

S U S T A I N A B I L I T Y R E P O R T 2 0 2 3

PEOPLE & SAFETY IN FOCUS



LSAB GROUP

LSAB GROUP

ENGINEERING WITH A COMPETITIVE EDGE

ACTIVA

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CFO, LSAB GROUP

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LSAB GROUP

“PEOPLE & SAFETY IN FOCUS”

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<p>260 NUMBER OF EMPLOYEES</p>	<p>6 COUNTRIES</p>
<p>9 INTERNATIONAL OFFICES</p>	<p>40 MARKETS</p>
<p>3 BUSINESS UNITS</p>	<p>600 MSEK NET SALES</p>
<p>+5K SATISFIED CUSTOMERS WORLDWIDE</p>	<p>-41% IN CO2 FOOTPRINT SINCE 2019</p>

IN BRIEF



LSAB GROUP IN BRIEF

LSAB Group AB is part of Latour Industries AB - one of six wholly-owned business areas within Investment AB Latour. We currently operate in a total of six countries and have an overall headcount of approximately 260 employees. We export to a further 40 markets and our products are in use in all continents across the world, except for Antarctica.

OUR PHILOSOPHY

At LSAB Group, we adopt a forward-looking approach and are committed to seeking out new solutions.

As a leading supplier in the field of cutting solutions, we have demonstrated our willingness and capability to take advantage of future opportunities. We aim to create sustainable value through our products and services and our proven ability to innovate, limited only by our mindset. What we can't allow ourselves is to become too comfortable or - worst of all - afraid. Life means constant change and our industry is no exception to that. We do not make things more complicated than they need to be. Working with us should be easy and enjoyable and we always keep our promises.



COMING HOME SAFE AND SOUND TO THE FAMILY

It should be a given, shouldn't it? That one have a safe and secure workplace where one can carry out their job effectively without risking their health – or life. But it has not always been this way in our industry. Go back 20 years and it was considered that risk was something you had to live with. Once in a while you had to get stitches. That was just the way it was. Of course, that's completely unacceptable.

VISION ZERO REQUIRES RESPONSIBILITY

We work with very sharp products where the right safety equipment and procedures are necessary to avoid cuts. Even though a lot has happened since then, safety work

is a key issue for us at LSAB Group. Therefore, in 2023, we have chosen to put our employees at the center of our sustainability work. We have initiated a "safety tour" with workshops, training and fact-finding where all employees have participated and got the opportunity to have their say. That the company provides equipment and routines within the framework of our safety strategy is obvious. But a zero vision also requires personal responsibility.

The well-being of our employees is an ethical and moral issue that we can never, nor want to, compromise on. In the sustainability report, it falls within the framework of Corporate Social Sustainability, and how



"Safety work is a key issue for us at LSAB Group"

we handle the issue is also something that the outside world and our customers pay a lot of attention to. To look at it rationally, good and safe working conditions are a prerequisite for us to attract competence and do business.

INNOVATION DRIVES CHANGE

The year has also involved continued work in other sustainability-related areas linked to material consumption and climate impact. In line with the decision for an electric vehicle fleet, we have almost phased out all fossil-fueled cars, and our trucks are now being fueled with HVO (Hydrotreated Vegetable Oil.) Our work to

offer carbon-neutral products continues, and we look forward with excitement to developments in green steel, which we believe will offer great opportunities in the future. The willingness and ability to drive innovation are crucial for those who want to change a traditional industry.

HANS EKHOLM,
CEO, LSAB GROUP

OVERVIEW LSAB GROUP



WOOD SOLUTIONS



METAL SOLUTIONS



TOOLING



LSAB offers products and solutions for the woodworking industry. In our two segments, Sawmill & Planing and Woodworking, we represent world-leading brands such as Langshyttan, BBM, Micor and Leitz.

LSAB SWEDEN

LSAB NORWAY

LSAB FINLAND

LSAB ESTONIA

LSAB LATVIA



Fortiva offers one of the widest ranges on the market for cutting, turning, drilling, milling, deburring and clamping. We offer consulting services, ranging from method selection, time studies, special tool development to programming and support at the start of production. We represent world-leading brands such as Kennametal, Vargus, Kinkelder and Kanefusa.

FORTIVA SWEDEN

FORTIVA DENMARK



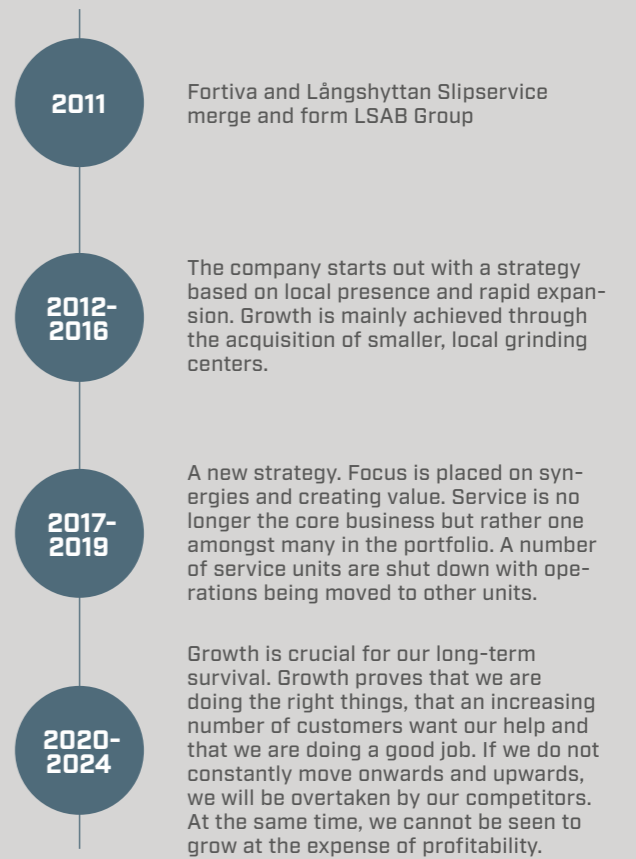
Building on our more than 150 years of accumulated know-how, we know what is required and, as with any kind of manufacturing, the result depends on several factors. Here at Micor Tooling, craftsmanship and personal commitment, combined with ongoing efforts to improve and develop ourselves, provides us with a high and consistent level of quality of which we are very proud. We produce world-leading brands such as Micor, Langhyttan, BBM and LTT.

LAHOLM PRODUCTION PLANT

LÅNGSHYTTAN PRODUCTION PLANT

LAHTI PRODUCTION PLANT

PAST, PRESENT AND FUTURE





ABOUT WOOD SOLUTIONS

LSAB upholds an old, proud Nordic tradition in which the forest, as a renewable raw material, is transformed into timber which in turn becomes products that benefit society. Our goal is to become Europe's leading supplier of tools and services for chip-making processes in the wood industry.

