Agenda – SSAB Capital Markets Day 2023

Introduction	• Transforming the future of steel	Martin Lindqvist, President & CEO
	• Steel industry outlook	Viktor Strömberg, EVP Strategy & Digitalization
Divisions	• Global leader in high-strength steels	Johnny Sjöström, EVP SSAB Special Steels
	• Nordic leader in premium steels	Olavi Huhtala, EVP SSAB Europe
	• Market leader North American plate	Chuck Schmitt, EVP SSAB Americas
	Q&A	
	Coffee break at around 14.45 CET	
Transformation	• Leading sustainable product offering	Tony Harris, VP Sales
	• Future production footprint	Carl Orrling, VP Transformation
	• Sustainable raw materials	Viktor Strömberg, EVP Strategy & Digitalization
	Q&A	
Financials	• A more profitable SSAB	Leena Craelius, CFO
	Q&A	
Summary	• SSAB Taking the Lead	Martin Lindqvist, President & CEO

SSAB

Transforming the future of steel

Martin Lindqvist, President and CEO

Introduction to SSAB

SSAB’s positions of strength

Global leader in high strength steels

3.0 Mt

Q&T and Premium

Leading the green steel transition

500t

Fossil-free
pilot shipments

Nordic market leader

40%

Market share
in the Nordics

US plate market leader

30%

Market share
in the US, plate

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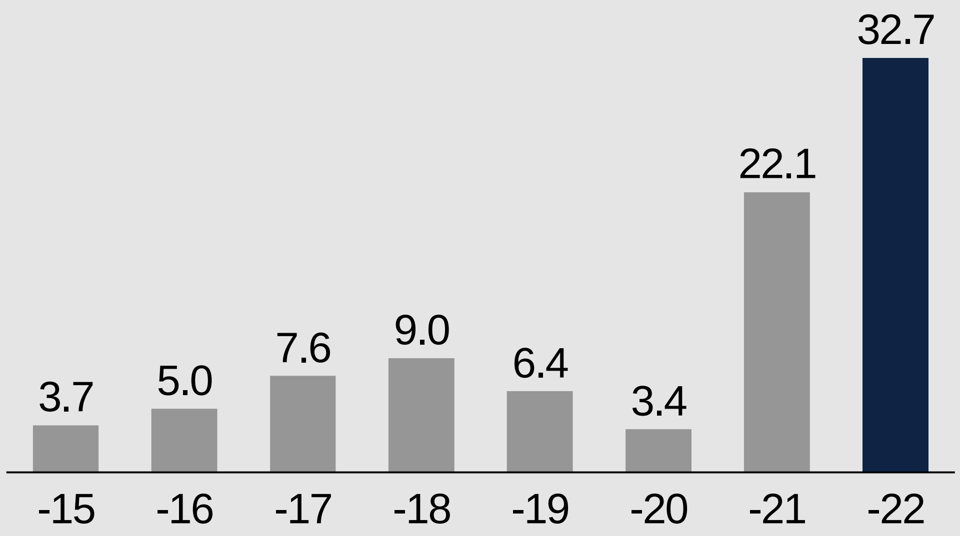
Profitable industry leader

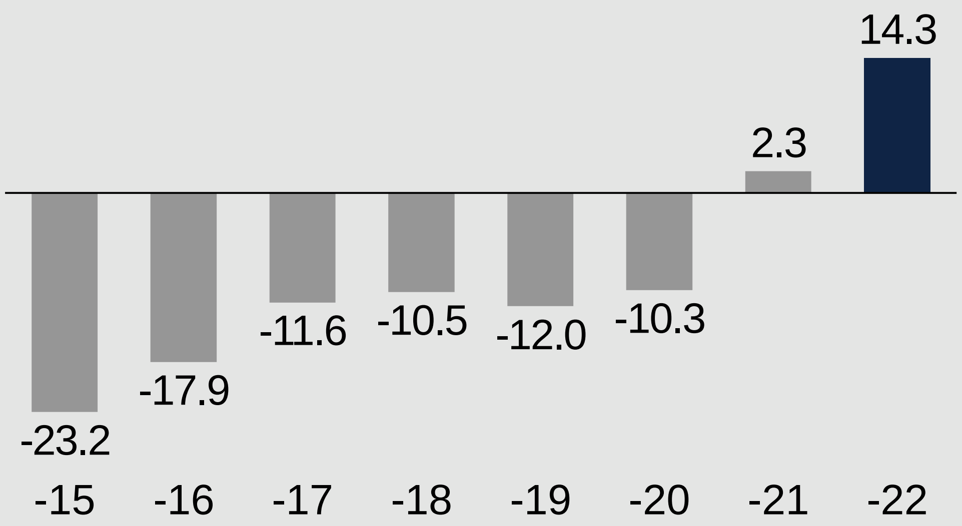
Solid earnings

Adjusted EBITDA (SEK bn)

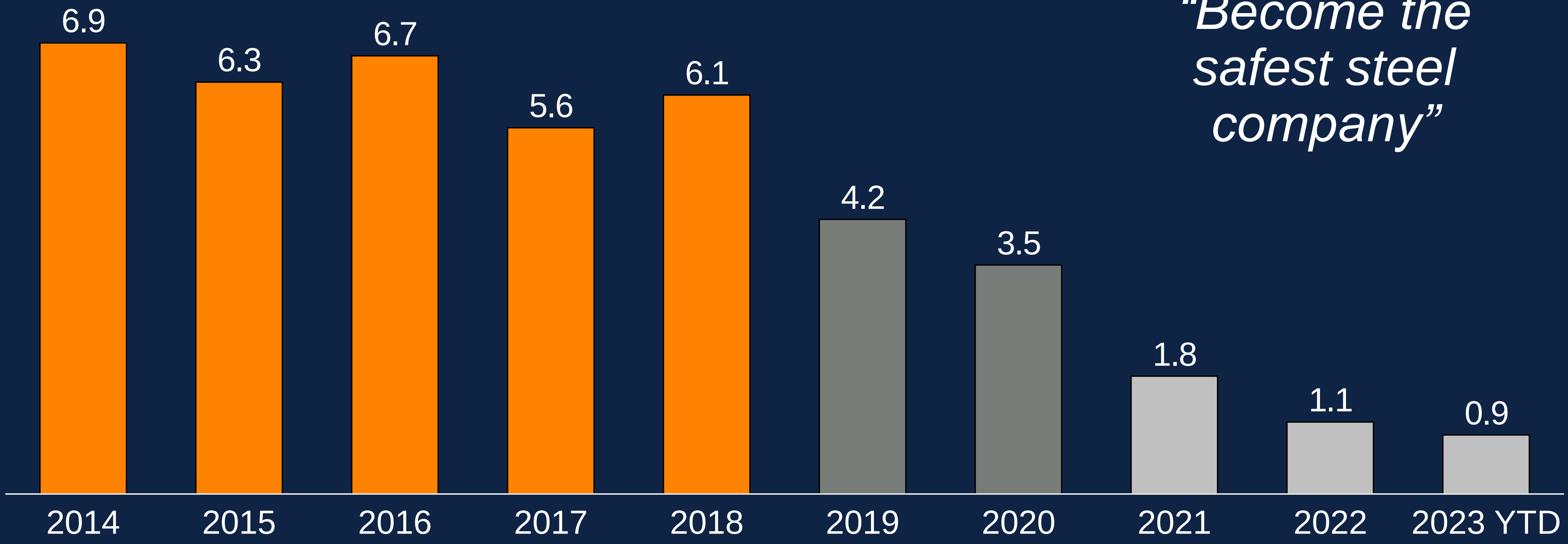


Strong balance sheet

Net cash position (SEK bn)



Well on our way to safety leadership



"Become the safest steel company"

LTIF, Lost Time Injury Frequency

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A more resilient SSAB

Focus areas in recent years – a more resilient SSAB

Mix improvement	**Channel development**	**Structural synergies**	**Continuous improvements (SSAB One)**

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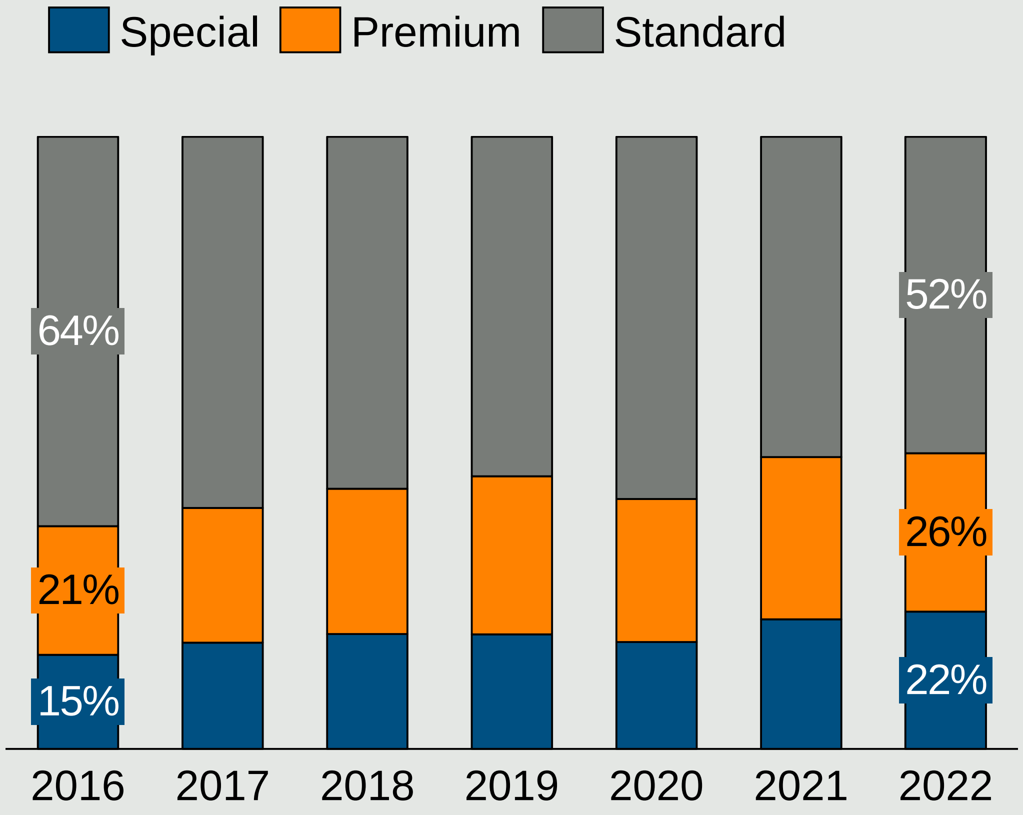
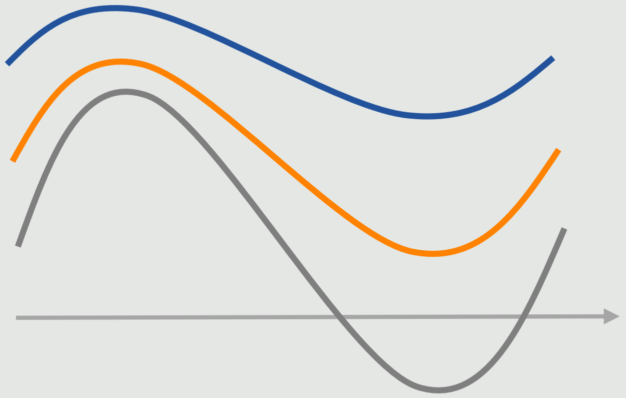
Product mix close to 50% specialty/premium

SSAB portfolio mix development



Average gross margin 2016-2022 (indexed)

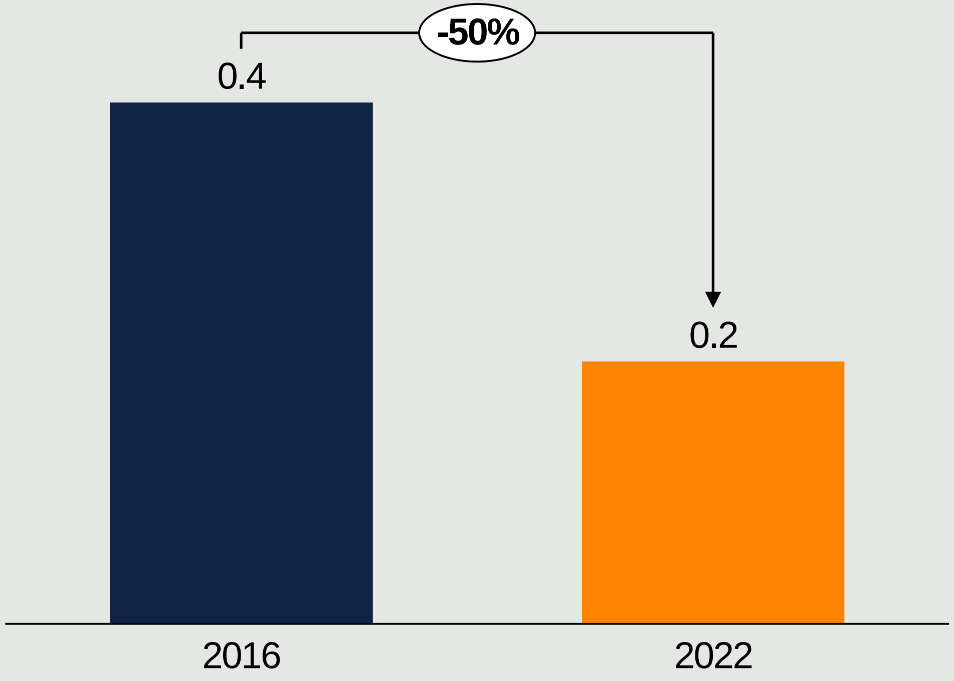
Volatility (illustrative)



