

SPEAKER CATHARINA NORDEMAN

COMPANY HÖGANÄS

TOPIC **HÖGANÄS CLIMATE ROADMAP**

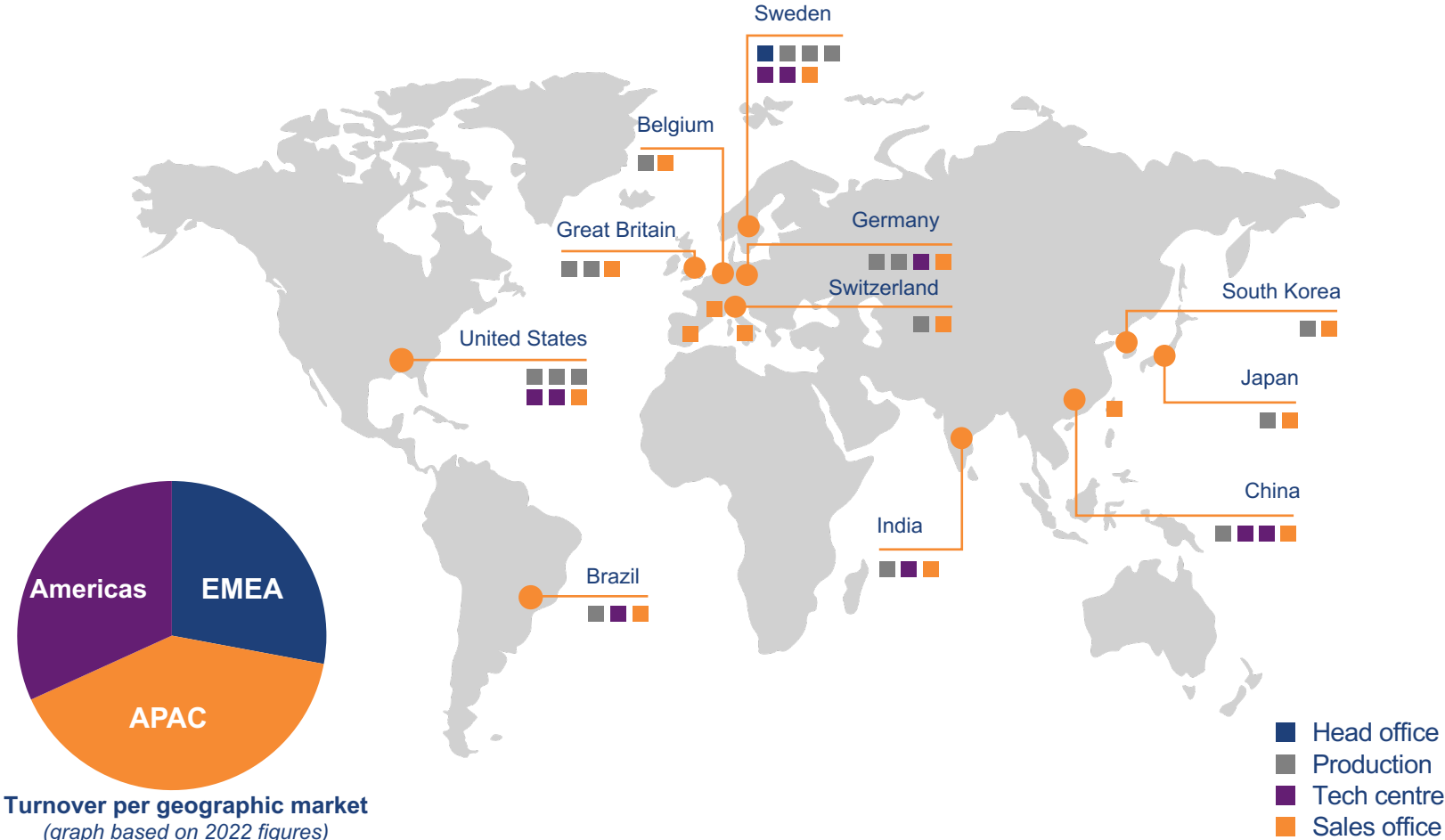
We are Höganäs - the sustainability pioneers

May 25, 2023

Catharina Nordeman
VP Group Sustainability

Höganäs in numbers

Global presence & local reach



3,000

customers
in 75 countries



500,000

tonnes in annual
production capacity



17

production facilities
in 11 countries



2,400

employees in
15 countries



2

owners – privately owned
by FAM and Lindégruppen



3,500

products



800

granted patents



12,256

MSEK in turnover (2022)

Höganäs

Metal powders

Enables sustainable solutions



Metal powder technology...