WHAT HAVE BEEN YOUR SUSTAINABILITY HIGHLIGHTS DURING 2023?

During 2023, LSAB Sweden has continued its transition to using HVO fuel for transport vehicles. We have renewed our vehicle fleet and entered into agreements with external service freight companies. The next step is to implement the same across our subsidiaries. LSAB has a largely circular business model, and during 2023-24, we will invest further in equipment for grinding and re-tipping saw blades. Through this business model, we can reduce CO2 emissions by 90% compared to purchasing new saw blades.

WHAT ARE YOUR THOUGHTS ABOUT FUTURE SUSTAINABILITY?

Sustainability is already central to our business model. In the near future, we need to start promoting our circular offering in markets that are less mature than the Nordic region. The linear logic that has prevailed since the industrial revolution should now be replaced by a circular logic.

WHY IS SUSTAINABILITY SO IMPORTANT FOR YOUR BA?

Sustainability is key for our business area. We operate in an industry that contributes in many ways to achieving a sustainable society but also needs to reduce its emissions. For example, the timber industry is one of the largest purchasers of transport services and is working hard to reduce its emissions. As a market leader, LSAB needs to lead the way and push boundaries in the industry, whilst contributing to our customers' goals. We need to do this together. Ultimately, we work on sustainability for the benefit of future generations.



"A LARGELY CIRCULAR BUSINESS MODEL"

MARTIN ANDERSSON,
BUSINESS AREA MANAGER





ABOUT METAL SOLUTIONS

The Metal Solutions business area aims to make a difference. With the widest range of clamping and cutting tools on the market, entrepreneurial spirit, ingenuity and a holistic approach, together with our customers, we develop solutions that make a difference. A difference that will be visible in our customer's bottom line.

WHAT HAVE BEEN YOUR SUSTAINABILITY HIGHLIGHTS DURING 2023?

Our GreenWay delivery option has continued to develop in a positive way. In 2023, the number of sustainable transports has increased and we are seeing greater interest from our customers in choosing this transport alternative. By installing charging stations at Fortiva's units in Malmö and Trollhättan, our car transport has become more environmentally-friendly. Through positive initiatives, our production site in Trollhättan has managed to reduce its energy consumption by 11.2%. These specific measures create confidence for ongoing environmentally-friendly initiatives in 2024!

WHAT ARE YOUR THOUGHTS ABOUT FUTURE SUSTAINABILITY?

A sustainable work environment is the foundation for a successful business. Fortiva and BA Metal need to keep pace with rapid development and continuously strive to introduce initiatives for a more sustainable business. Our operations in Denmark are focused on further developing the business in the wind power segment in 2024 and beyond. This is an example of a sustainable area that BA Metal wants to develop further. During 2024, we will also start an ISO 9001/14001 process at Fortiva in Denmark.

WHY IS SUSTAINABILITY SO IMPORTANT FOR YOUR BA?

Active environmental work provides many benefits in the form of more efficient energy use or transport consumption, reduced use of resources, and lower costs for waste management. In an uncertain world with many problem areas, both in terms of world politics and the environment, we must do everything we can to make it a better place to live. Every little action makes a difference!



"EVERYDAY ACTION MAKES A DIFFERENCE"

HENRIK DAMSBO,
BUSINESS AREA MANAGER



TOOLING

ABOUT TOOLING

Tooling offers a full portfolio of sawblades, band saw blades, planing tools, moulding and PCD tools. At our three manufacturing sites we produce our own brands, namely Micor, Langshyttan, BBM and LTT, which are sold to 40 countries worldwide. With more than 150 years of accumulated know-how, we know what is required and this has made us one of the leading suppliers in Northern Europe.

WHAT HAVE BEEN YOUR SUSTAINABILITY HIGHLIGHTS DURING 2023?

Our sustainability journey continued in 2023 by reducing our carbon footprint, meeting our energy reduction target and continuing to actively work on the health, safety and well-being of our personnel. In Q1, we made the final steps towards having 100% renewable energy at all of our production sites. We have reduced our total energy consumption by 11% through various activities.

WHAT ARE YOUR THOUGHTS ABOUT FUTURE SUSTAINABILITY?

We are expanding our horizons and will work more closely with our suppliers and forwarders to ensure that the whole supply chain makes the best choices as regards sustainability. We firmly believe that we should partner up with companies with the same goals as us and that this should guide us when selecting suppliers in the future. During the course of 2024, we will launch the greenest product on the market in one of our segments. This will be a huge step in changing the global cutting tool market.

WHY IS SUSTAINABILITY SO IMPORTANT FOR YOUR BA?

The importance of sustainability is unquestionable within all business sectors but, in the field of supplying tools to industries that use precious raw materials, it is even more vital. If we can help the end user of our products increase their yield, reduce downtime and increase safety, we can contribute significantly to building a sustainable future. In doing this, as a supplier, we need to take full responsibility for decreasing our environmental footprint, as expected of us by customers, employees, owners and society as a whole.



”CHANGING THE GLOBAL CUTTING TOOL MARKET”

MARCUS WÄRRING,
BUSINESS AREA MANAGER



OUR COMMITMENTS

VISION

Customers choose us because we create the most value as a supplier. We create sustainable value through our products and services and our ability to think innovatively.

MISSION

Our mission is to create the conditions for long-term profitability and growth. We do this by daring to think new and focusing on the big picture rather than short-term gain.

OUR VALUES

INNOVATION

We dare to be first and to do things differently – even if it proves to be uncomfortable. We prefer not to complicate matters but rather to opt for natural and effective solutions.

COURAGE

We are honest with ourselves, our customers and our suppliers. We are straight, clear and consistent. We take the initiative and prioritize action and results. If we make a mistake, we start again and do it right. Straightaway.

SIMPLICITY

We do not make things more complicated than they need to be. Working with us should be easy and enjoyable and we always keep our promises.



”NUMEROUS CHANGES DURING THE YEAR”

CAROLINE AMBUHM,
CHRO



LSAB Group has made a number of changes in 2023, creating an even more sustainable workplace by developing leadership skills and changing behavior. We have continued to increase awareness and made our paths even clearer for future growth, how to make sustainability more of a given way of working, and how everyone can and needs to take responsibility.

THOUGHTS ABOUT THE FUTURE

It’s important for us to place sustainability high on our agenda and to establish an awareness of it that will become a fundamental and natural way of working, as well as an important factor in successfully attracting, developing and retaining people. Our current employees and future talents want to work for a company that shares their values and where they feel more empowered to make a difference for the planet as part of a sustainable organization.

SUSTAINABILITY WITHIN HR

Being a sustainable workplace means striving to be an inclusive and diverse workplace based on caring and empowerment. We want to create an open, honest, and curious environment in which our employees can express their thoughts, develop, and feel appreciated. We believe that inclusiveness through gender equality and diverse thinking is a given and part of the potential for growth for both individuals and organizations.