Less volatile business portfolio - examples

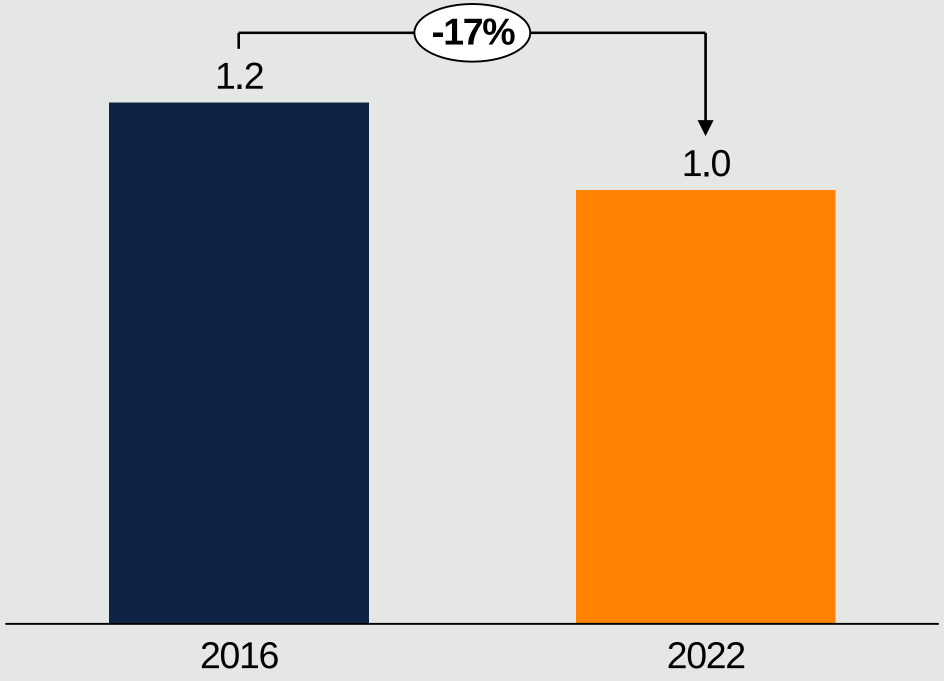
Standard coils to continental Europe

SSAB Europe, standard HR coils outside Nordic, Mt

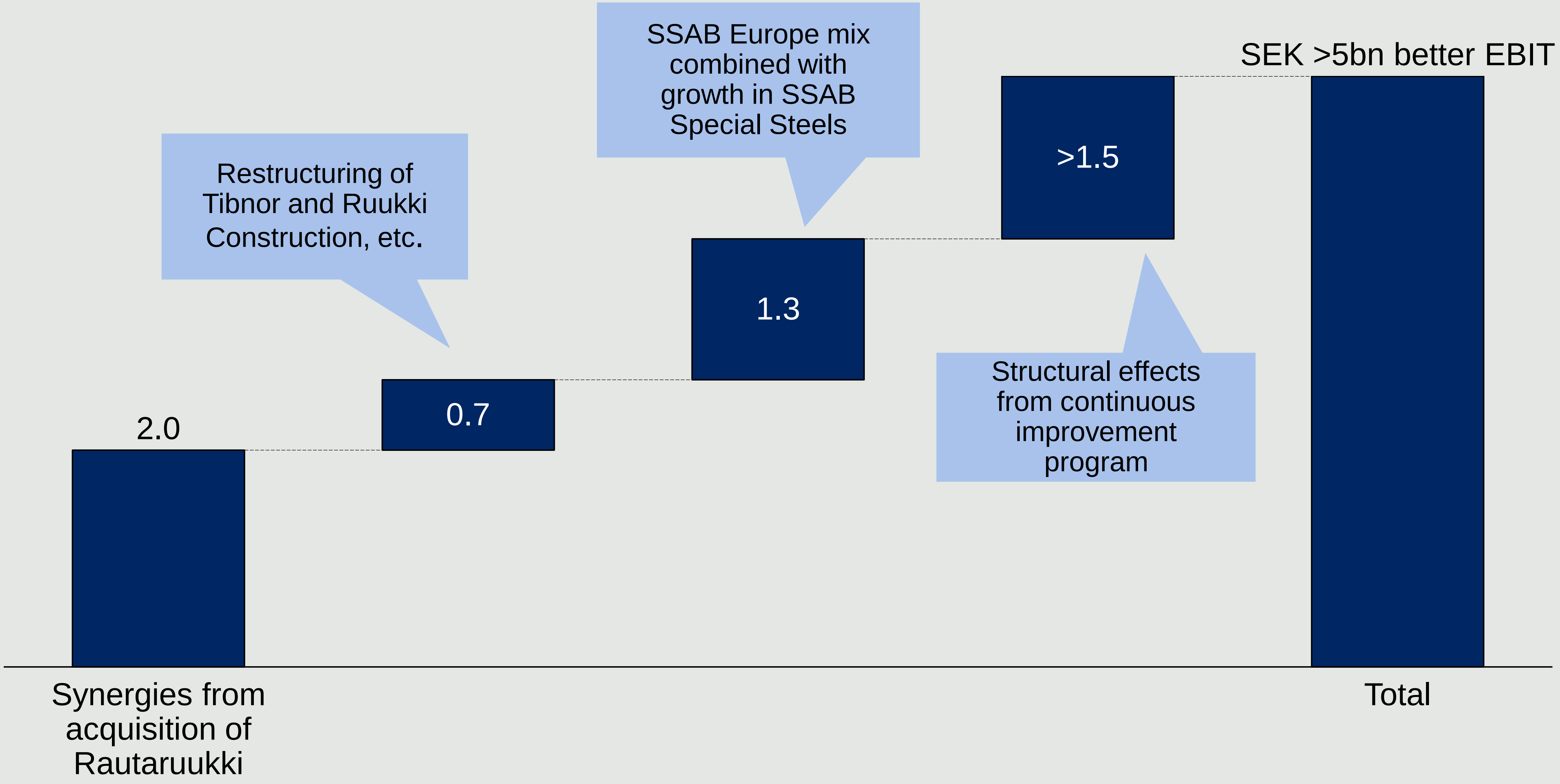


North American sales to Steel Service Centers

SSAB Americas, sales to Steel Service Centers, Mt



Structural improvements since 2015



Taking the lead – our plan for the coming years

Our successful strategy continues

Global leader in high-strength steels	Nordic leader in premium steels	Market leader North American plate	Develop channels to the market
3.0Mt Q&T and Premium	40% Market share in the Nordics	30% Market share, US plate	Tibnor Ruukki Construction SSAB Services

Transformation of steel mills to fossil-free production

- Lower cost and better efficiency
- Improved flexibility
- Higher capacity for high-strength and premium steels

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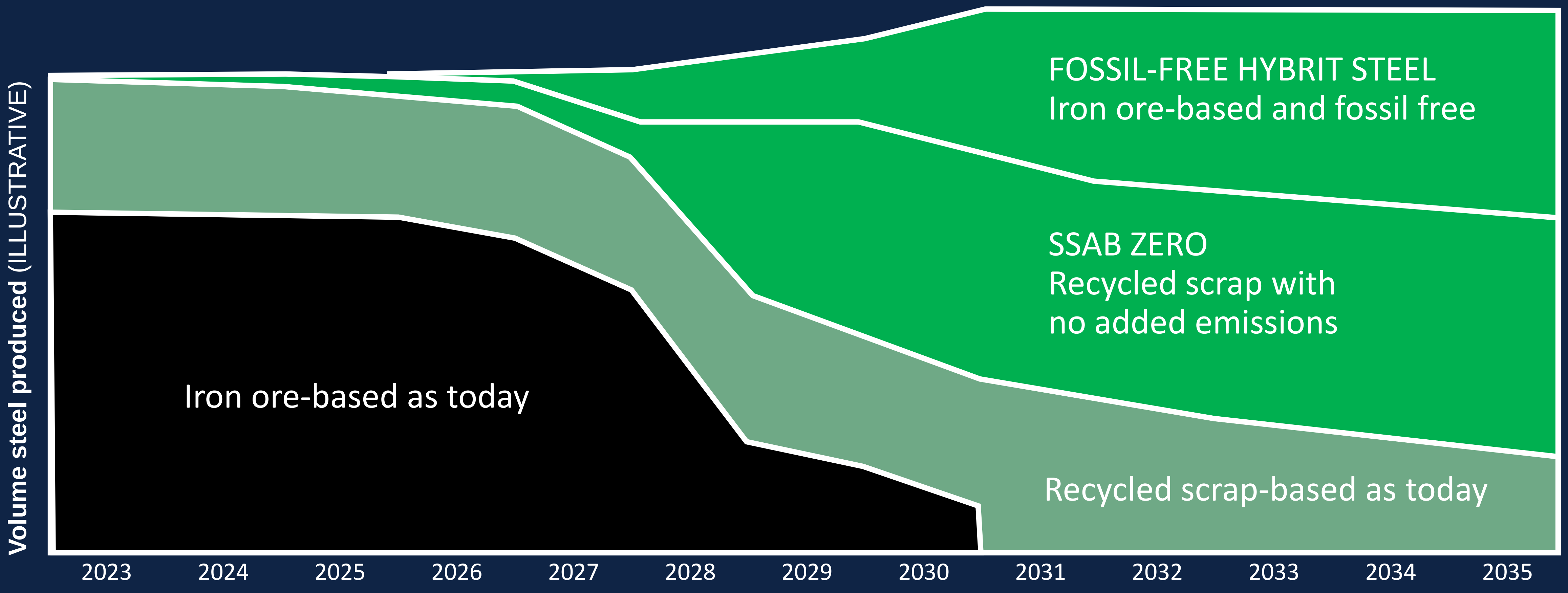
Transform SSAB to a fully sustainable steel portfolio



Launch of SSAB Zero

- Zero carbon emission in operations. Third-party verified
- Fossil-free electricity, biocarbon and biogas
- No carbon emission offsetting or mass balancing allocation schemes

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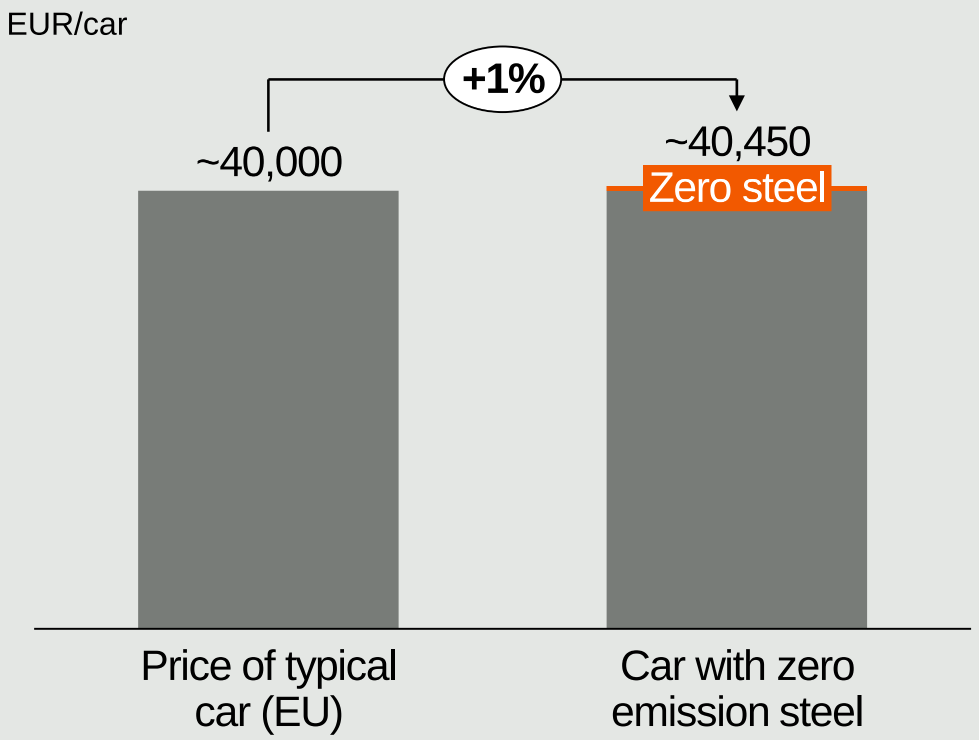
Zero-emission steel is a premium product

Substantial premium for steel

- SSAB estimates that the gross premium on steels with almost zero fossil CO_2e emissions will be around EUR 300/tonne

Value for end products far exceeds the cost



Transformation of Nordic mills

Step-wise transformation plan until 2030

1 Zero Steel	2 Oxelösund EAF	3 1st Mini-Mill	4 2nd Mini-Mill
• Produce Zero steel in Iowa, USA • Fossil-free pilot shipments continue	• Replace current blast furnaces and coke plant • Melt scrap and HYBRIT sponge iron also in Europe	• First mini-mill operational – either Luleå or Raahe • Close current coal based system	• Second mini-mill operational – either Luleå or Raahe • Close current coal based system
100-200 ktonnes CO_2 saved per year	**~1.5 million tonnes CO_2 saved per year**	**~4 million tonnes CO_2 saved per year**	**~4 million tonnes CO_2 saved per year**
Now	**~2026**	**~2028**	**~2030**
	Point of decision: H1 2023	Point of decision: 2024	Point of decision: 2026

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Future footprint - efficient mini-mills and EAFs

Luleå mini-mill

Raahe mini-mill

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Several benefits from transformation to mini-mills

Modelling indicate ~12% lower total cost per tonne after 2030 given current commodity forecasts, including CO_2

-12%

Reduce the fixed cost per ton with ~50%, enabling a much more flexible cost base moving with the business cycle

-50%

Total capacity similar as today – with lower cost, higher flexibility and new capabilities enabling volume growth to ~8 million tonnes

~8 Mt

New capabilities supporting SSAB's product mix agenda towards 2/3 premium and special steels shipments

~2/3

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HYBRIT – key to flexibility and fossil-free value chain

- Planning for demonstration plant with a capacity of 1.3 million tonnes of fossil-free sponge iron
- The JV, Hybrit Development AB, owns the intellectual property rights to the technology
- Partners have the option to build own DRI plants
- Upscaling of the HYBRIT technology for commercial fossil free sponge iron yet to be proven

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What we need outside of our own control

		Oxelösund	Luleå	Raahe
Environmental permits	Permits to change to more environmentally friendly production	✓	✓	✓
Grid connections	New power lines to connect to main grid	✓	?	✓
Electricity	Need ~4.5 TWh more (excluding Hybrit)	✓	?	✓

Level playing field ?

EU competition receiving billions in state aid to invest in existing technology – US funding the green transition via Inflation Reduction Act

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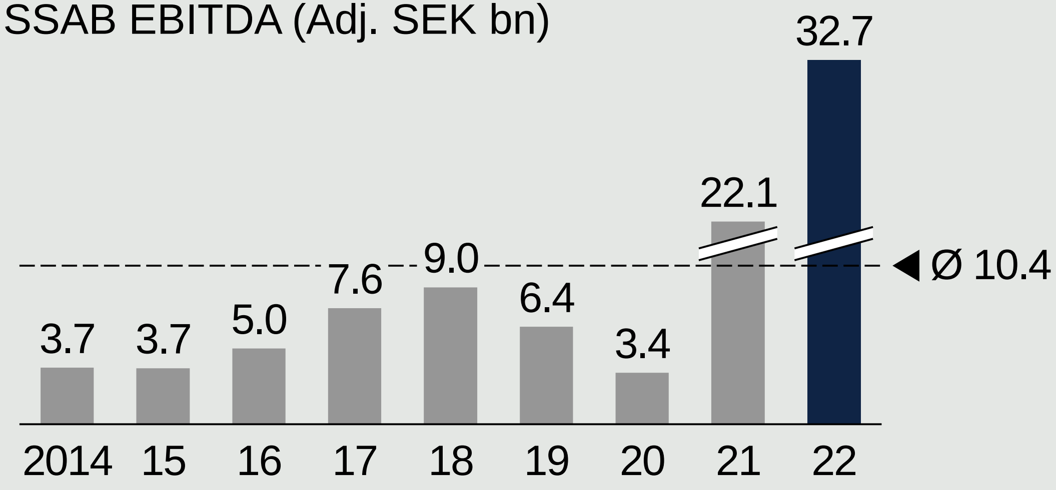
Industry-leading profitability

Fundamentals for industry-leading profitability

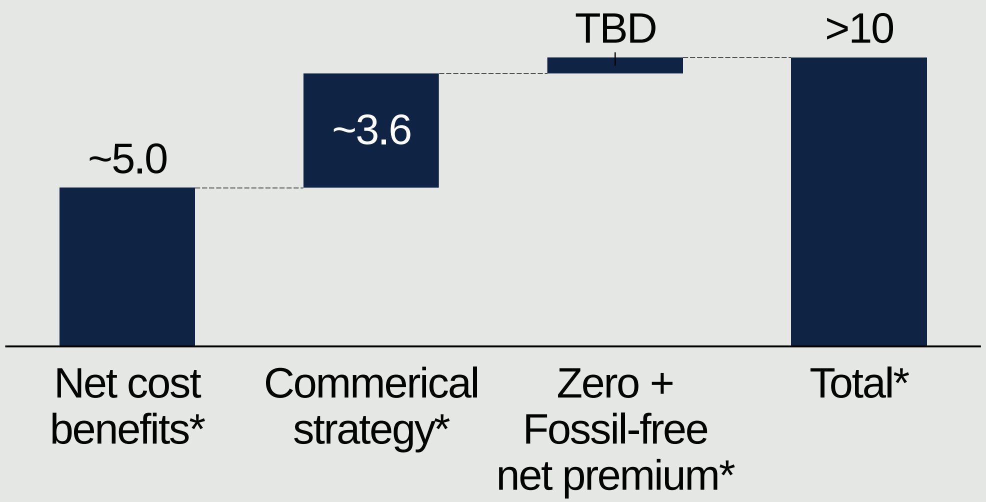
Financing transformation capex + dividend

Healthier over the cycle profitability + **Significant transformation benefits**

SSAB EBITDA (Adj. SEK bn)



Transformation benefits >2030 (SEK bn)



*Benefits refers to annual earnings improvement compared to a scenario where SSAB keeps current blast furnace system

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SSAB financial targets

Profitability

Industry-leading
EBITDA margin compared to peers*

Unchanged

Capital structure

Net gearing ratio between -20% to 20%. (Net Debt to Equity)

Updated

Dividend

40% of profit after tax

Updated

Before determining the yearly dividend proposals and capital structure adjustments, the management and board of directors will evaluate the capital needs for the coming years based on market outlook, capex plans and other considerations.