- » ...uses recycled raw material
- » ...minimises waste
- » ...allows more efficient use of resources e.g., energy and labour
- » ...simplifies recycling of end products
- » ...extends product life cycle

Five megatrends affecting the world and Höganäs

- » Rapid urbanisation
- » Climate change and resource scarcity
- » Shift in global economic power
- » Demographic and social change
- » Technological breakthroughs and digital disruption



Sustainability Agenda

Climate

- » Towards net-zero emissions

Environment

- » Environmental impact mitigation
- » Process safety

Products

- » More sustainable products
- » Resource efficiency and zero waste

Workplace

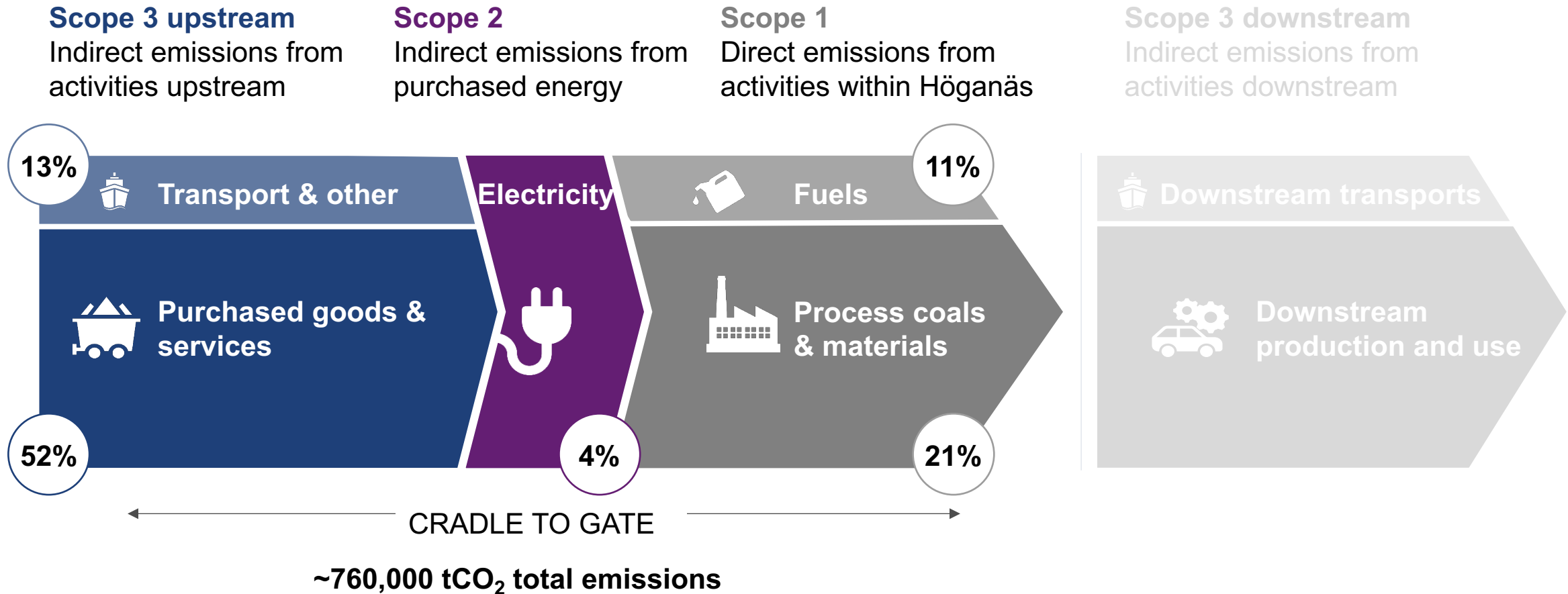
- » Zero accidents and healthy workplaces
- » Diversity, inclusion and equality

Society

- » Responsible and ethical behaviour



Climate – CO₂ emissions 2022



The Climate Roadmap 2030



Net-zero in own operations (scope 1 and 2)

Mitigate all emissions in scope 2

Reduce emissions in scope 1 as much as possible

Use permanent carbon removal to mitigate remaining emissions

30 percent reduction from raw materials (scope 3)

Increase use of secondary materials

Find low carbon footprint alternatives

Talk to suppliers to get them lower their emissions

LCAs on products

Use LCA^{***} as a tool for improvement

Provide carbon footprint on products

Support our customers' transition

- » Validated by the Science Based Targets initiative:
 - Net-zero* GHG emissions across the value chain by 2040
- » Our accelerated climate ambitions**
 - 2030:** Net-zero in own operations (scope 1 and 2) and 30 percent reduction of scope 3 upstream, raw materials (base year 2018)
 - 2037:** Net-zero across the value chain (scope 1, 2 and 3 upstream)

*Net-zero is to reduce remaining emissions to zero with permanent carbon removal technologies.