Our daily actions today and our employees’ basic behavior will have a crucial impact on the planet and our future. The next generation will take this thinking and way of acting for granted and we want them to be interested in us and consider our company as a role model – as a sustainable workplace where they want to work.



SUSTAINABILITY

SUSTAINABILITY PLAYS A CENTRAL ROLE



Sustainability plays a central role for LSAB Group and our owners. We develop innovative and sustainable solutions both in our own business and in the production of our customers. Our three areas of focus:

EMPLOYEES

- Our employees are our most important asset. We always put safety first.
- We continuously monitor our employees' working conditions and act preventively to achieve zero accidents
- Gender equality and diversity are important to us.

ENVIRONMENT

- We need to reduce our environmental impact at all levels.
- We must ensure that our products are manufactured using the lowest possible energy and raw material consumption.
- We use 100% renewable electricity.
- We measure and monitor our CO2 footprint and actively work to reduce it.
- All of our waste is sorted and disposed of by certified recycling companies.

BUSINESS ETHICS

- We act at all levels according to our owner, Latour's Code of Conduct.



HIGHLIGHTS

2013

ISO 14001, Fortiva Sweden

2018

CSR project, Solvatten

2019

Launch of GreenWay, Fortiva Sweden.

2020

The role of Sustainability Director is filled.
Collection of sustainability data begins from 2019 – focusing on Scope 1 & 2.
Switchover from natural gas to biogas in Laholm.
Switchover to renewable power in Finland.

2021

Installation of air source heat pumps in Visträsk as a means to reduce the use of fuel oil.
Changeover to LED lighting in Trollhättan.

2022

Switchover to renewable power in Estonia.
Changeover to LED lighting in Norway.
Introduction of energy mapping in Laholm and Långshyttan.
Launch of GreenMeeting.
ISO 14001 at LSAB Sweden, incl. Micor.
Health & Safety policy established and implemented within LSAB Group.
Start of Safety Audits within LSAB Group.

2023

Our own transport vehicles are operated without fossil fuels.
100% renewable energy in Sweden.
Switchover to renewable energy at LTT Finland.
Measuring of CO2 begins, Scope 3.
CSR project, Women's Social Initiative.

2024

ISO 14001, LSAB Finland
ISO 14001, Fortiva Denmark

2025

ISO 14001, LTT Finland

2030

100% renewable energy throughout LSAB Group.



In 2023, we have prioritized ensuring that everyone working in our operations can return home to their loved ones in good health – both our employees and our contractors.

We have focused on taking our safety efforts to the next level – building our safety culture.

We have developed a Safety Pass for our contractors, which allows us to clearly communicate our safety rules. This has now been implemented within our Tooling business area, with Wood and Metal Solutions to come next.

SAFETY TOUR AND ISO

A Safety Tour was started in August for all managers within the LSAB Group, focusing on our safety culture. The tour continued throughout the autumn at a number of our units and will be ongoing into 2024.

Our ISO journey with more units becoming ISO 14001-certified has also continued. This year, we achieved this at LSAB Suomi – both the units in Kajaani and in Lieto. The goal is to have certification in place by February 2024.

CODE OF CONDUCT AND SCOPE 3

During the year, we have started to extend our sustainability focus and sustainability values. We have drawn up a Code of Conduct for our partners. In this, we clearly communicate our standpoints on the following areas: Business Ethics, Human Rights, Health & Safety, and the Environment.

Mapping our environmental footprint in Scope 3 has also begun. The path ahead involves establishing our baseline and ultimately identifying those areas where we have the greatest impact and determining how we can work actively to reduce our effect on these.

We look forward to the next step in our exciting journey!



”TAKING SAFETY TO THE NEXT LEVEL”

ANNA THURESSON,
SUSTAINABILITY DIRECTOR



LEADERSHIP



CULTURE

INTERNATIONAL MANAGEMENT DAY 2023

During 2023, we took key steps towards achieving an even more sustainable workplace and approach. To increase know-how and commitment in the organization and establish a common platform and understanding of what would a difference, for the first time we gathered all of the leaders at LSAB Group for two International Management Days at which we examined Leadership, Culture and Sustainability in more detail.

VALUABLE DISCUSSIONS

The goal of this event was to reinforce our culture and increase leaders' own awareness of their leadership skills and behavior. We shared some fantastic success stories from real life, discussed where we stand today in terms of sustainability and worked on those actions that will be crucial for us to achieve our common goals. New, valuable networks were created and we had an excellent and very productive time together, as well as a lot of fun.

The leaders left full of inspiration for change and with a lot of actions to work on and implement in the organization, as it starts with them and needs to be embedded into everything we do, our attitudes, behav-

ior, and ways of acting. The key to success as a leader is to understand how you act and behave and that everything we do comes from an engaged leader. Our leaders need to act as role models, while all employees must be our ambassadors for maintaining this work and way of thinking. It's all about our behavior, what I can personally do, what responsibilities and changes I can and will undertake and introduce.



MAINTAINING THE FOCUS

We are proud of the work that we have done together in LSAB Group and the tangible changes in leader behavior and the crucial engagement from employees that has been set in motion. The journey has only just begun and it's now very important that we maintain this focus and continue down this road to reaching our goals and becoming the employer that we strive to be - together we can make this process of change even more attainable and fun at the same time.

I hope this grabbed your curiosity to continue reading on the next page about our "Sustainability Tour" - what a success this has been and how we will continue to work on it together.

SUSTAINABLE WORK

SUSTAINABLE WORK

SUSTAINABILITY

WORKSHOP



SAFETY TOUR

SUSTAINABILITY TOUR – OUR SAFETY CULTURE

Following International Management Day in Höllviken, we initiated a project in which all employees in our organization will take part in a workshop focused on our efforts in sustainability and safety. This became the starting point for an inspiring tour, which is now underway at the Swedish units.

PUTTING SAFETY FIRST

Anna Thuresson, Sustainability manager of LSAB Group, and Liselotte Eriksson, Quality coordinator at Fortiva AB, are responsible for this project, and have developed a program that they are presenting to the units. The session begins by focusing on our sustainability efforts; what goals we are working towards, how they affect us, and also how everyone can get involved and contribute.

Then we go in greater detail into the structure of our safety culture within LSAB Group. We all have valuable assets on site now, such as safety equipment, roadwor-

thy vehicles, and machine safety systems. On this tour, we're focusing on soft values, i.e. our behavior. This concerns the fact that all employees have a personal responsibility for behaving in a manner that puts "Safety First" – both in terms of WHAT we say and WHAT we do. The goal of all this is to return home safe and sound to our loved ones at the end of every working day.



WORKSHOPS THAT CREATE CHANGE

In order to raise awareness, various facts and examples from the real world are presented. These are mixed with workshops to encourage valuable discussions on the subject. Each workshop culminates in improvement activities that are built upon in the respective unit.

