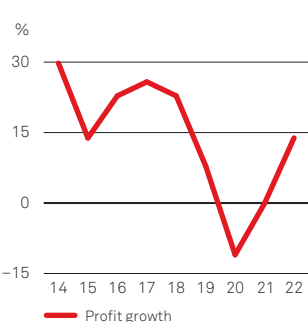


Long-term targets

Financial

At the Capital Markets Day on 21 June 2022, Gränges presented a new long-term plan for sustainable growth. As a result of the new strategy, Gränges also updated its financial targets for profit growth, profitability, capital structure and dividend.

PROFIT GROWTH

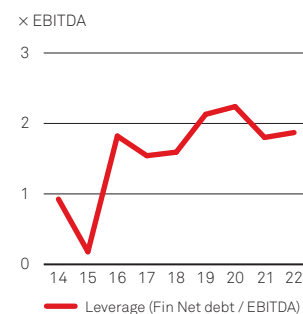


>10%

Average yearly operating profit growth above 10 per cent.

Comment: In 2022, operating profit increased by 14 percent primarily driven by higher prices towards customers. The increase in operating profit was partly offset by continued high inflationary pressure on operating costs as well as lower volumes.

CAPITAL STRUCTURE

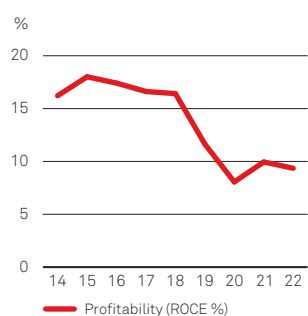


1–2× EBITDA

Financial net debt normally between 1–2 times adjusted EBITDA.

Comment: In 2022, financial net debt increased by SEK 823 million to SEK 3,882 million, corresponding to 1.9 times adjusted EBITDA. High metal prices and continuing expansion investments, with yet limited returns contributed to the increase in financial net debt.

PROFITABILITY

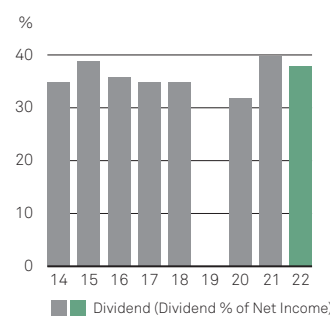


>15%

Return on capital employed above 15 per cent.

Comment: In 2022, return on capital employed decreased by 0.6 percentage points to 9.4 per cent. The increase in adjusted operating profit was negatively offset by higher capital tie-up, following the ongoing expansion investments and higher working capital due to increased metal prices.

DIVIDEND



30–50%

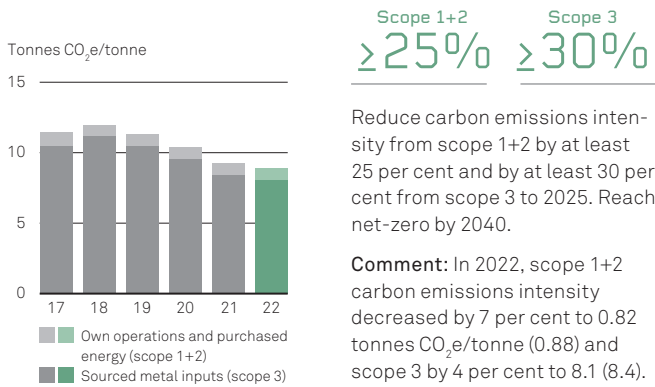
Dividend between 30–50 per cent of profit for the year.

Comment: The Board of Directors proposes a dividend of SEK 2.50 (2.25) per share for the 2022 fiscal year, corresponding to 38 per cent (40) of the profit for the year.

Sustainability

To drive the development of sustainable solutions, Gränges has adopted sustainability targets for 2025 and has set an ambitious climate target to reach net-zero by 2040 as well as to tenfold the recycling volumes by 2030 versus baseline 2017.

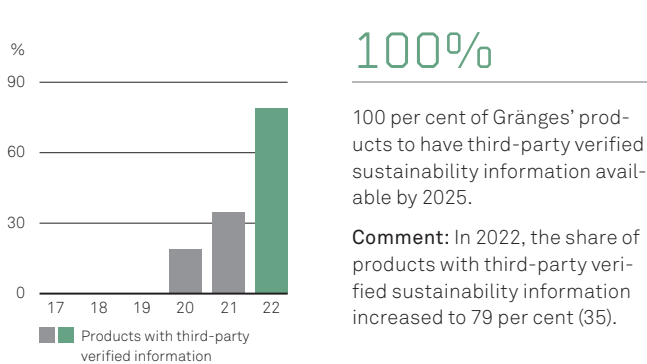
EMISSIONS AND CLIMATE IMPACT



Reduce carbon emissions intensity from scope 1+2 by at least 25 per cent and by at least 30 per cent from scope 3 to 2025. Reach net-zero by 2040.