*ArcelorMittal, Nucor, Salzgitter, Tata Steel Europe, ThyssenKrupp and US Steel

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Summary

Summary

SSAB's strategic direction continues

Global leader in high-strength steels

#1 in Nordic home market and US plate

Develop channels to the market

Leading the green transition

Superior zero-emission steel offering

All mills in favorable position for transformation to fossil-free steelmaking – mill size and raw material supply

Synergies from our leading US EAF mills – ability to launch and start production of SSAB Zero now

World-leading development of hydrogen-based DRI within the Hybrit project

Better cost position and 2/3 of volume premium/high-strength reduces volatility and lifts low-point profit

Stepwise investment program to fossil-free with flexibility to adapt to changing conditions

Strong balance sheet and cash flow generation, no goodwill and new target for capital structure and dividend

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A healthy steel industry landscape

Viktor Strömberg

EVP and Head of Strategy and Digitalization

Healthier steel industry fundamentals

Demand – Decent outlook globally, especially for high-strength and low-CO2 steel

Capacity – Balanced capacity utilization with CO2 costs restricting European output

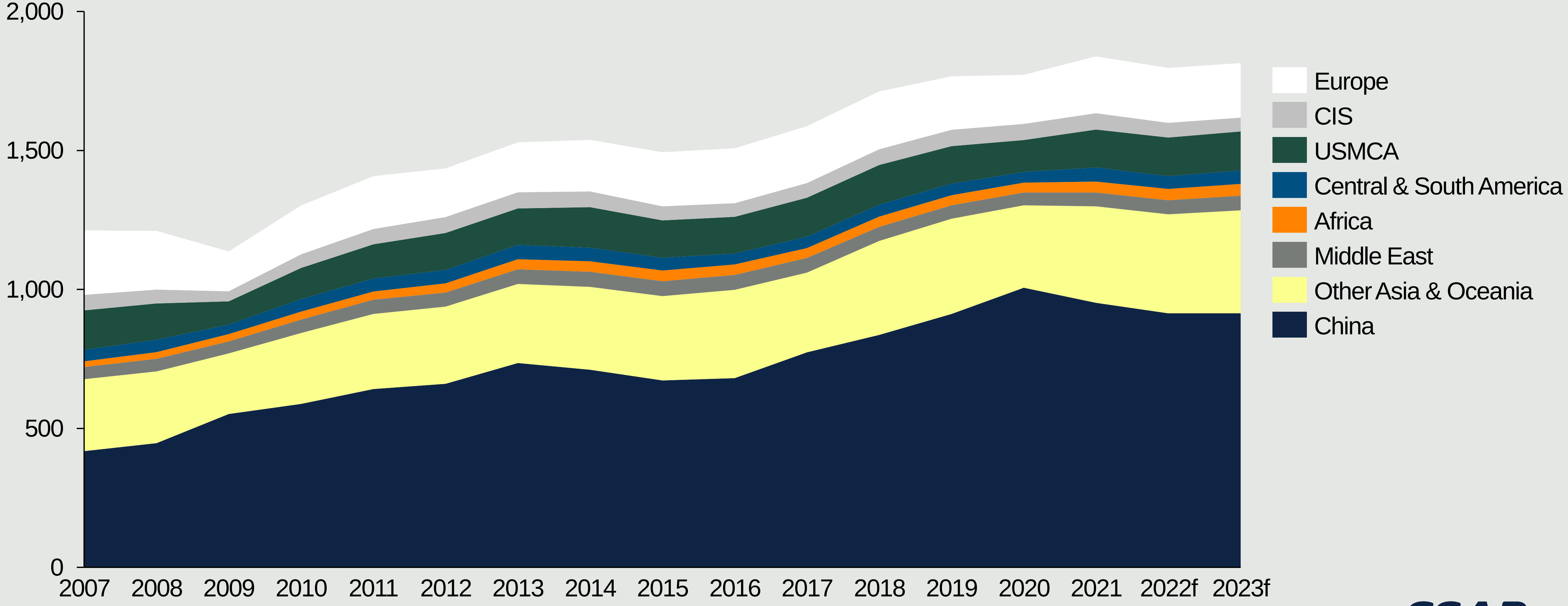
Positive steel industry context for SSAB

Trade – Regionalization solidified with slowing global trade

Raw mtrl – Easing raw material situation after 2022 turbulence

World steel demand at all-time high

Apparent steel demand, Mt



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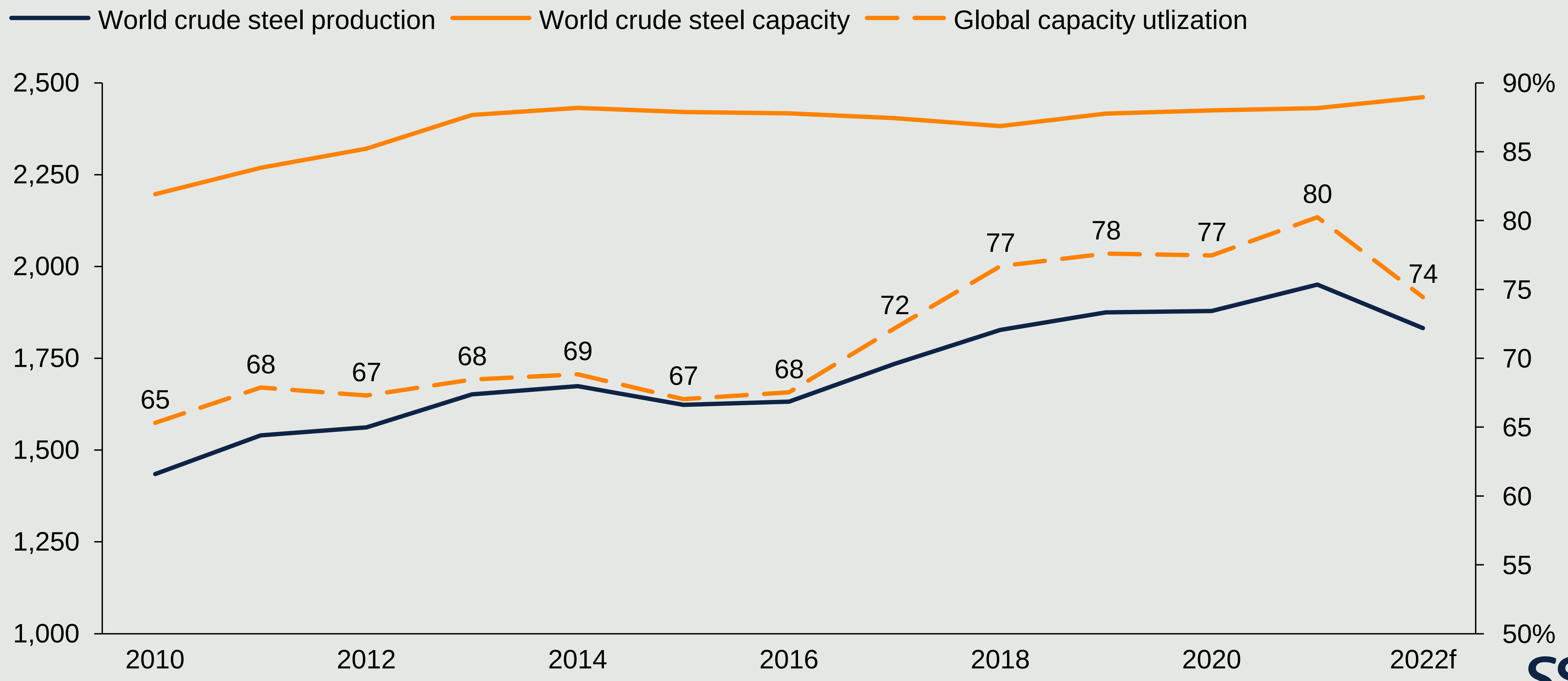
Source: Worldsteel

Global capacity utilization at healthy levels again

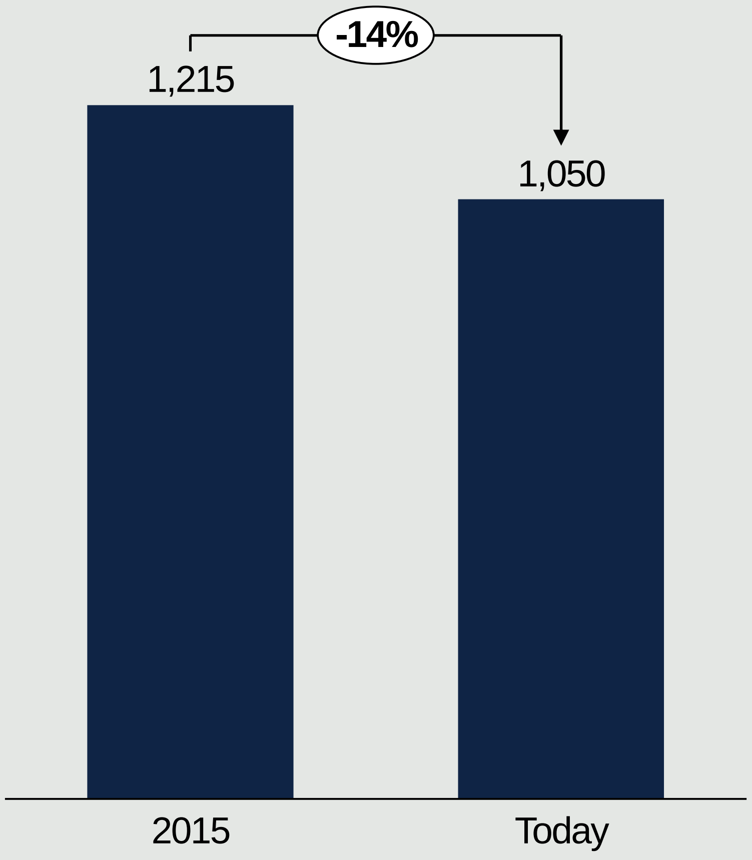
Global production and capacity balance, million tonnes,%



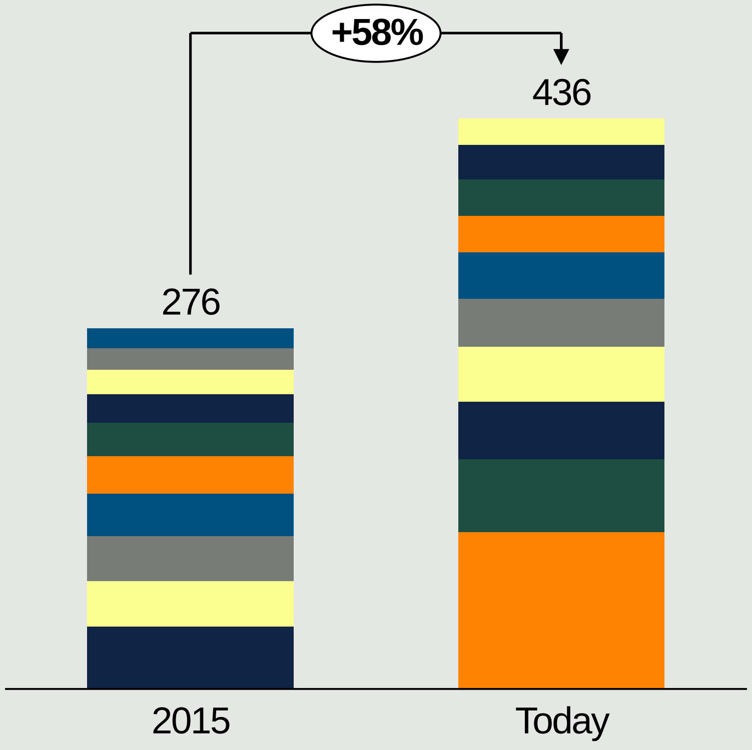
Source: OECD Steel Capacity Study 2022; Worldsteel

China developments supporting global fundamentals

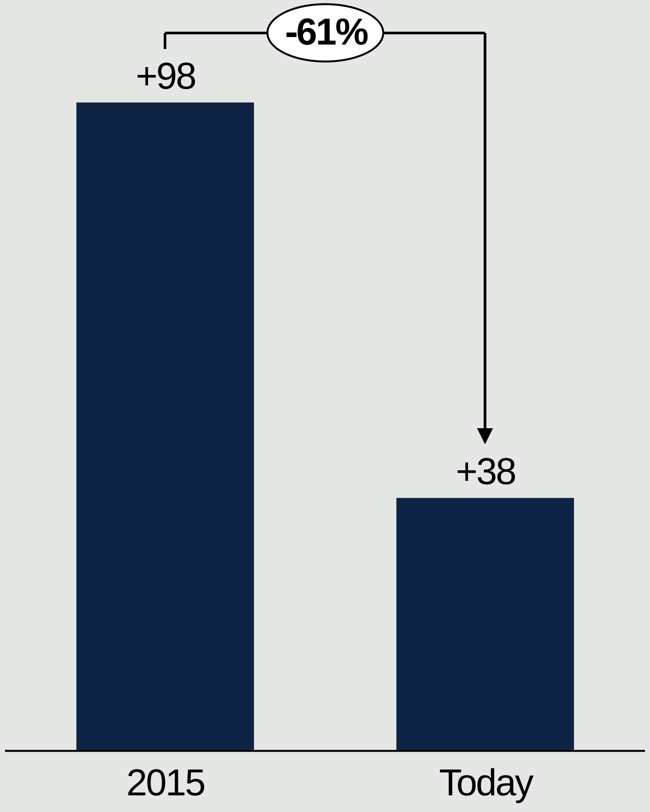
China steelmaking capacity,
million tonnes