Employees have been moved at a personal level, and the response has been very positive. With such great commitment, together we can develop a strong safety culture within LSAB Group!

SUSTAINABLE WORK

SUSTAINABLE WORK

SUSTAINABLE VOICES FROM OUR PEOPLE



KRISTIAN NORÉN,
WAREHOUSE EMPLOYEE,
FORTIVA AB

Fortiva AB has reviewed its packaging and introduced environmental improvements during the year.

CAN YOU TELL US ABOUT WHAT YOU HAVE DONE?

“We’re moving from multicolor printing to untreated packaging made out of 100% recycled materials. We’ve adjusted the sizes of the boxes to suit the volumes we generally send, in order to transport less air. We always try to reuse incoming packaging and filling materials to the greatest extent possible.”

In 2022, Fortiva Danmark changed to FSC-labeled paper tape and FSC-labeled boxes. Based on these experiences, Fortiva AB phased out plastic tape and replaced it with FSC-labeled paper tape during 2023.

WHAT SPECIFIC ENVIRONMENTAL DIFFERENCE DOES THIS MAKE?

“By switching to FSC-labeled materials, we can ensure that the materials come from responsible, sustainable forestry that cares about people and the environment.

Suitable box sizes contribute to ensuring more efficient transport in terms of volume use and material consumption. The entire package (incl. tape) sent to the customer can be recycled as corrugated cardboard, without needing to be separated.”

HAS IT HAD ANY OTHER POSITIVE EFFECTS?

“In addition to the environmental benefits, it has resulted in a significant cost saving of over 50%! The new boxes are part of the supplier’s standard range, which means shorter lead times and less stock management.”



ANDERS LIDÉN,
PLANNING MANAGER,
OPERATOR AND SAFETY
REPRESENTATIVE,
FORTIVA AB

In Trollhättan, Fortiva AB has invested in lifting equipment to assist and ease heavy lifting in connection with welding band saw blades.

WHAT IS THE LIFTING EQUIPMENT USED FOR?

“We use lifting equipment every day; both for incoming band saw materials and also when moving materials from storage sites to cutting benches. These rolls weigh approximately 25-50 kg per roll.”

HOW DOES THE WORKING ENVIRONMENT DIFFER NOW FROM HOW IT WAS BEFORE?

“It’s a huge change for the better! The ergonomic working environment has become significantly easier, and the risk of manual handling injuries has been markedly reduced. It’s great to know that



KAJZA SUNDGREN,
CHANGE AMBASSADOR
MICOR TOOLING, LAHOLM

We’ve gone one step further during 2023 in regards to our safety efforts – we’ve started developing our safety culture within LSAB Group.

WHAT DO YOU THINK IS THE BEST ASPECT OF THE WORK ON OUR SAFETY CULTURE AND THE FOCUS ON SOFT VALUES?

“The fact that we’re taking more

Fortiva invested in this equipment for preventative reasons in order to promote staff health as the tasks previously caused physical problems. This had been a pressing issue in our active working environment and, together with the risk analysis conducted on the entire band production flow, it provided a good basis for the investment.”

WHAT DOES THIS MEAN FOR YOU AS AN EMPLOYEE?

“It means a lot that Fortiva has reviewed the process and invested for the employees’ sake. No one should come to harm at work. The fact that we can propose improvements and have an impact on our working environment gives a real feeling of engagement. We’re creating safe workplaces!”

shared responsibility; that we don’t just care about our own safety but also that of our employees. We remind each other in a positive way when we forget – and most importantly about why it matters – That we should all return home unharmed to our loved ones.”



CIRCULAR SERVICE FROM LSAB

EVERYDAY EFFORTS

More than 90% of the CO2 emissions for a newly produced saw blade are related to steel and transport. Less than 10% of the impact comes from reprocessing and soldering, for example, carbide teeth. By designing and manufacturing saw blades with a high-quality core, we can extend the product's lifespan and offer both maintenance sharpening and retipping. In our circular service flow, we reuse the core of the saw blade up to 20 times, thus reducing our environmental impact by more than 90%.

A CIRCULAR SERVICE OFFERING

Circular economy stands in stark contrast to the linear economy – which has characterized our society since the

beginnings of industrialization. In brief, a linear economy involves extracting natural resources, producing, consuming, and then finally disposing of the waste. The circular economy is a cycle. Instead of manufacturing, buying, and throwing things away, in a circular economy, we utilize everything we produce for as long as possible. When the product is consumed, we reuse and recycle as much as possible over and over again. LSAB products from are part of a circular offering.

SAME PERFORMANCE - LOWER COST

The cost of retipping a saw blade is about 70-90% of a new one. LSAB Service Centers operate in accordance with quality-assured processes in which each step is

carefully planned to achieve the best quality. The performance and technical properties of a retipped saw blade match those of a new saw blade. By focusing on TCO (Total Cost of Ownership) rather than price, costs are lower and environmental impact is reduced.

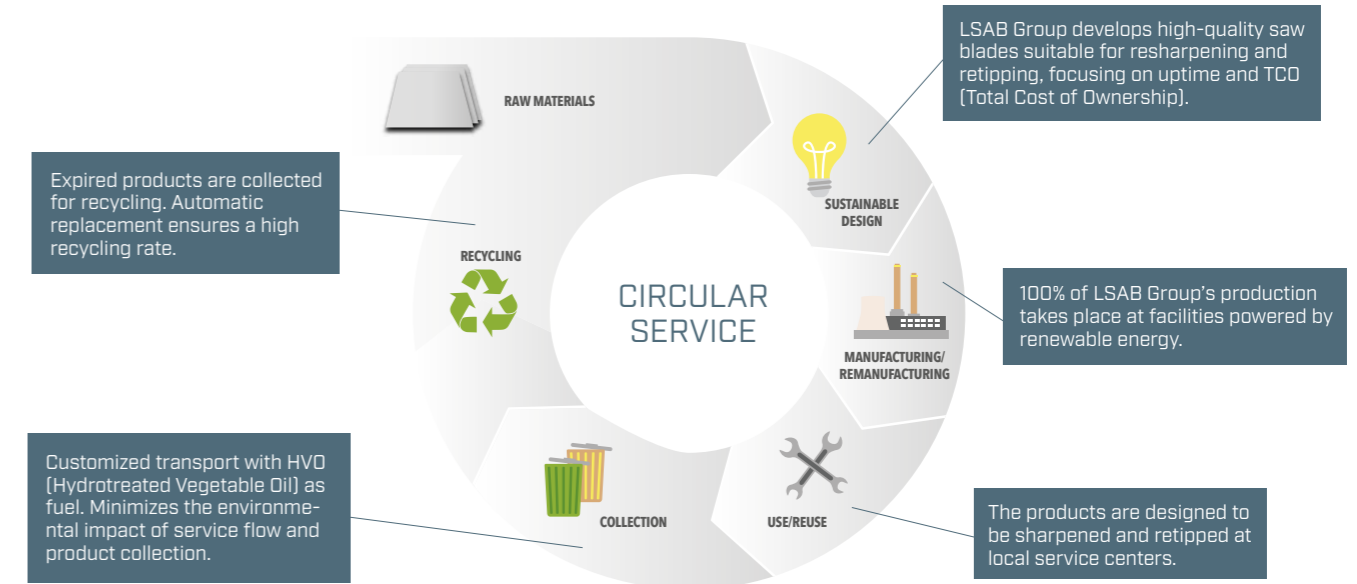
WOOD AND METAL. PARTS OF OUR DNA.