Comment: In 2022, scope 1+2 carbon emissions intensity decreased by 7 per cent to 0.82 tonnes CO₂e/tonne (0.88) and scope 3 by 4 per cent to 8.1 (8.4). Total carbon emissions intensity (scope 1+2+3) has now been reduced by 22 per cent versus baseline 2017.

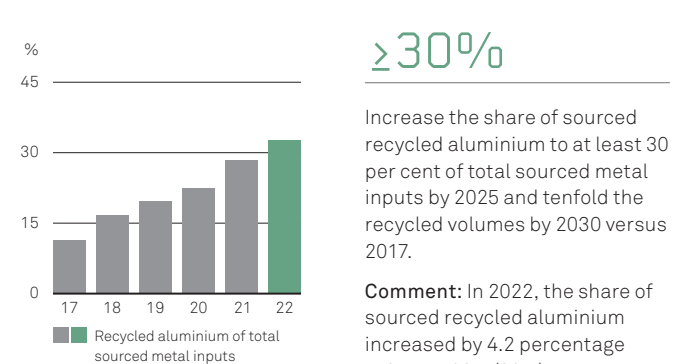
SUSTAINABLE INNOVATION



100 per cent of Gränges' products to have third-party verified sustainability information available by 2025.

Comment: In 2022, the share of products with third-party verified sustainability information increased to 79 per cent (35).

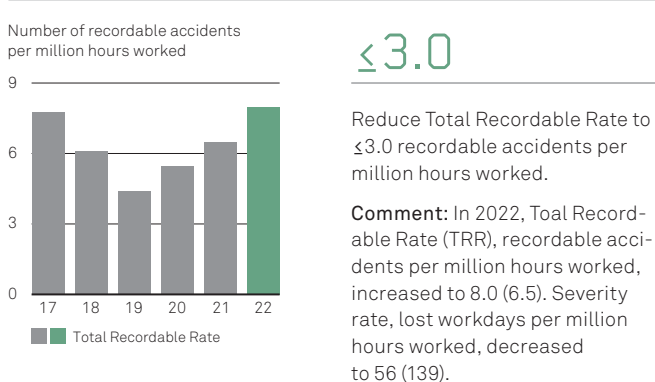
SOURCED RECYCLED ALUMINIUM



Increase the share of sourced recycled aluminium to at least 30 per cent of total sourced metal inputs by 2025 and tenfold the recycled volumes by 2030 versus 2017.

Comment: In 2022, the share of sourced recycled aluminium increased by 4.2 percentage points to 32.7 (28.5).

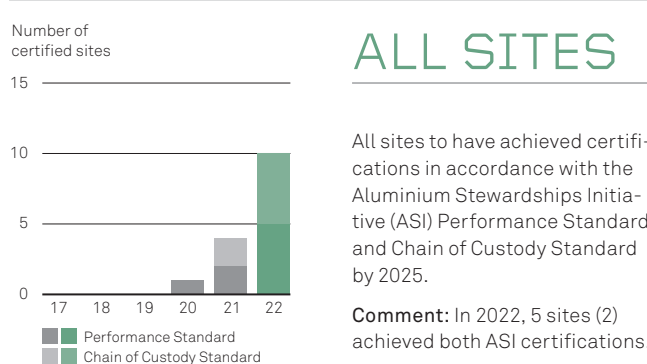
WORKPLACE SAFETY



Reduce Total Recordable Rate to ≤ 3.0 recordable accidents per million hours worked.

Comment: In 2022, Total Recordable Rate (TRR), recordable accidents per million hours worked, increased to 8.0 (6.5). Severity rate, lost workdays per million hours worked, decreased to 56 (139).

RESPONSIBLE SOURCING AND PRODUCTION



All sites to have achieved certifications in accordance with the Aluminium Stewardships Initiative (ASI) Performance Standard and Chain of Custody Standard by 2025.

Comment: In 2022, 5 sites (2) achieved both ASI certifications.