China industry structure,
Production of top-10, million tonnes

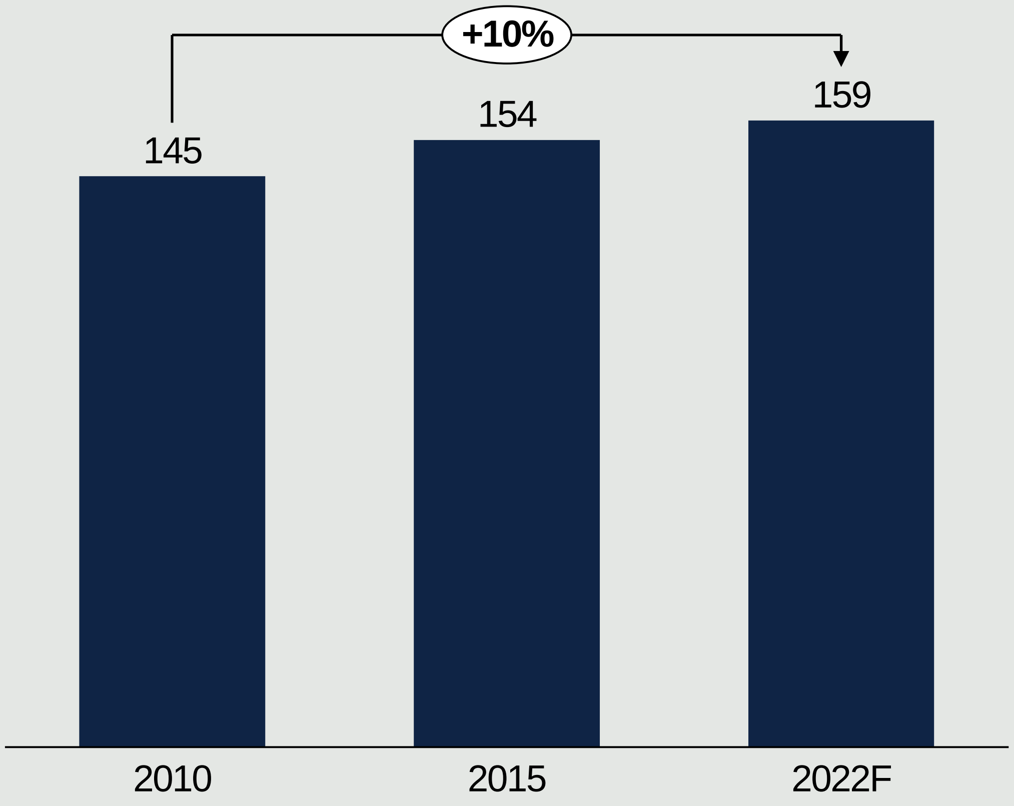


China net trade balance
million tonnes

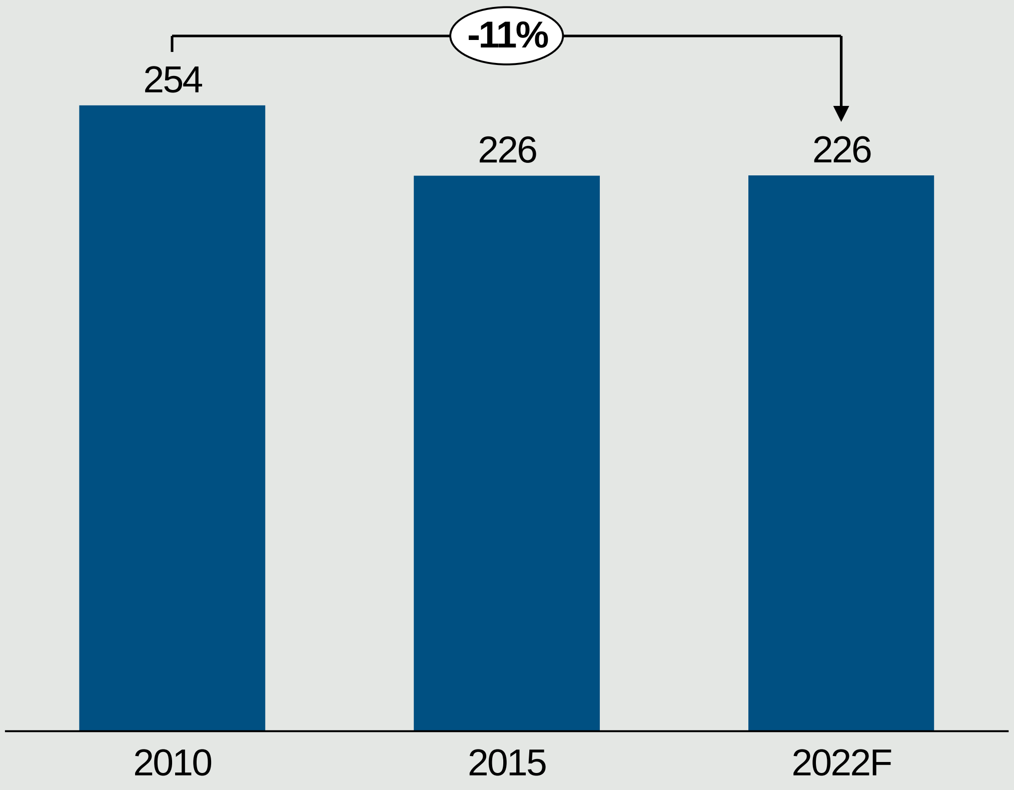


Healthier fundamentals in Europe

EU+UK apparent steel demand,
million tonnes

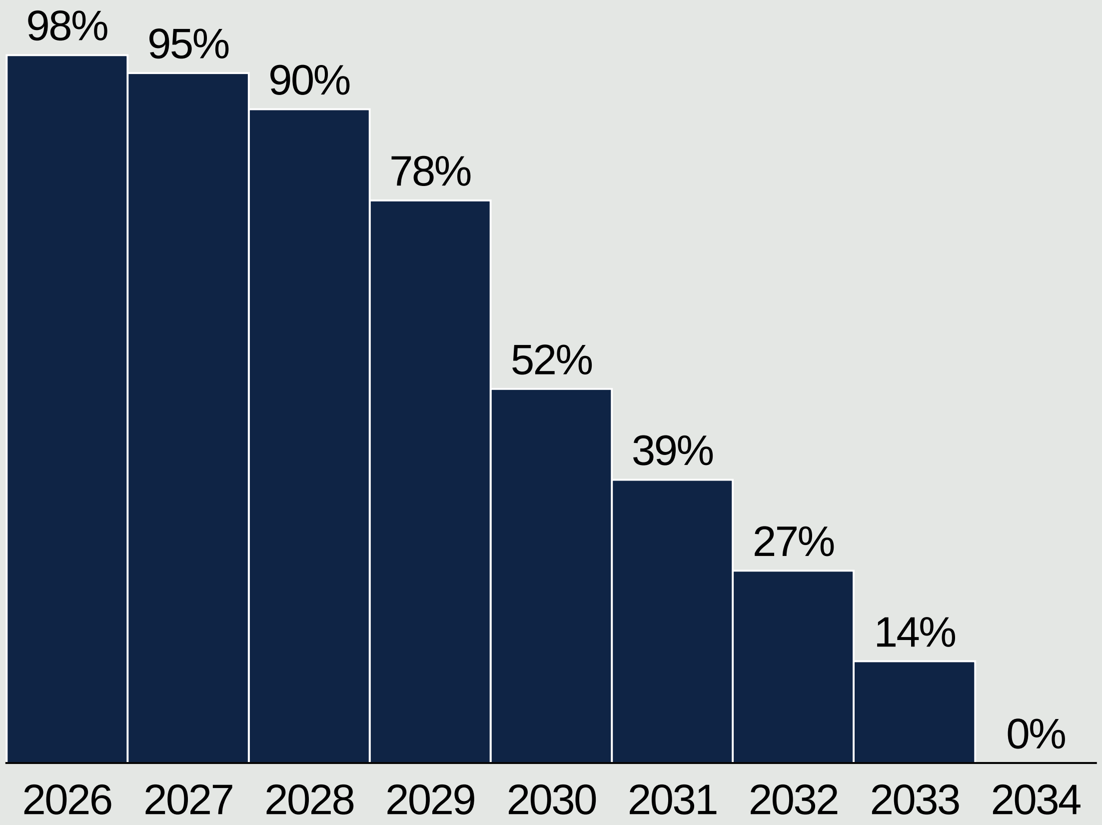


EU+UK crude steel capacity,
million tonnes



Termination of free emissions is a game changer

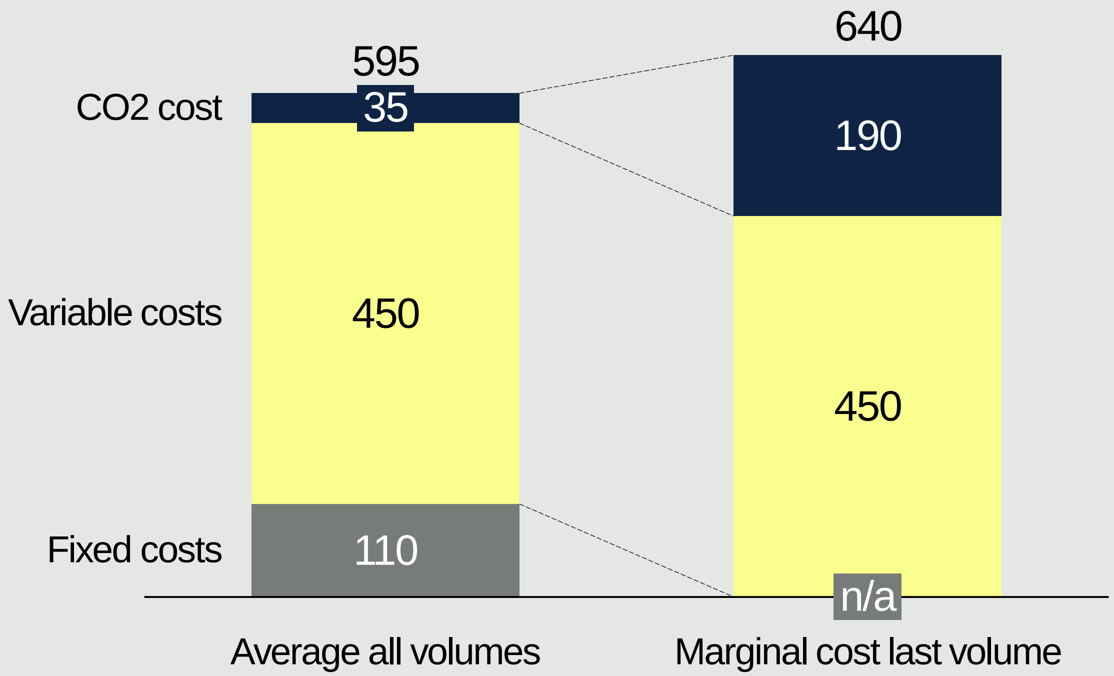
Free ETS allocation, % of benchmark



- New Directive negotiated between European commission and Parliament
- Directive coupled with CBAM regulation to avoid leakage to imports
- With a potential ETS price of EUR 100/t the cost for EU producers will be substantial
- The cost for SSAB would be SEK >10bn per annum for current BF footprint (~10 Mt CO_2 emissions)

CO_2 policy leads to a steeper cost curve in Europe

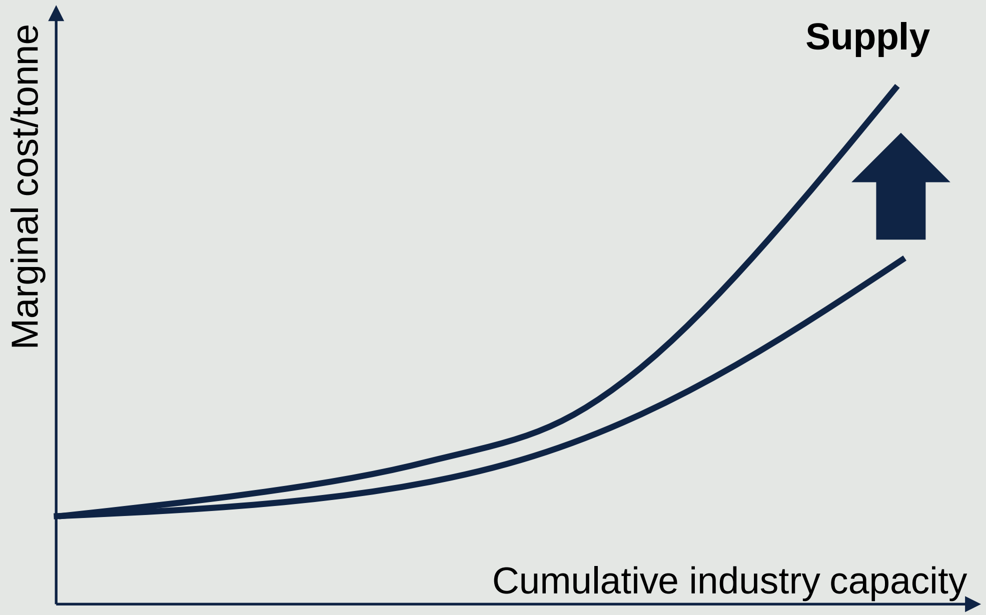
Cash cost for typical EU BF producer
2023 (EUR/tonnes)



Higher marginal cost with existing technology makes **growth unsustainable and uneconomical**

Industry cost curve
Marginal cost/tonne

ILLUSTRATIVE



ETS allocation and CO2 price makes EU **cost curve "steeper" - supports healthier dynamics**

Everybody running to decarbonize steel – hydrogen seen by more and more as the solution

Option	**Carbon Capture and Storage** (CCS)	**Natural gas direct reduction** (NG-DRI)	**Hydrogen direct reduction** (H-DRI)
Pros	+ No change to current steelmaking process	+ Technically mature process	+ Maximum reduction of CO_2
Cons	– Expensive with added CAPEX and OPEX	– Cost and sourcing of natural gas	– Cost of hydrogen
	– Unproven at scale	– Limited reduction in CO_2	– New technology

Examples

TATA STEEL
thyssenkrupp
ArcelorMittal
SSAB
SALZGITTER AG Stahl und Technologie

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Global leader in high-strength steels

Johnny Sjöström

EVP SSAB Special Steels

SSAB Special steels in brief

+4,100 Professionals

+150 Countries with sales

+90 Local stocks

~34 SEK bn in sales 2022

6-8% CAGR over time

>75% of sales Q&T material

Key segments

- Trailer & body builders
- Raw material handling
- Yellow goods
- Lifting
- Recycling

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SSAB Special Steels fundamental to overall Group strategy

Market leadership

Product mix improvement

Developing channels to market

Green transition

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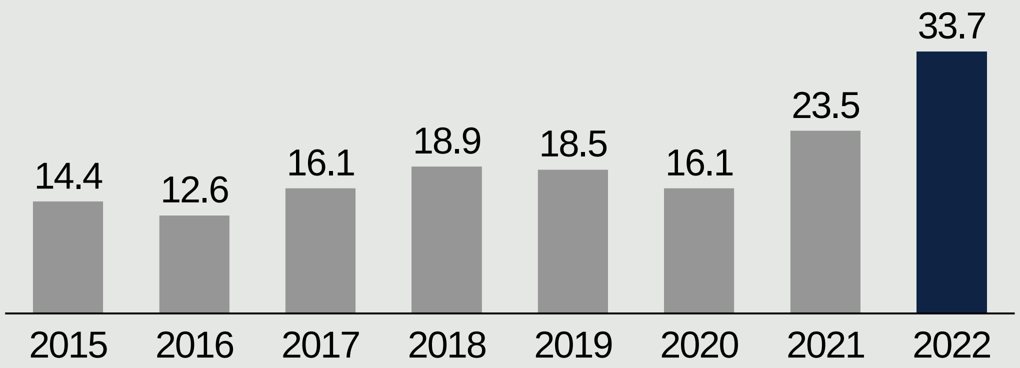
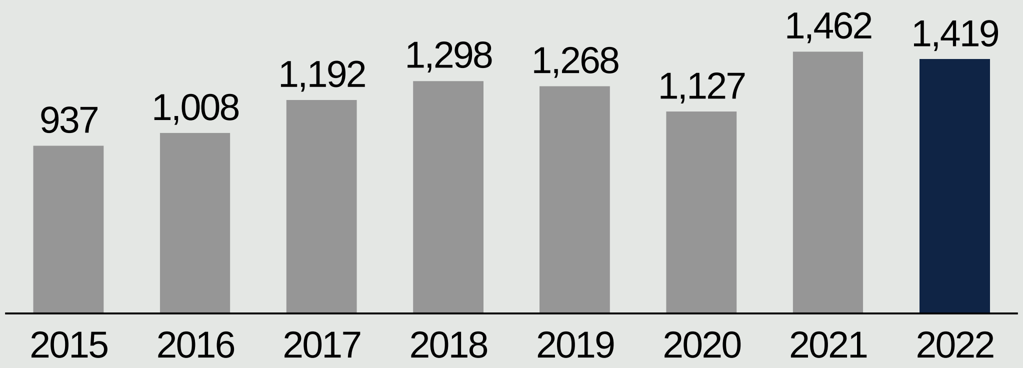
Introduction