Approximately 70% of the area of Sweden is covered by forests. Throughout our history, forests have played a central role as a building material, fuel, hunting ground, etc. Since the total timber stock was first measured in the 1920s, it has also increased significantly. To achieve carbon neutrality, we need to both reduce our emissions and enable greater carbon uptake through so-called carbon sinks (forest, ocean, soil). Forests will continue to play a crucial role in the transition, already absorbing >80% of local CO2 emissions in Sweden.

Sweden was a pioneer in the rational extraction of metal, and blast furnace technology began being used in Bergslagen in the 12th century. In Norberg municipality, at a place called Lapphyttan (not far from Långshyttan), the remains of Sweden's oldest blast furnace have been found. Over the course of several centuries, metal extraction has developed into a significant industry.

Nowadays, we know that we need to change how we handle our resources. The linear approach that has characterized our society since industrialization is being replaced by a circular one. Manufacturing green steel and circular business models are crucial for a sustainable future.

Wood and metal are part of our history and, hopefully, our future.



EVERYDAY EFFORTS

RENEWABLE ENERGY

By switching to renewable energy at our offices and plants, we are reducing our CO2 footprint.



TRANSPORTS

Transport at LSAB accounts for a considerable part of our CO2 emissions, which is why we are actively working on converting our vehicle fleet to sustainable alternatives, such as electric/hybrid and HVD.



GREEN DELIVERIES

Green Way reduces the need for partial deliveries by collecting your orders in our warehouse for a maximum of 3 days. As soon as the order is complete, it will be sent out. If, after three days, the order is still not complete, it will be released for delivery.



GREEN WAY

GREEN MEETINGS

We are happy to visit our customers where there is a need for and value in meeting up in person. However, we are aware that this affects our CO2 emissions, which are regulated through our company car policy to ensure a more environmentally-friendly vehicle fleet.



GREEN MEETINGS

Solvatten 



SUPPORTING SOLVATTEN

We are engaged socially and environmentally through our support for the Solvatten project – a Swedish innovation that helps families in at risk areas get clean water.

 Social Initiative Women & Climate



SUPPORTING SOCIAL INITIATIVE

We are proud to be part of the Social Initiative Women & Climate. Women are trained to sell solar lamps in Tanzania that gain access to clean energy and reducing carbon emissions.

SUSTAINABLE EVERYDAY EFFORTS MAKE A DIFFERENCE

Step by step, we are taking action towards ensuring a better, more sustainable environment. Measures such as switching to renewable energy at our offices, converting our vehicle fleet to run fossil fuel-free are making a significant impact on our carbon footprint.

We're also proud to contribute to the Solvatten project, an innovative Swedish initiative that provides clean water to families in disadvantaged areas, and Social Initiative Women & Climate, an initiative that supports social entrepreneurs in solving societal challenges.

2023

**SUSTAINABLE
PERFORMANCE**



PERFORMANCE

PERFORMANCE

**TARGET:
VISION
ZERO**

(INDEX PER 1000 FTE
- FULL-TIME EMPLOYEE)

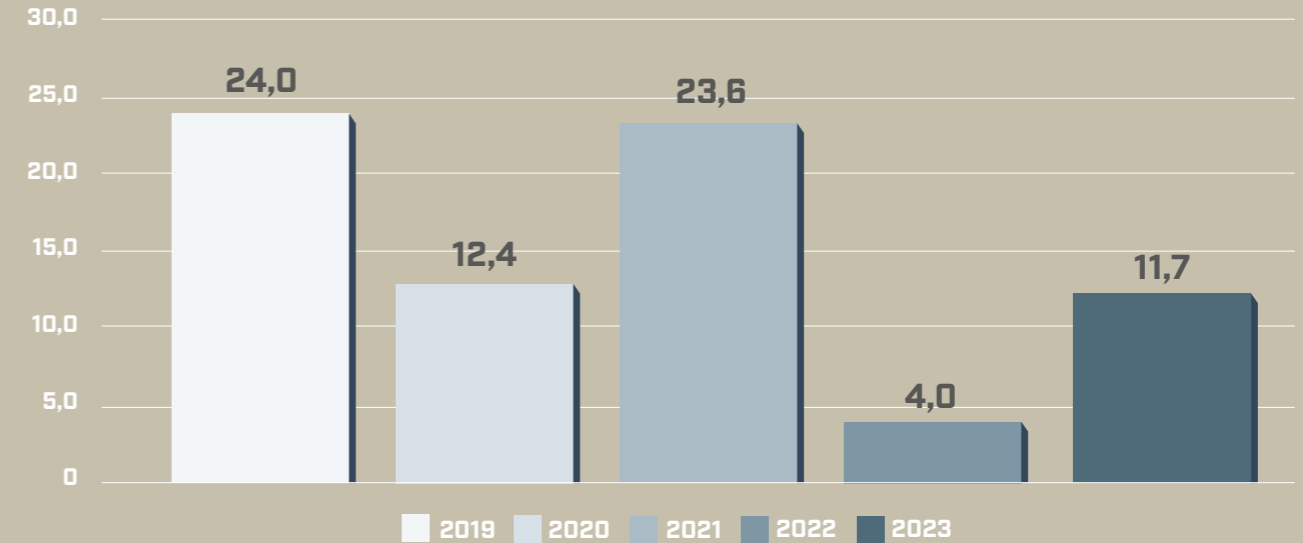
**WORK-RELATED
ACCIDENTS**

LTI (LOST-TIME INJURY)

