in accordance with Gränges' Green Finance Framework and are subject to approval by the Green Finance Committee (GFC). The GFC is chaired by the CFO and comprises the CEO, SVP Sustainability, and VP Group Treasury.

Green register and allocation

Green project	Green project category	Sourced recycled aluminium (ktonnes)	Annual emissions avoided (ktonnes CO ₂ e)	Investment start and completion	Proceeds allocated ¹ , USD million	Proceeds allocated, SEK million	Proceeds unallocated, SEK million
906 Caster Huntingdon	Sustainable and circular aluminium solutions	23	96	2021-2025	56	600	0

¹Equivalent to SEK 601 million, calculated using the USD/SEK exchange rate of 10.73 as of the issuance date of the Green Bond on 14 February 2025.

Impact reporting methodology

The impact reporting provides an overview of the estimated environmental impacts associated with the Green Bond- financed projects. It is based on available data, established methodologies, and reasonable assumptions. All figures are provided on a best effort basis and should be interpreted accordingly. The reporting is developed with reference to the ICMA Harmonized Framework for Impact Reporting.

Emission reductions are estimated based replacing externally sourced cast coils with an average emission factor of 9 tonnes CO₂e/tonne by internally produced cast coils made from 100% recycled aluminium, with an average emission factor of 1 tonnes CO₂e/tonne. The emission factors are based on industry data from the Aluminum Association and LCA-model data.

This implies an emission saving of approximately 8 tonnes CO₂e/tonne. Based on an annual production of ~12 ktonnes in 2025, total avoided emissions amount to approximately 96 ktonnes CO₂e, reported under Scope 3.

Limited assurance

A limited assurance of the allocation reporting has been performed by EY. Refer to p. 4-5.



First all-electric casting line in the US

The investment in the casting and recycling centers in Huntingdon, Tennessee enables a transition from natural gas to renewable electricity in the casting process, significantly reducing carbon emissions.

Combined with a consistent supply and processing of recycled aluminium, the project supports increased circularity and aligns with Gränges' ambition to lead the industry towards a more sustainable future.



Auditor's Limited Assurance Report on Gränges AB's (publ) Green Bond Report 2025

To Gränges AB (publ), corporate identity number 556001-6122

Conclusion

We have been engaged by the Management of Gränges AB (publ) to conduct a limited assurance engagement of allocation of proceeds in the Green Bond Report 2025. The reporting criteria against which this information was assessed are relevant parts of the Gränges Green Finance Framework 2024, available on the Gränges website.

Our assurance does not extend to any other information in the Green Bond Report 2025. We have not reviewed and do not provide any assurance over any individual project information reported, including estimates of sustainability impacts.

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 selected information disclosed in the Green Bond Report 2025 has not been prepared, in all material respects, in accordance with the reporting criteria defined above.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. Our responsibility under this standard is further described 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.

Responsibilities of the Management

The Management of Gränges AB (publ) is responsible for the preparation of the Green Bond Report 2025 in accordance with the applicable criteria. The applicable criteria consist of the Gränges Green Finance Framework 2024, as well as the company's own accounting and calculation principles. The responsibility also includes the internal control relevant to the preparation of a Green Bond Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the selected information in the Green Bond Report 2025 based on our review. The limited assurance engagement has been conducted in accordance with ISAE 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our procedures to obtain limited assurance that the Green Bond Report 2025 is prepared in accordance with the criteria described in the section Responsibilities of the Management.

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 operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.



We are independent of Gränges AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance engagement involves performing procedures to obtain evidence to support the Green Bond Report 2025. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the Green Bond Report 2025 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 Management prepares the Green Bond Report 2025 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 Green Bond Report 2025, performing analytical review, and conducting other review procedures.

Stockholm 5 June, 2026

Ernst & Young AB

Andreas Troberg
Authorized Public Accountant

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