2021 and 2022 – two strong years

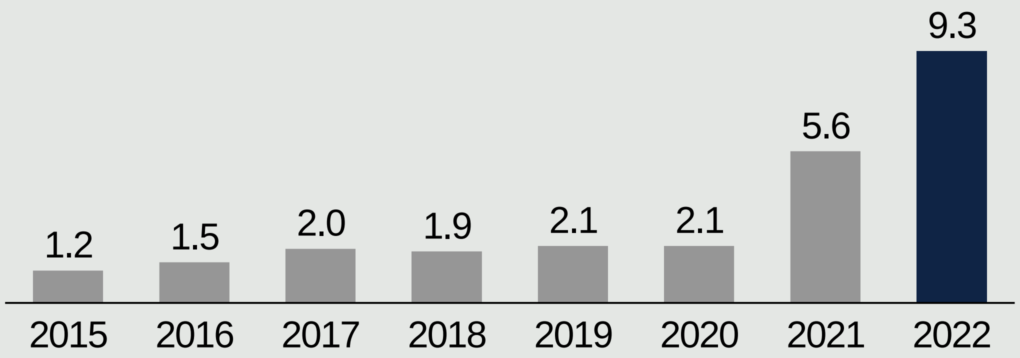
Revenue
SEK bn



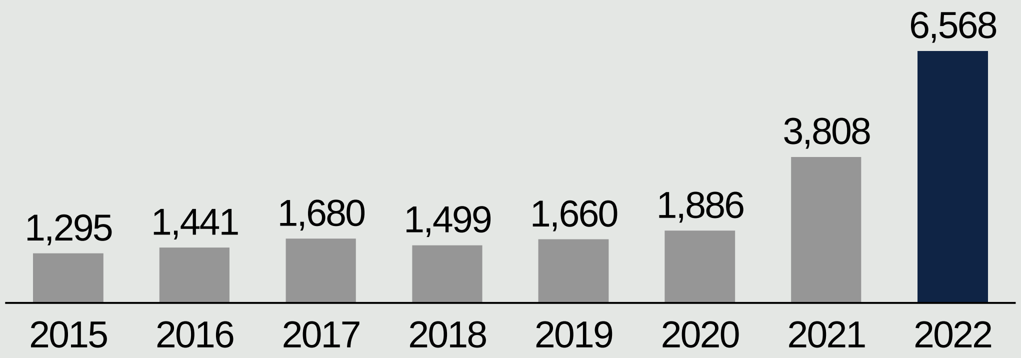
Shipments
ktonnes



EBITDA
SEK bn



EBITDA per tonne delivered steel
SEK



Global market leadership in Q&T

Strong Q&T portfolio and building presence in additive manufacturing

Wear QT

Key segments:
Truck & body builder
Material handling

HARDOX®
WEAR PLATE

Structural QT

Key segments:
Lifting
Forestry

STRENX®
PERFORMANCE STEEL

Protection QT

Key segments:
Civil
Military

ARMOX®
PROTECTION PLATE

Tooling QT

Key segments:
Tooling
Engineering

TOOLOX®
ENGINEERING & TOOL STEEL

Additive Powder

Key segments:
Tooling
Automotive

AM Powder

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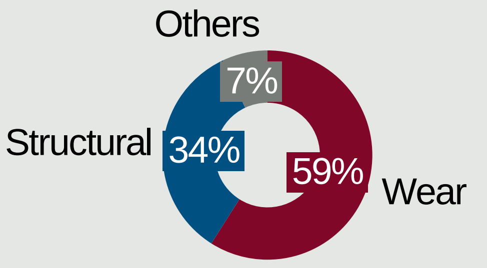
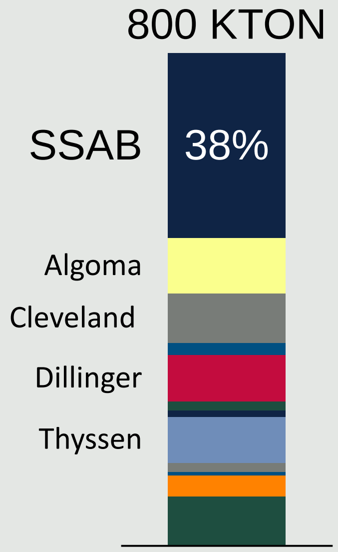
Q&T Wear market analysis

SSAB sales

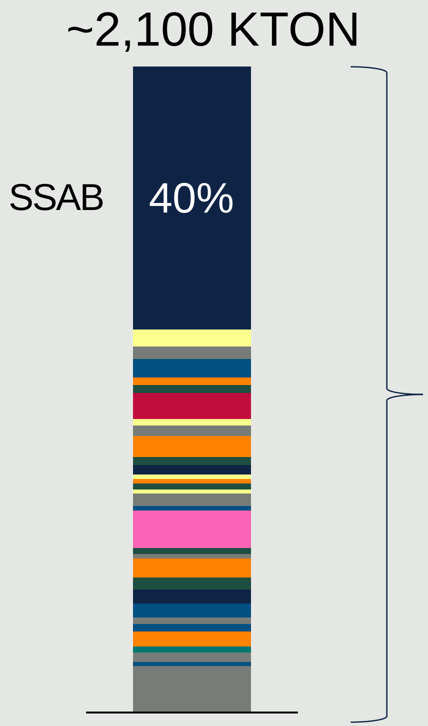


Global market 2006



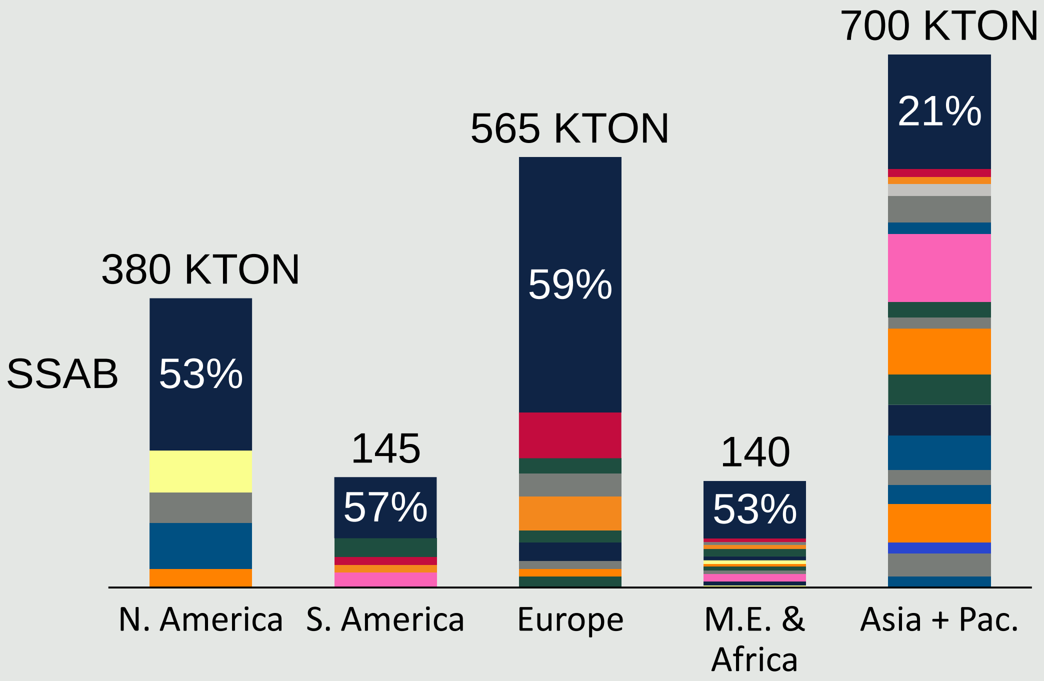
SSAB and mainly Western competitors

Global market 2021



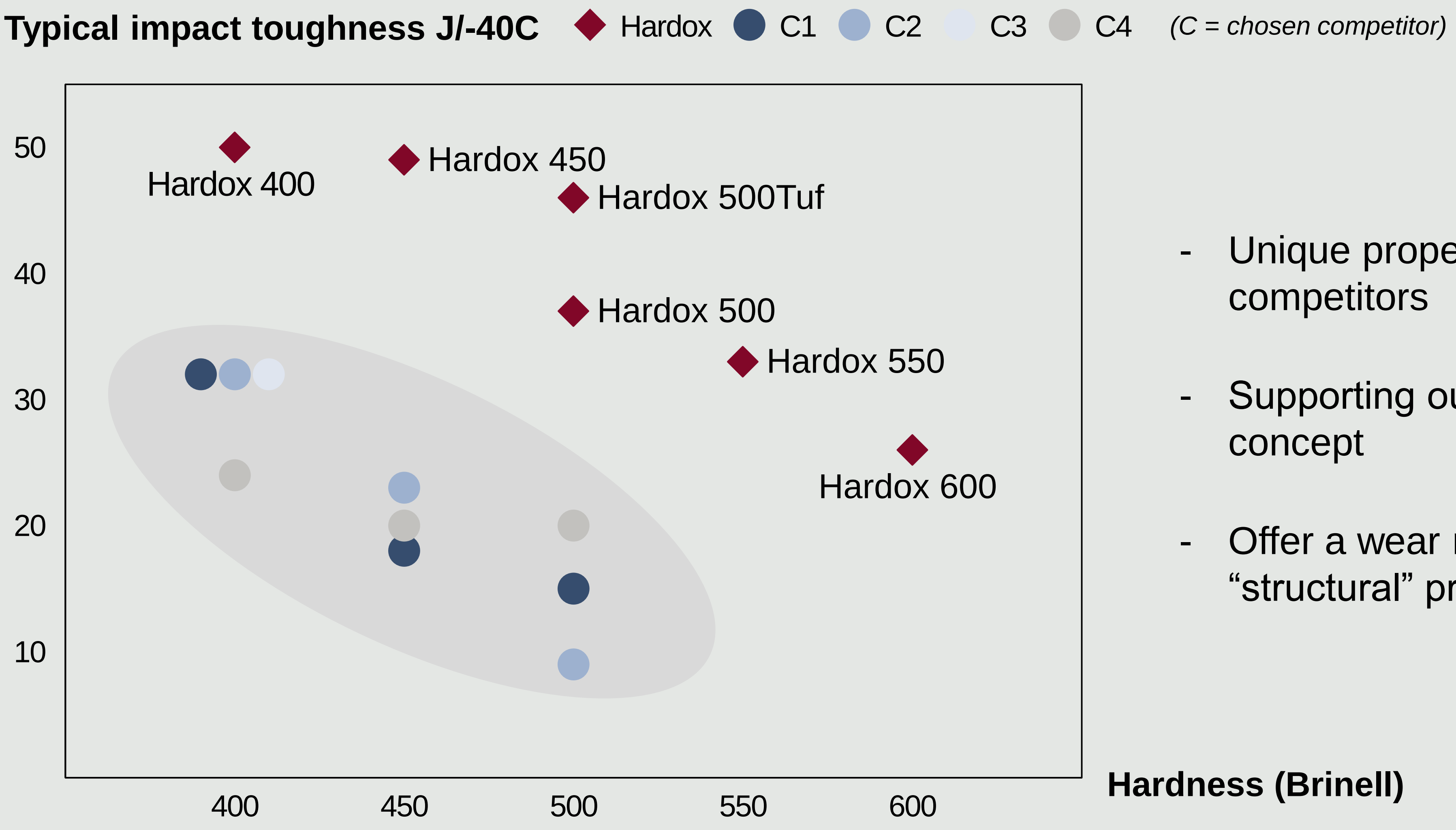
The number of competitors has increased by 2.5 times, but mainly from China

Market by region 2021



Unique properties supporting our concept *"stronger and lighter"*

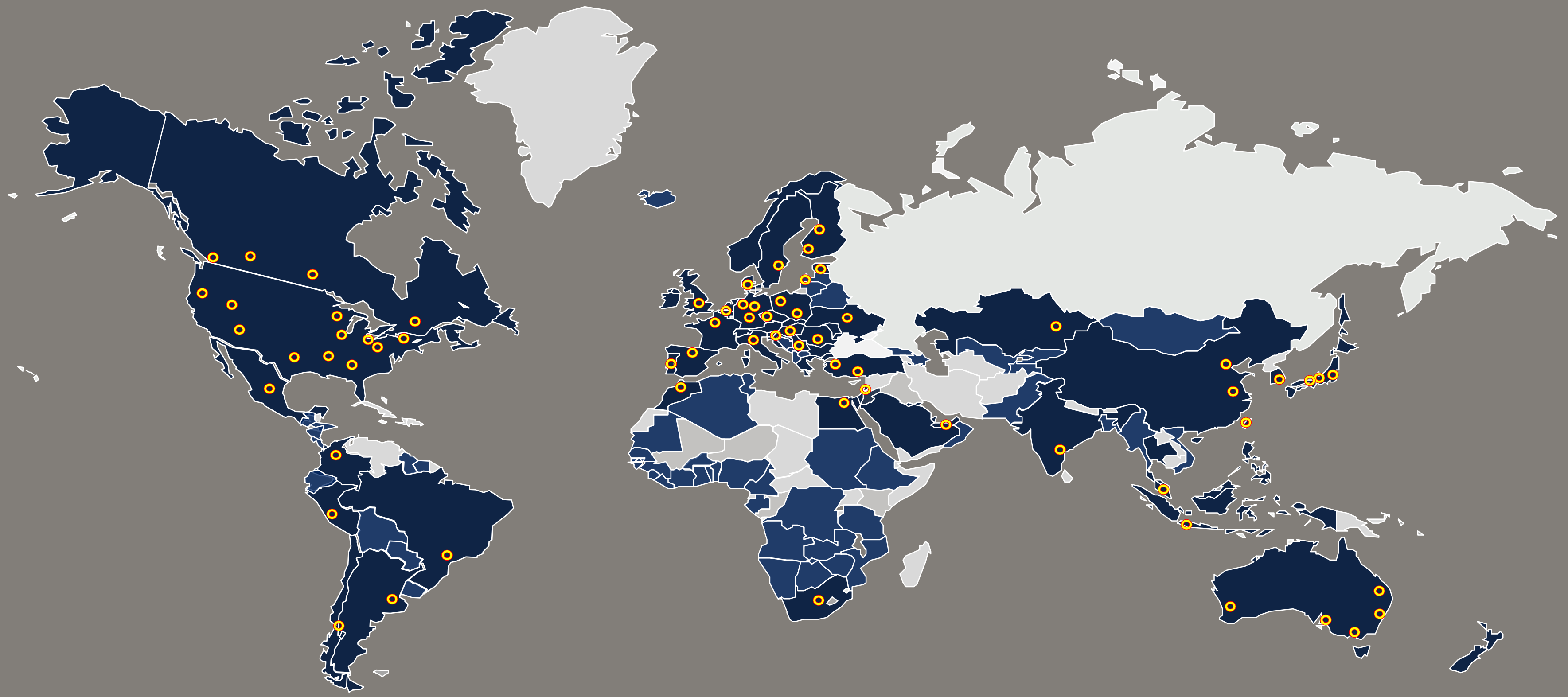
Typical impact toughness J/-40C



- Unique properties compared to many competitors
- Supporting our "stronger lighter" concept
- Offer a wear material with significant "structural" properties