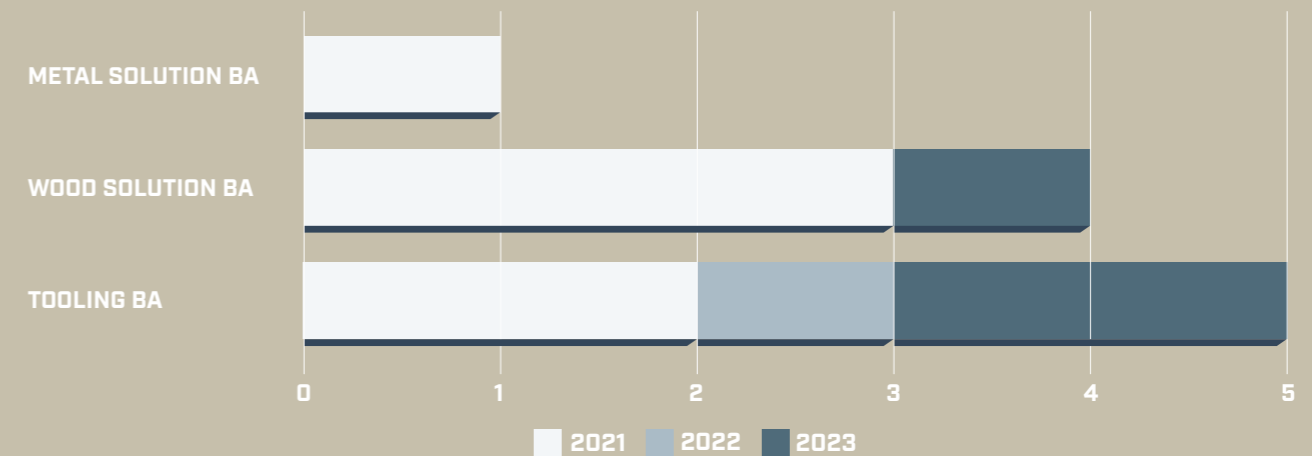
SITUATION:

- 3 LTIs during 2023.
- Major focus on building a safety culture.
- Started up a safety tour.
- Implemented reporting of all kinds of accidents/incidents.
- LTI, MTC, FAC and near-miss.

GROUP TOTAL (INDEX PER 1000 FTE)



NUMBER OF LTI (LOST-TIME INJURY)





PERFORMANCE

**TARGET:
100%
RENEWABLE
ENERGY
BY 2030**

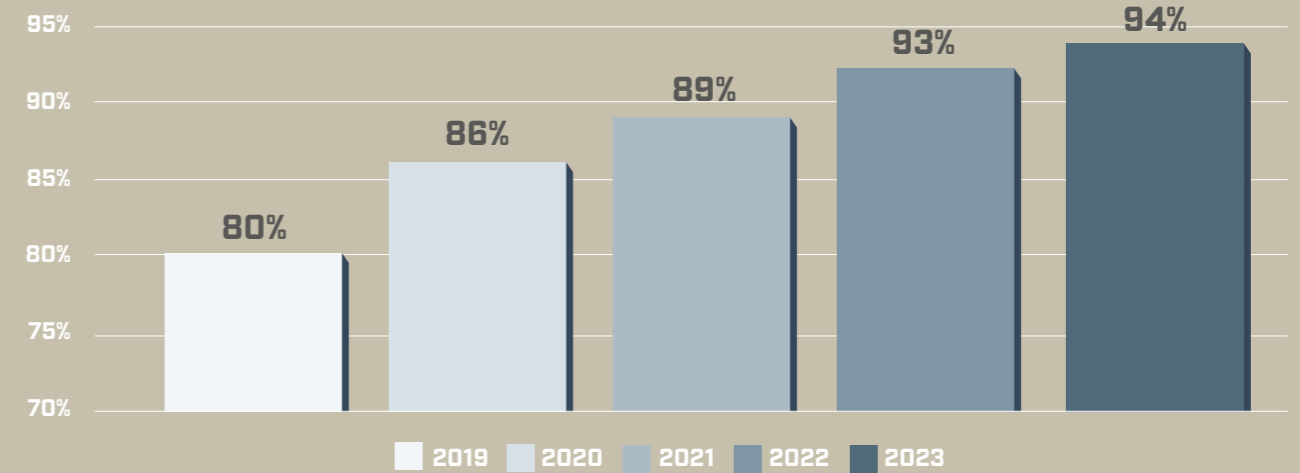
SCOPE 1 & 2

ENERGY MIX

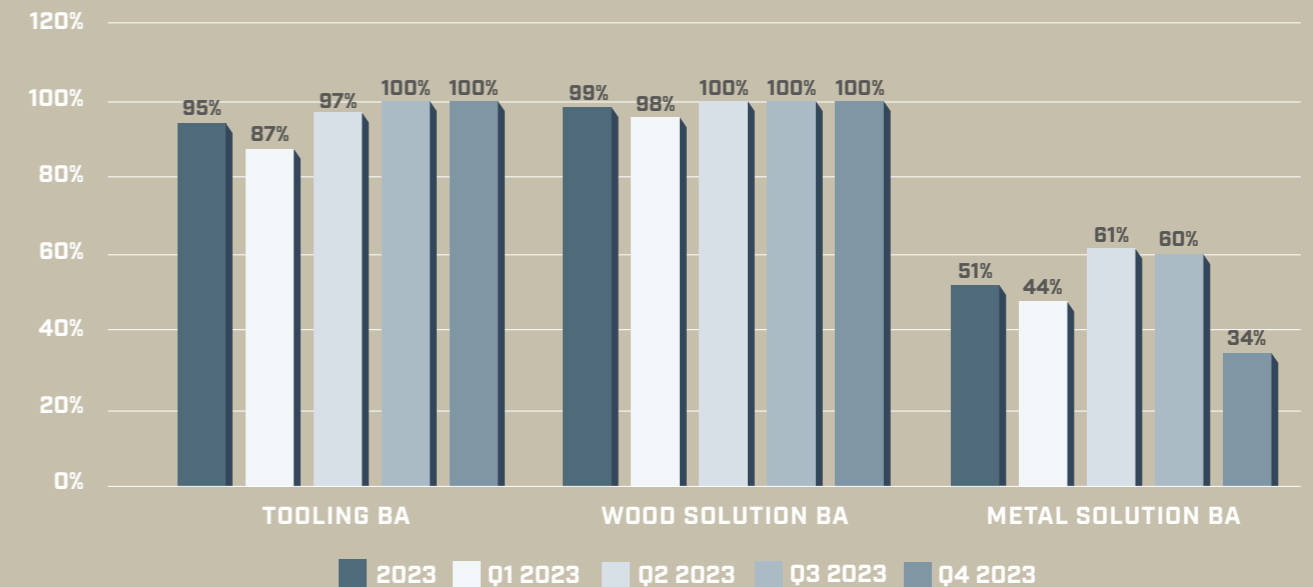
SITUATION:

- We are getting ever closer to the target.
- Our latest acquisition LTT has changed both electricity and district heating over to renewable.
- Fuel oil at our plant in Visträsk has been phased out.
- During 2023, two of our business areas have achieved the target - Tooling BA and Wood Solution BA.