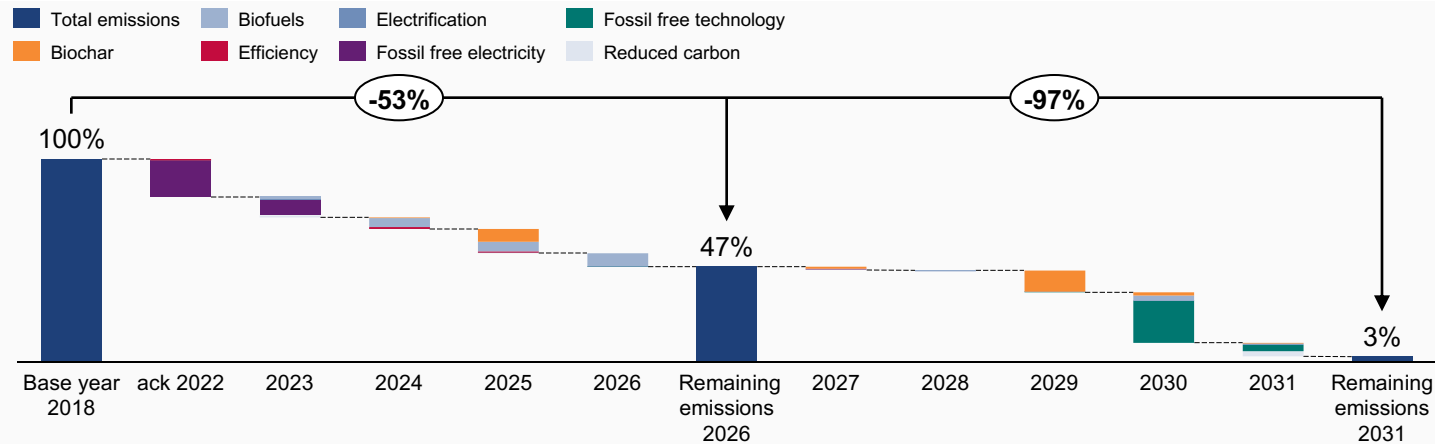
** Accelerated ambitions, not part of SBTi validation

***LCA: Life Cycle Assessment, a standardised way to establish a product footprint

Forecasted emission reductions

Raw materials use is 80 percent of our upstream scope 3 emissions

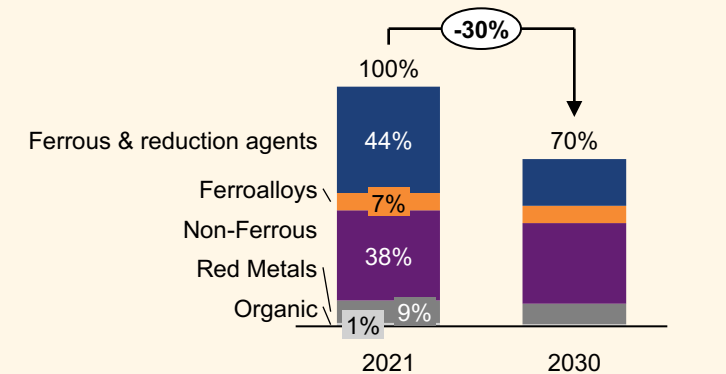
Net-zero in scope 1&2



Note: The net-zero target in Scope 1 may demand permanent removal of carbon dioxide from the atmosphere, to balance remaining hard-to-abate process emissions

- » Emission mitigation based on detailed action plans for each operation
- » Plan revised annually and followed-up quarterly

30 percent reduction 2030



Ktonnes CO2

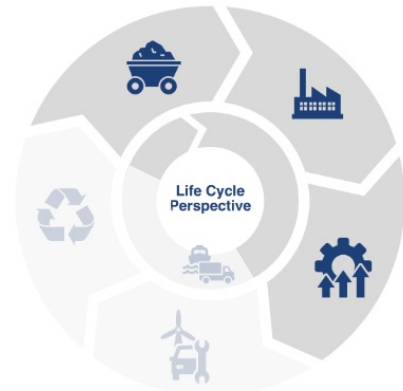
- » Emission reduction based on identified opportunities
- » In 2022, trainings, workshops, mapping of mitigation opportunities
- » Work divided into material clusters in cross-continental teams

Life cycle assessments as tool for improvement

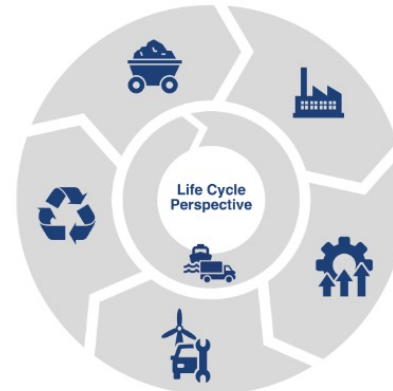
Our LCAs serve as reliable input to our customers' and their customers' LCAs:



Höganäs



Our Customers

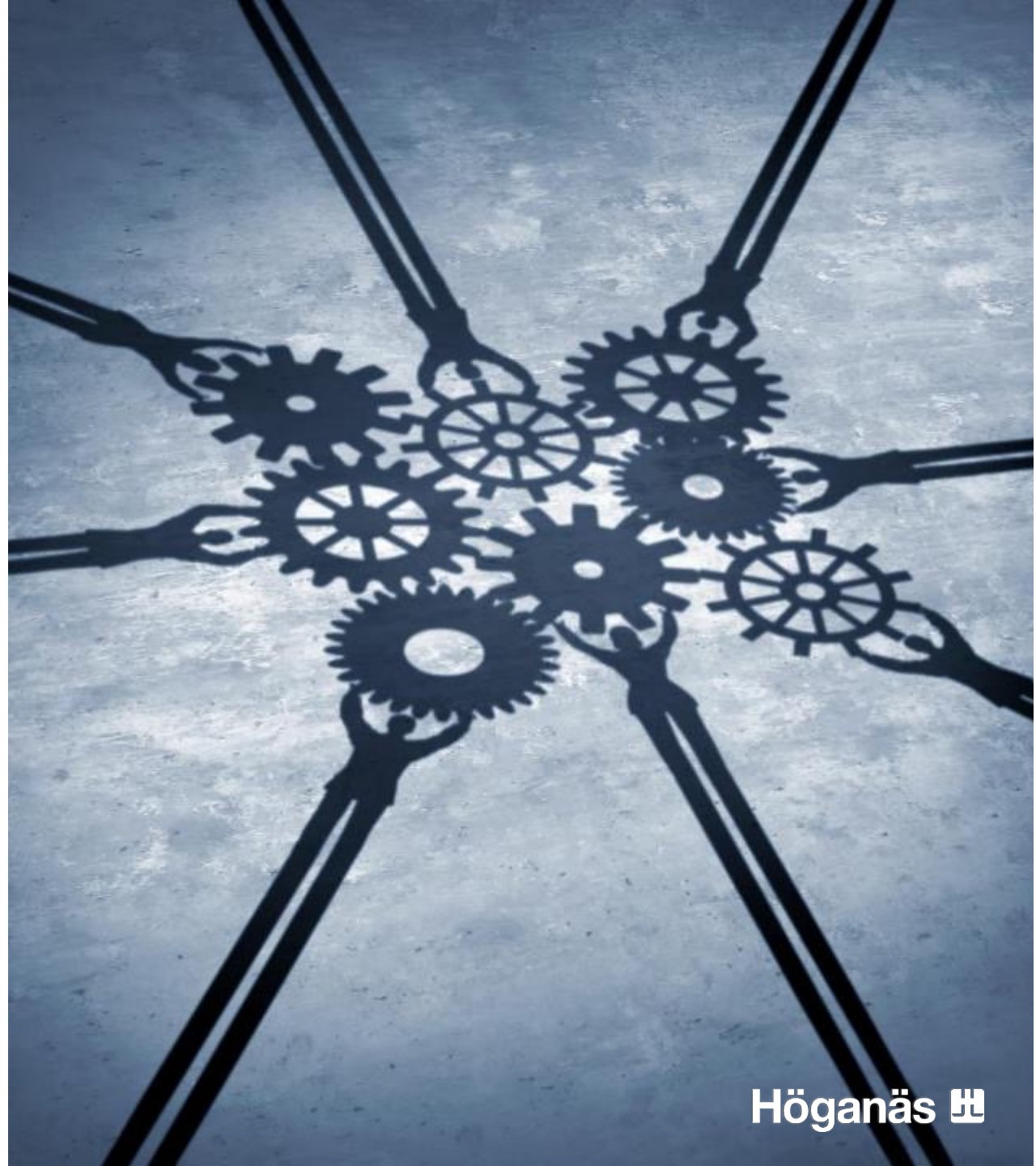


Full life cycle

- » LCA can be used for
 - Choice of product or technology
 - Improvements of product performance
- » Co-operation with customers to create LCAs
 - increases our knowledge about the customer
 - strengthens our position as preferred partner

To summarize

- » We make metal powders that are everywhere in modern society and for every industry
- » With our ambitious climate targets, we are truly frontrunners in our industry
- » As “sustainability pioneers” we can drive progress within our industry and support our customers in their transition
- » We strive to develop and promote best practice and inspire our value chain to join us towards net-zero emissions





How can we
inspire you?