Unique business model

Global sales through all channels – difficult model to copy



Differentiation: multiple segments in multiple industries

Fragmentation: >11,000 customers, majority small – mid-sized and not large OEMs. >80% of customers <100 tonnes

Reach: sales in more than 130 countries with +90 stock locations

Awareness: top of mind brands and networks across the globe

SSAB Special Steels Stocks

SSAB Special Steels Sales and Sales Local Office

SSAB Special Steels Sales

Limited or no SSAB Special Steels Sales

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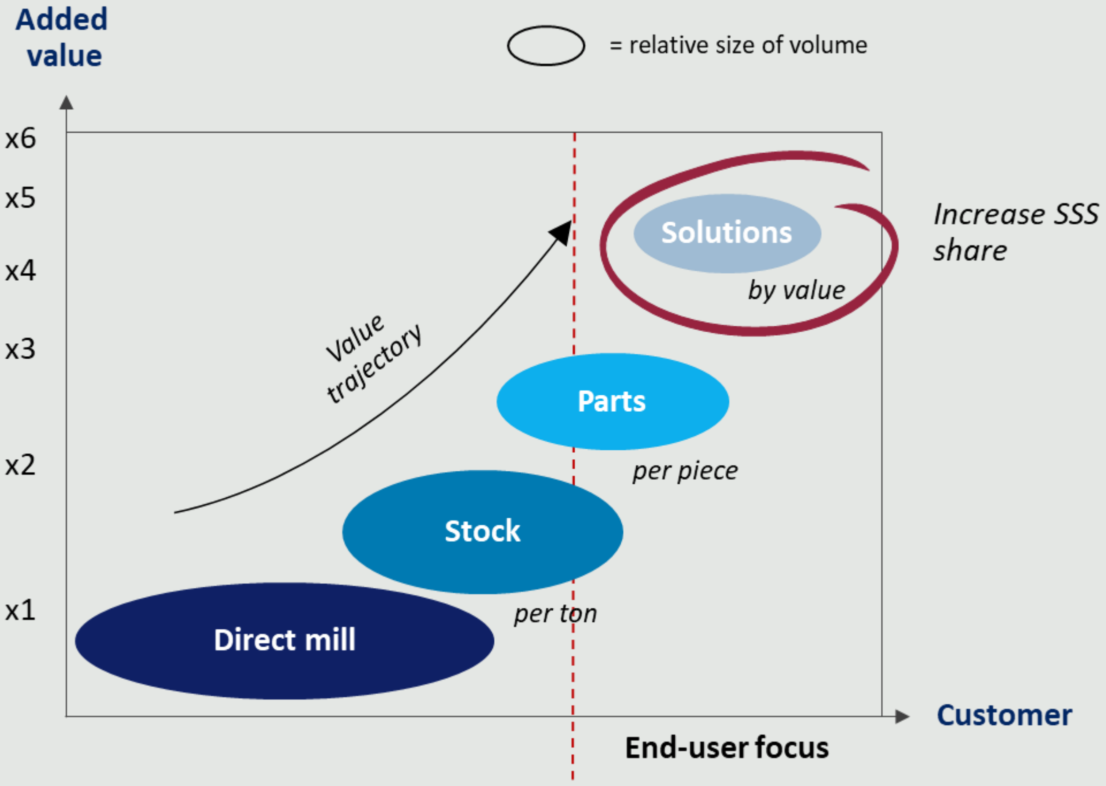
Dedicated downstream business unit to drive value added

Downstream should support the climb on the "value added ladder"



Example of solution

25 tonnes Hardox 500TUF…

X5

SEK/tonne in value added

…processed and welded XMOR tray

Upgrading with new products and designs
– optimizing customer productivity

	1990-2000	2000-2010	2020-2030
			
Steel grade used	Hardox 400 700 Material	Hardox 400 Hardox 450	Hardox 500TUF
Design concept	Classic box shape with linear	U-shape being introduced	U-shape Arc shape
Material thickness	8-10 mm	5-8 mm	3-6 mm
Solution weight	4.5 tonnes	3 tonnes	2.3 tonnes

CO_2 reduction (2000-2022)

CO_2 saved:
3.4 Mt

CO_2 fuel saved:
54 Mt

CO_2 total saved:
57 Mt

CO_2 reduction equals
1.2 million cars

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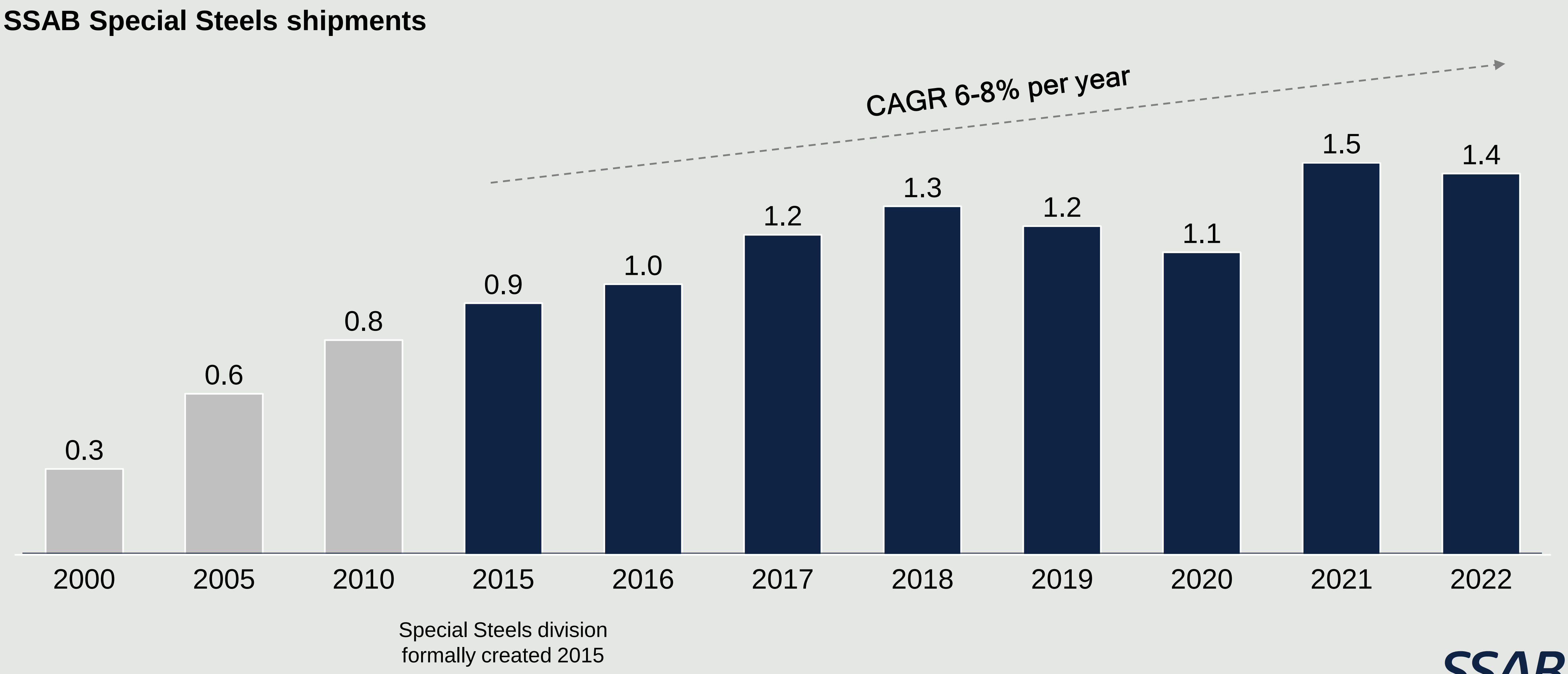
Growth strategy

Successfully outpaced the market with a ~6-8% CAGR



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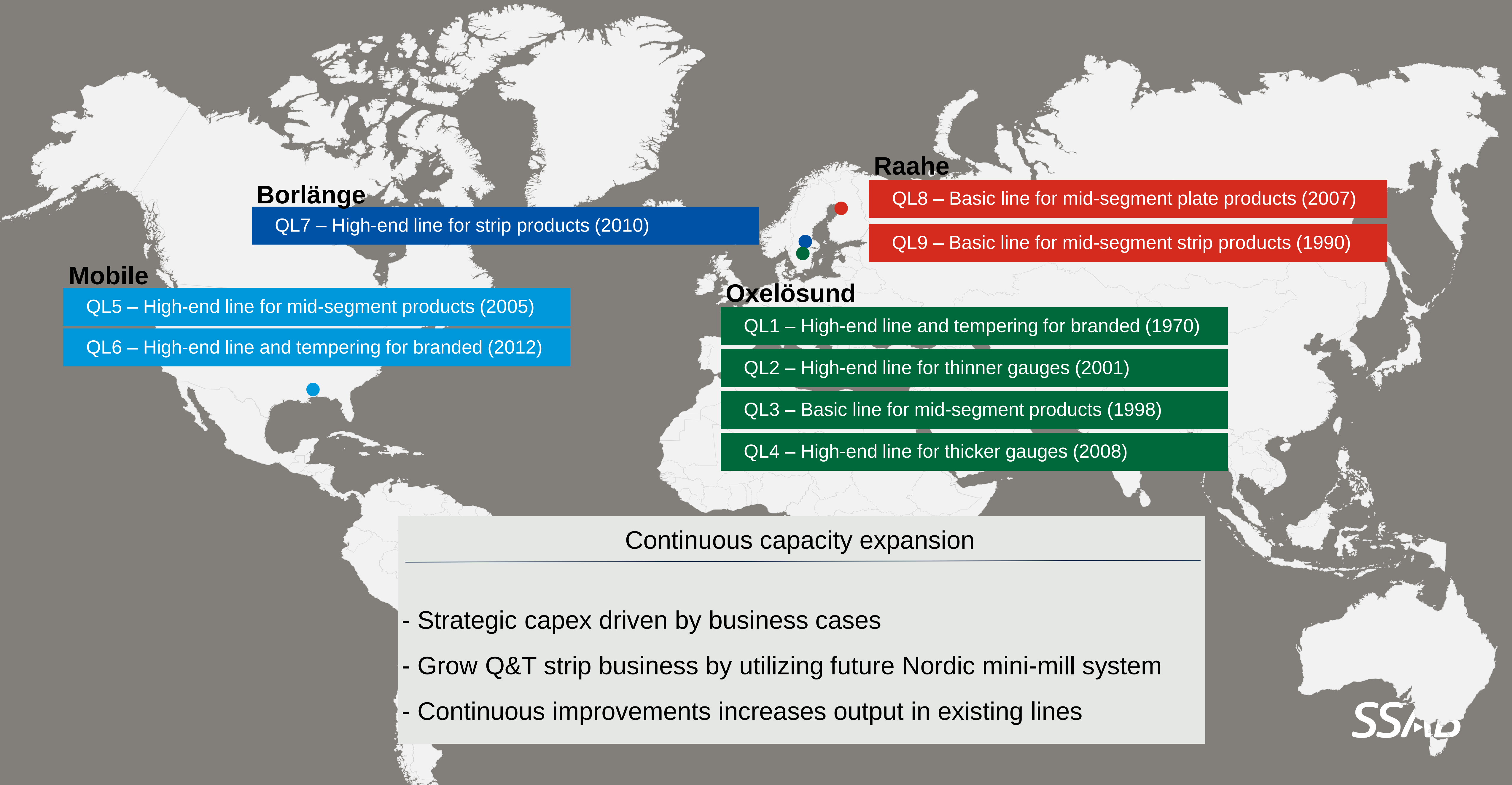
Production capacity at four mills – a total of nine Q&T lines



Continuous capacity expansion

- Strategic capex driven by business cases
- Grow Q&T strip business by utilizing future Nordic mini-mill system
- Continuous improvements increases output in existing lines

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SSAB Special Steels' outlook

Long-term growth target

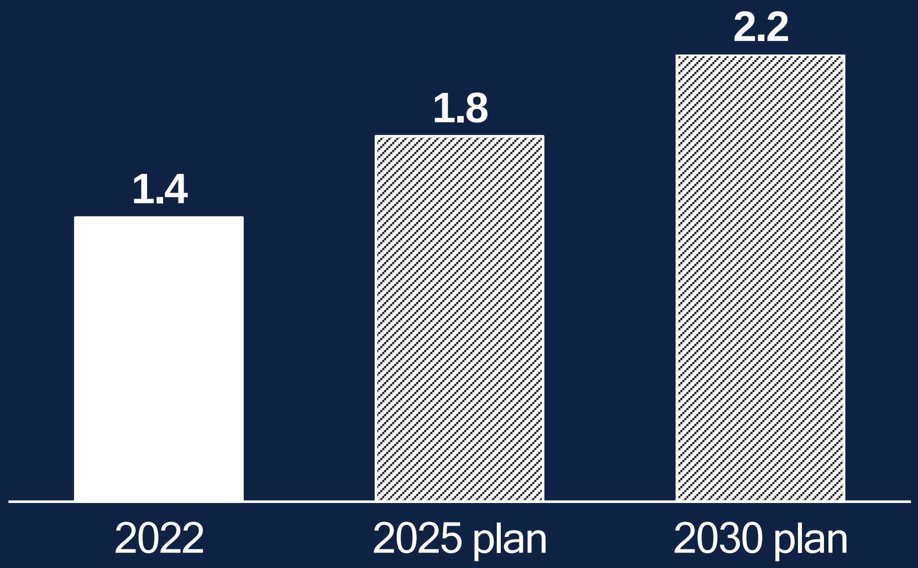
>2.2 Mt

in shipments 2030

~80%

Q&T material

Grow 80-100Kt per year



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Nordic leader in premium steels

Olavi Huhtala
EVP and Head of SSAB Europe

Strong contribution to overall Group strategy

Market leadership

- Strengthening the position on SSAB's Nordic home market

Product mix improvement

- Growth in Premium and Automotive AHSS
- Reducing volume of standard products outside Nordics

Developing channels to market

- Synergies with Tibnor and Ruukki Construction

Green transition

- Transforming the Nordic strip system from blast furnaces to efficient, EAF-based mini-mills
- Developing fossil-free offering