GROUP TOTAL - ENERGY [% RENEWABLE]



BA TOTAL - ENERGY [% RENEWABLE]



PERFORMANCE



ENERGY CONSUMPTION

TARGET:
**ANNUAL -5%
IN RELATION
TO TURNOVER**

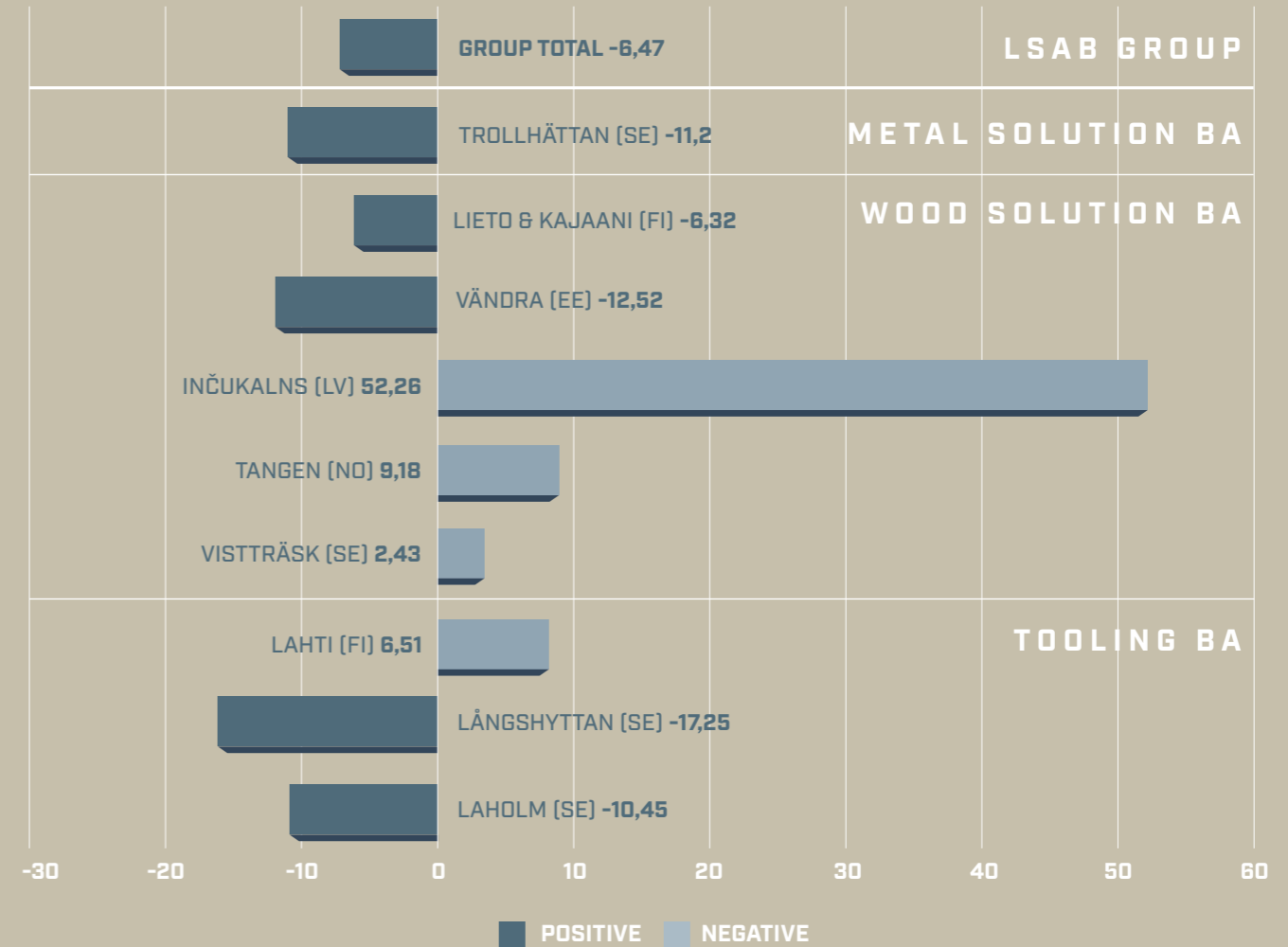
[MWh/MSEK]

SITUATION:

At LSAB Group level, we have reduced our consumption by -6.47% between 2022/2023. But, at plant level, it was a tougher year – some of our plants have not managed to find the balance between consumed energy and turnover.

- Tooling BA has reduced in total by -10.9%.
- Wood Solution BA has achieved in total -0.2%.
- Metal Solution BA has reduced by -11.2% at their service plant in Trollhättan.

ENERGY REDUCTION 2023 [%]





PERFORMANCE

PERFORMANCE

TARGET:
**ANNUAL -5%
IN ABSOLUTE
TERMS**

SCOPE 1 & 2 (TONNES)

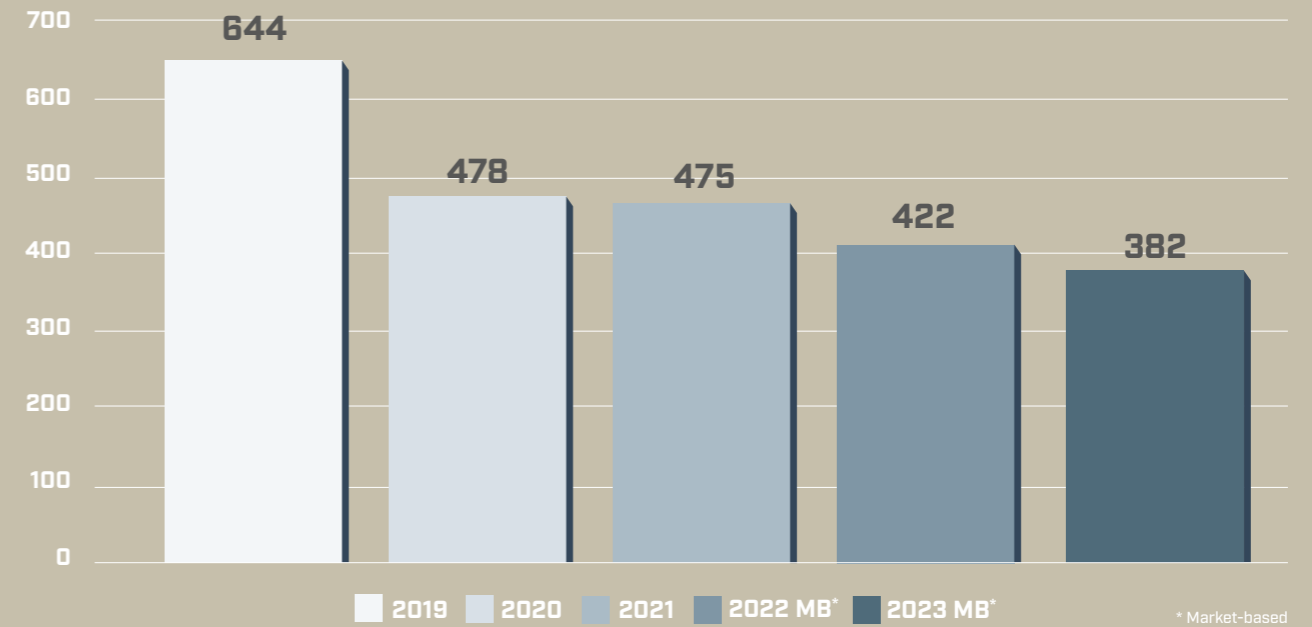
CO2 EMISSIONS

SITUATION:

At LSAB Group level, we have reduced our CO2 footprint by a further 9.5% between 2022/2023. This is a good start towards reducing by -40% from the base year 2022 to 2030.

- Fuel oil at our plant in Visträsk has been phased out.
- Our vehicle fleet of electrical cars has been expanded.
- Transport vehicles in Sweden run on HVO.
- Changed from district heating at LTT in Finland to renewable with a 0g CO2/kWh emission factor.

GROUP TOTAL (TONNES)





ISO 14001-CERTIFIED PRODUCTION PLANTS

TARGET:
100%
2025

SITUATION:

- We are at the 40% level.
- During 2023, we have started the ISO journey at our two LSAB plants in Finland. Certification in Q1. 2024. After this, we will reach 60%.

NEXT STEP:

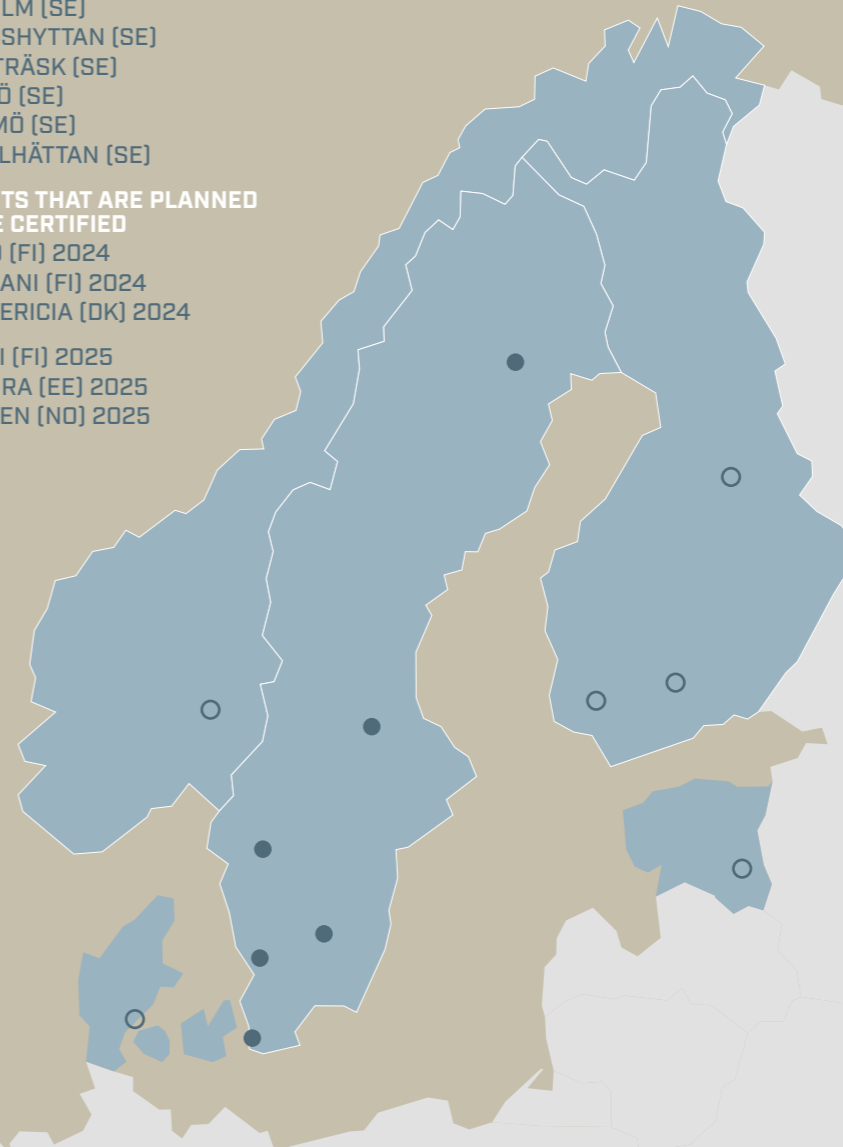
- Start the ISO journey at LTT in Finland (Production).
- Start the ISO journey at Fortiva Denmark (Sales).

● ISO 9001- & ISO 14001-CERTIFIED PLANTS

- LAHOLM [SE]
- LÅNGSHYTTAN [SE]
- VISSTRÄSK [SE]
- VÄXJÖ [SE]
- MALMÖ [SE]
- TROLLHÄTTAN [SE]

○ PLANTS THAT ARE PLANNED TO BE CERTIFIED

- LIETO (FI) 2024
- KAJAANI (FI) 2024
- FREDERICIA (DK) 2024
- LAHTI (FI) 2025
- VÄNDRA (EE) 2025
- TANGEN (NO) 2025




PERFORMANCE

PERFORMANCE

DEFINITIONS

UN DEFINITION OF GLOBAL SUSTAINABLE DEVELOPMENT GOALS

 <p>3 GOOD HEALTH AND WELL-BEING</p> <p>Ensure healthy lives and promote well-being for all at all ages.</p>	 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p>Build resilient infrastructure, promote sustainable industrialization and foster innovation.</p>
 <p>6 CLEAN WATER AND SANITATION</p> <p>Ensure access to water and sanitation for all.</p>	 <p>13 CLIMATE ACTION</p> <p>Take urgent action to combat climate change and its impacts.</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p> <p>Ensure access to affordable reliable, sustainable and modern energy for all.</p>	 <p>15 LIFE ON LAND</p> <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</p>



SCOPE 1 EMISSIONS
 Scope 1 covers emissions from sources that an organization owns or directly controls – for example, from burning fuel in our fleet of vehicles (if they are not electrically-powered).



SCOPE 2 EMISSIONS
 Scope 2 are emissions that a company causes indirectly when the energy it purchases and uses is generated. For example, for our fleet of electric vehicles, the emissions from the generation of the electricity they are powered by would fall into this category.



SCOPE 3 EMISSIONS
 Scope 3 encompasses emissions that are not produced by the company itself, and also not the result of activities from assets owned or controlled by them, but rather by those that it's indirectly responsible for, up and down its value chain. An example of this is when we buy, use and dispose of products from suppliers. Scope 3 emissions include all sources not within the limits of scope 1 and 2.

SUSTAINABLE DEVELOPMENT GOALS



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