Introduction

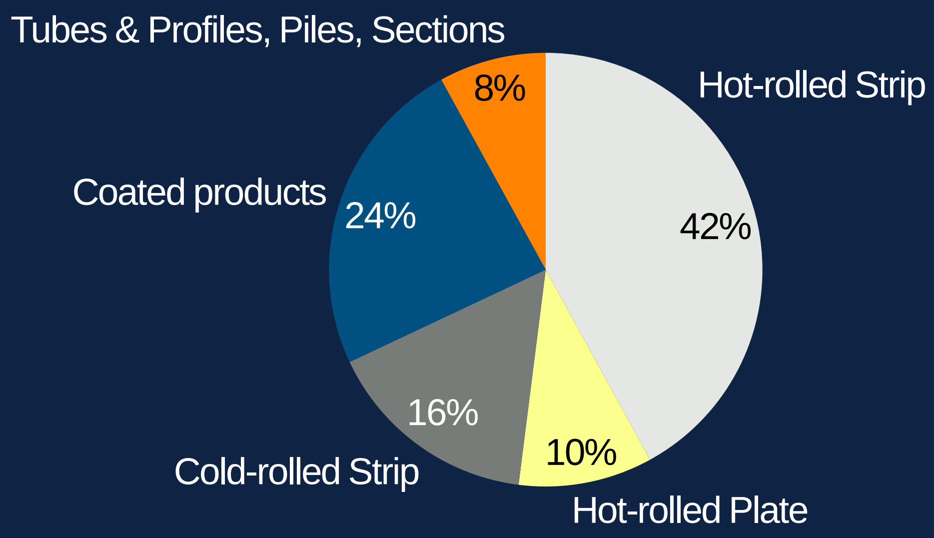
SSAB Europe in brief

50.1 BILLION SEK
annual net sales in 2022

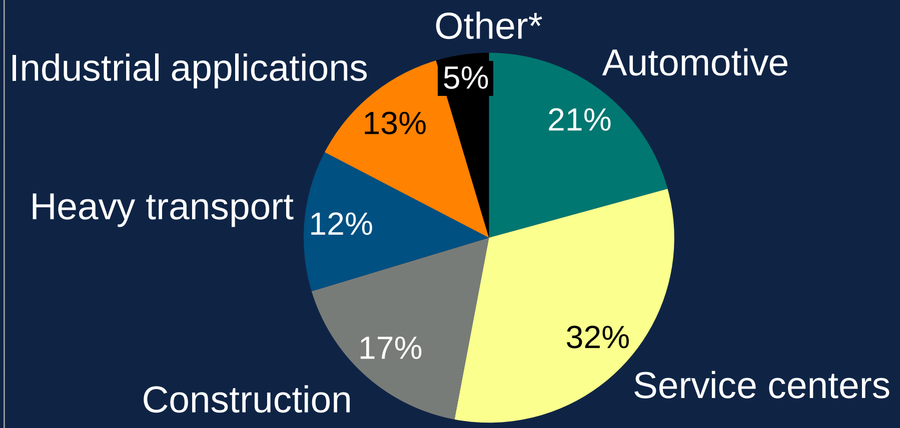
6,700
Professionals

Annual steel production capacity:
4.9 MILLION TONNES

Steel offering



Core Segments



*Construction machinery & Energy

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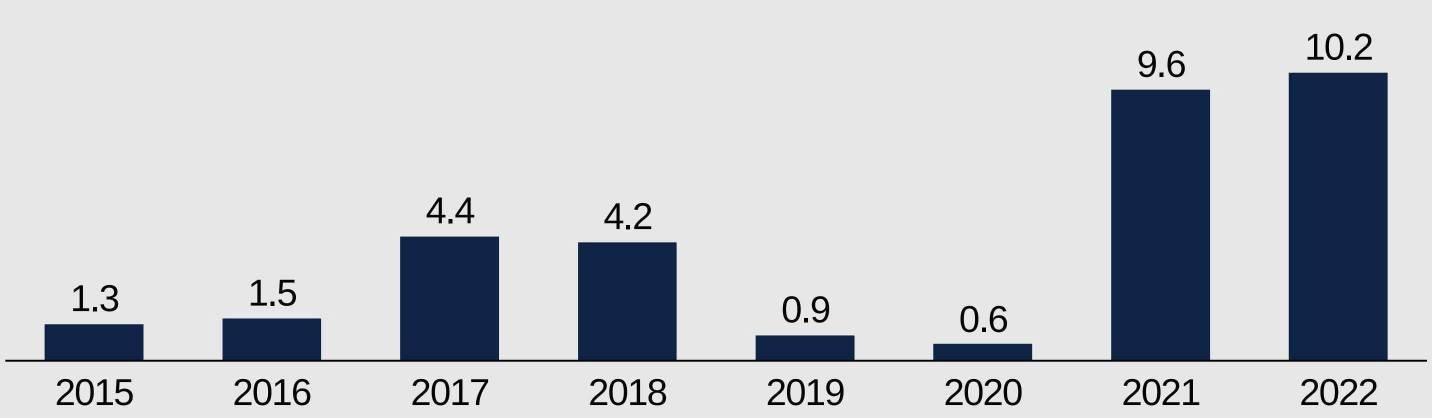
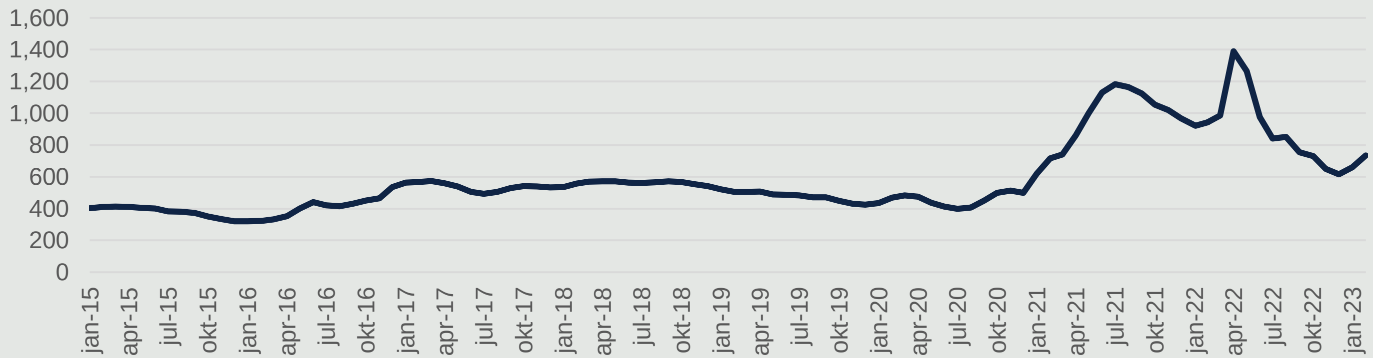
Record earnings in volatile market conditions

- Outbreak of Covid-19 stopped activity in the first half of 2020
- Rapid turnaround in demand late in 2020, successful ramp-up and record earnings
- Higher interest rates and inflation impacted second half of 2022, substantial destocking
- Market recovered at the end of 2022

SSAB Europe, EBITDA, SEK bn.



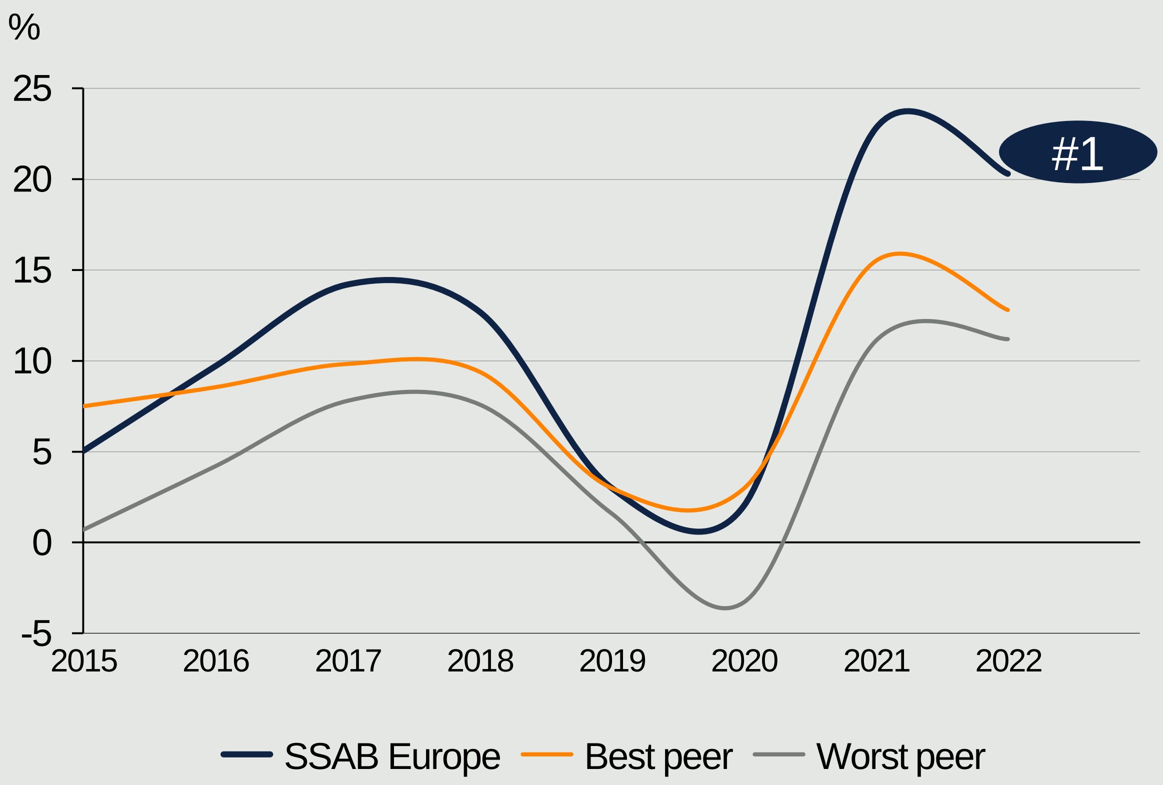
HRC price, North Europe, (EUR/ton)



High earnings compared to peers

- Positive underlying earnings trend – focus on reducing volatility
  - Improving product mix
  - Continuous improvements – better efficiency and flexibility
  - Well balanced between various segments and geographies

EBITDA-margin vs. peers 2015-2022

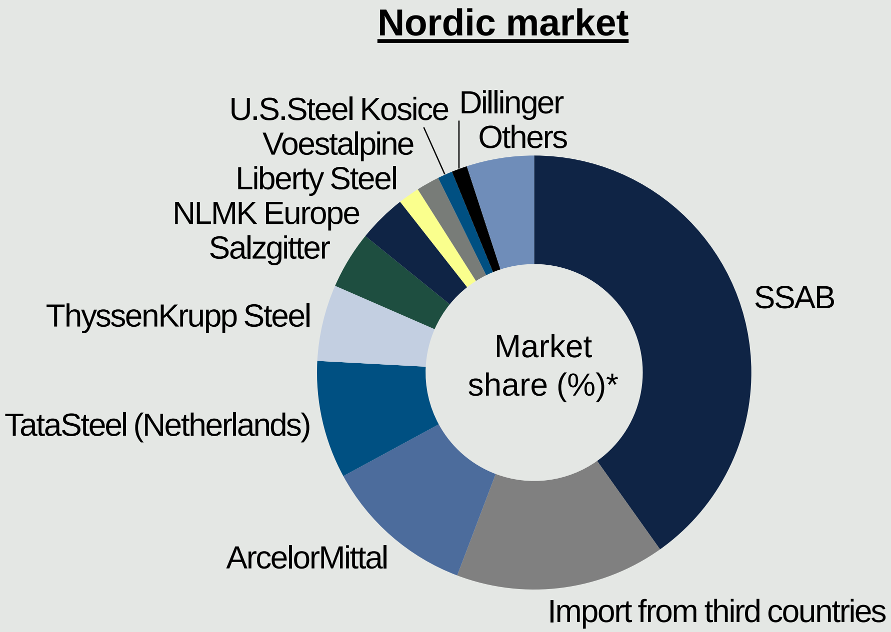


Peer group: ArcelorMittal Europe, ThyssenKrupp steel Europe, Tata Steel Europe and Salzgitter

Nordic home market leader

Nordic home market strategy

1.	Trusted partner
2.	Broadest offering
3.	Unbeatable logistics
4.	Most effective sales model
5.	Synergies with Tibnor and Ruukki Construction



Fossil-free steel strengthens long-term relationship with customers

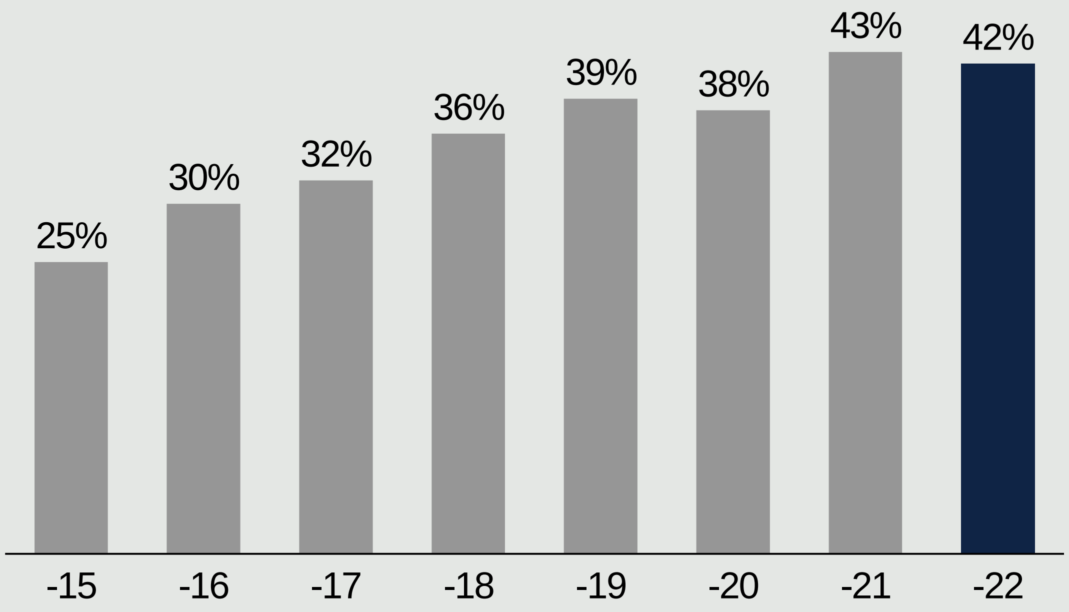
SSAB

* Competitors' market shares are SSAB estimates based e.g on customs statistics 2017-2021.Includes flat products

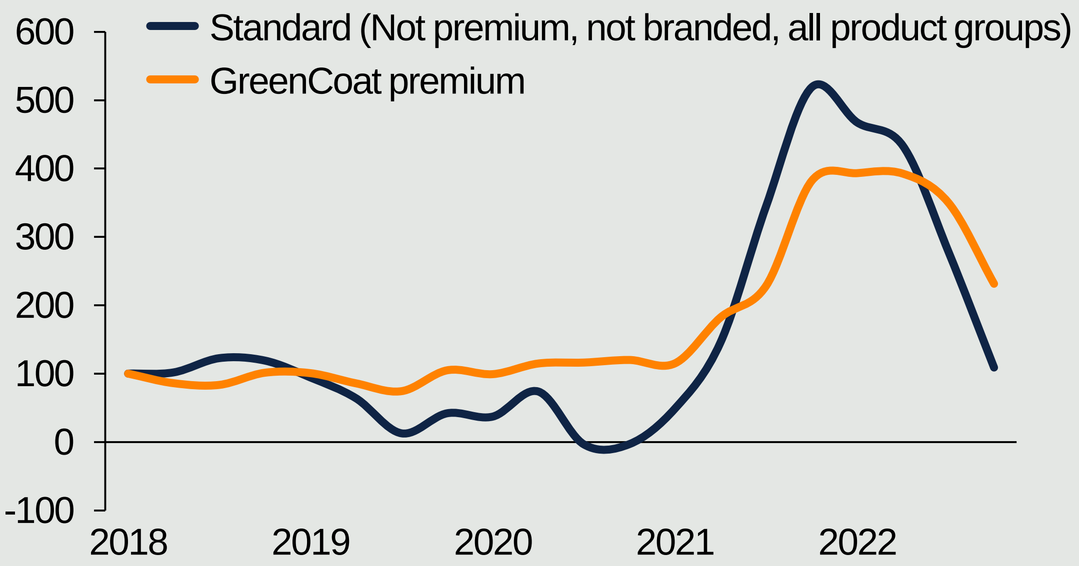
Growth focus – Premium products

Improving product mix

Share of premium and AHSS products (shipments)



Indexed gross margin per tonne



Quarterly, 100=Q1 2018

Premium strategy – key success factors

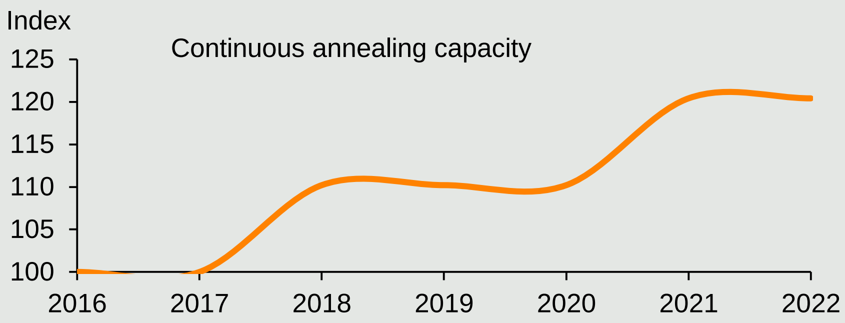
Strategic sales plan targeting growth segments

Product development – often with advanced customers

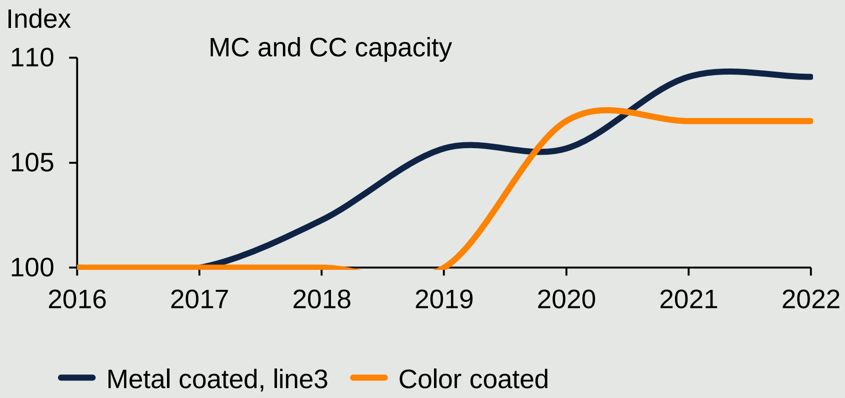
Growth based on investments and better efficiency

Reducing presence in some standard segments outside Nordics

Example of investment



Example of efficiency improvement



Growth focus – Automotive AHSS

Key driving forces for growth

Solid fundamentals for mobility demand

Need for weight reduction and better safety performance

AHSS has a strong competitive position

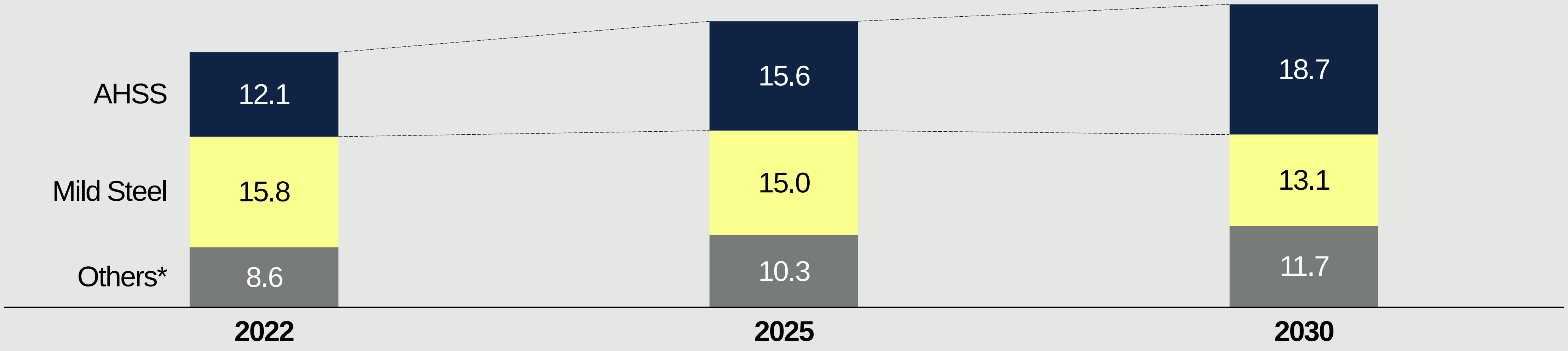
SSAB's world leading product offering

SSAB

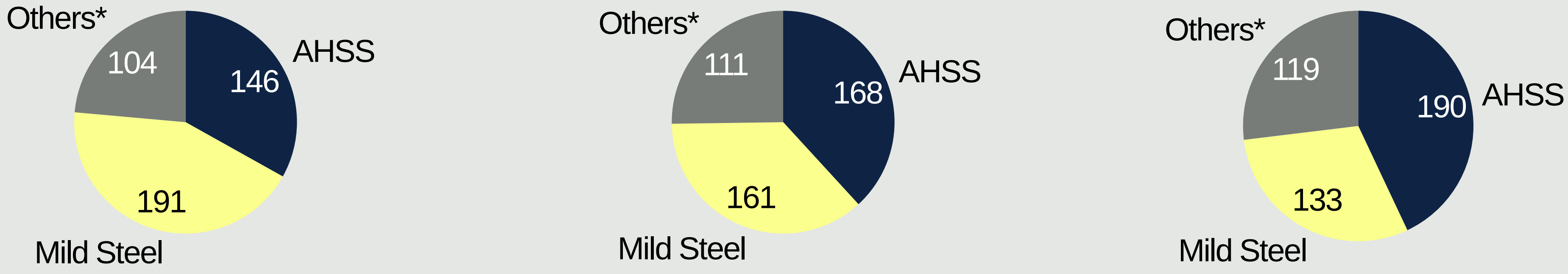
Demand for AHSS expected to increase

– Driven by weight reduction and better safety performance

<u>Million tonnes</u> net weight used in light vehicle car bodies** including *doors and closures produced*



Estimated net <u>kg per car body</u> *including doors and closures*

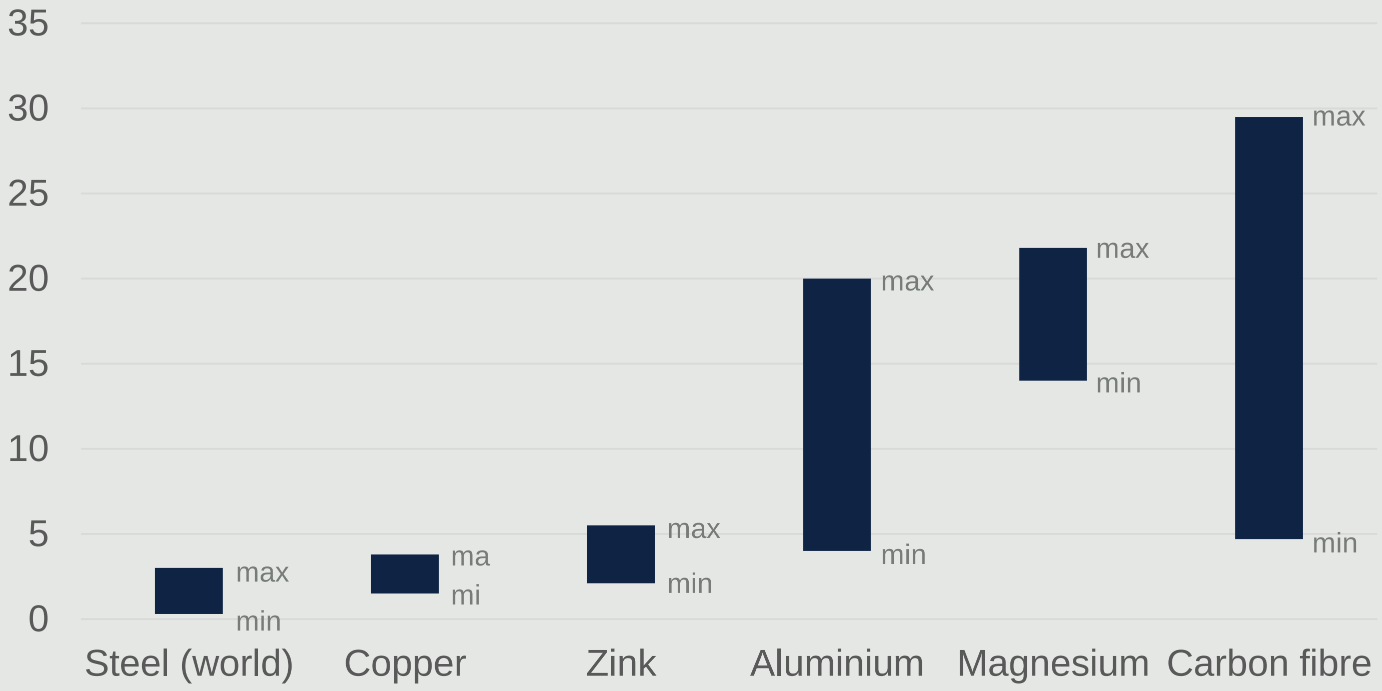


*Others include aluminium, plastics and other materials **Chassis, battery case and interior systems (incl seats) not included
Source: Eurocarbody (2022), SSAB estimates for 2025 and 2030

High-strength steels with strong competitive position

- Steel has well known properties
- Relatively low cost
- 100% recyclable – steel is the most recycled material in the world
- Low carbon footprint grows in importance
- Introducing SSAB Zero as a new benchmark in carbon footprint

Steel has a lower carbon intensity than many other materials



Tonne CO_2 emission/tonne material (typical range)

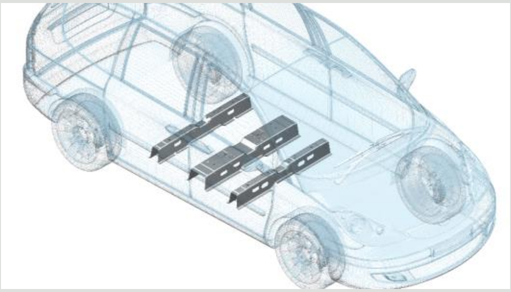
Sources: World Steel, European Aluminium Association, Boliden, MDPI, Climate Action, Nova-Institute GmbH, Copper Alliance, International Zinc Association, German Aerospace Center e.V. Note: The sources might use variations of the definitions of carbon intensity.

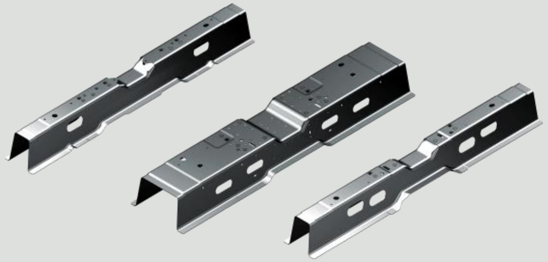
SSAB’s world-leading product offering

shape CORP

Roof rail, several Ford models
Docol CR 1700M-UC

KIRCHHOFF AUTOMOTIVE





Seat cross members for battery protection, ID. Buzz
Docol CR PHS2000-UC

Gestamp

Lower-control-arm, Toyota Yaris
Docol HR 1000CP-UC

KIRCHHOFF AUTOMOTIVE

Prototype Door-beam
Docol CR 1700M-EG

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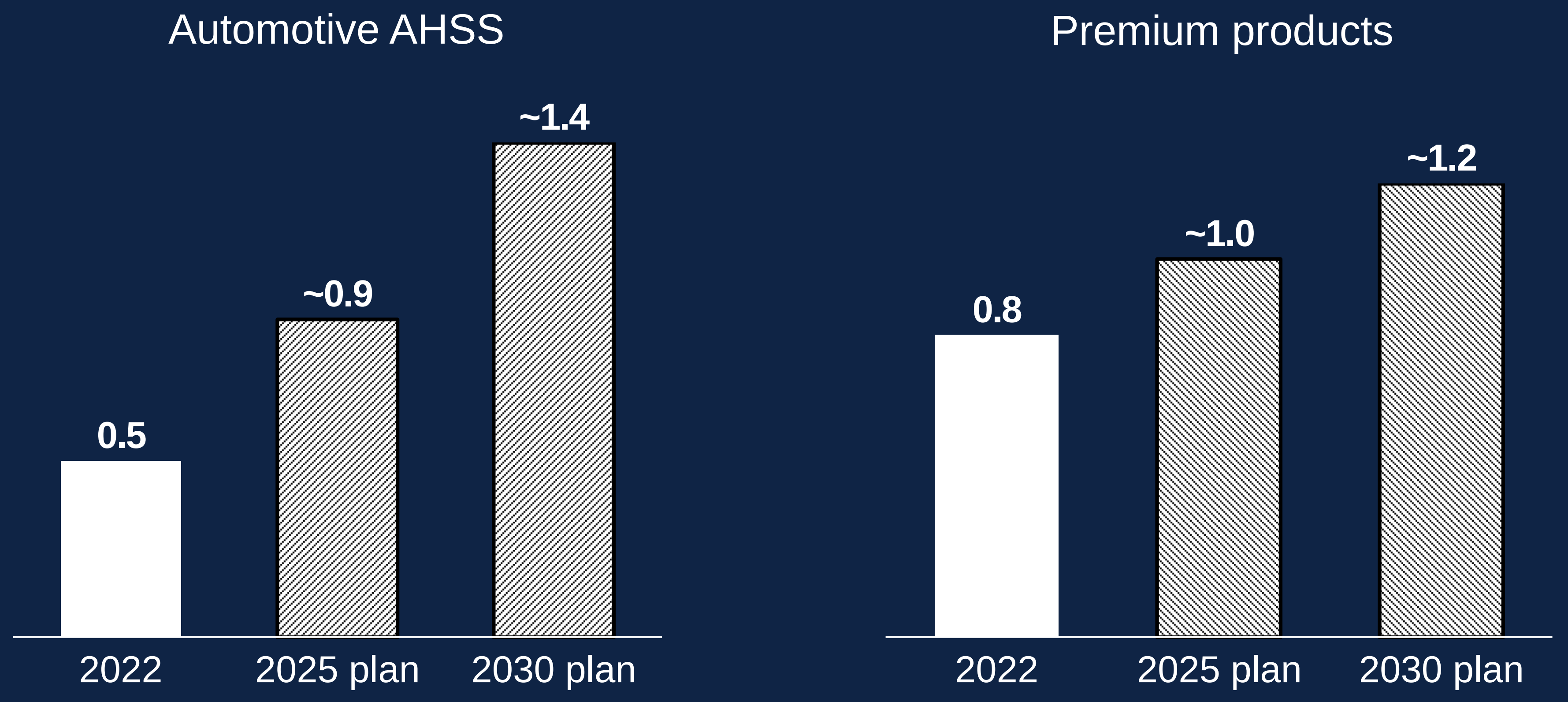
New growth targets



Million tonnes

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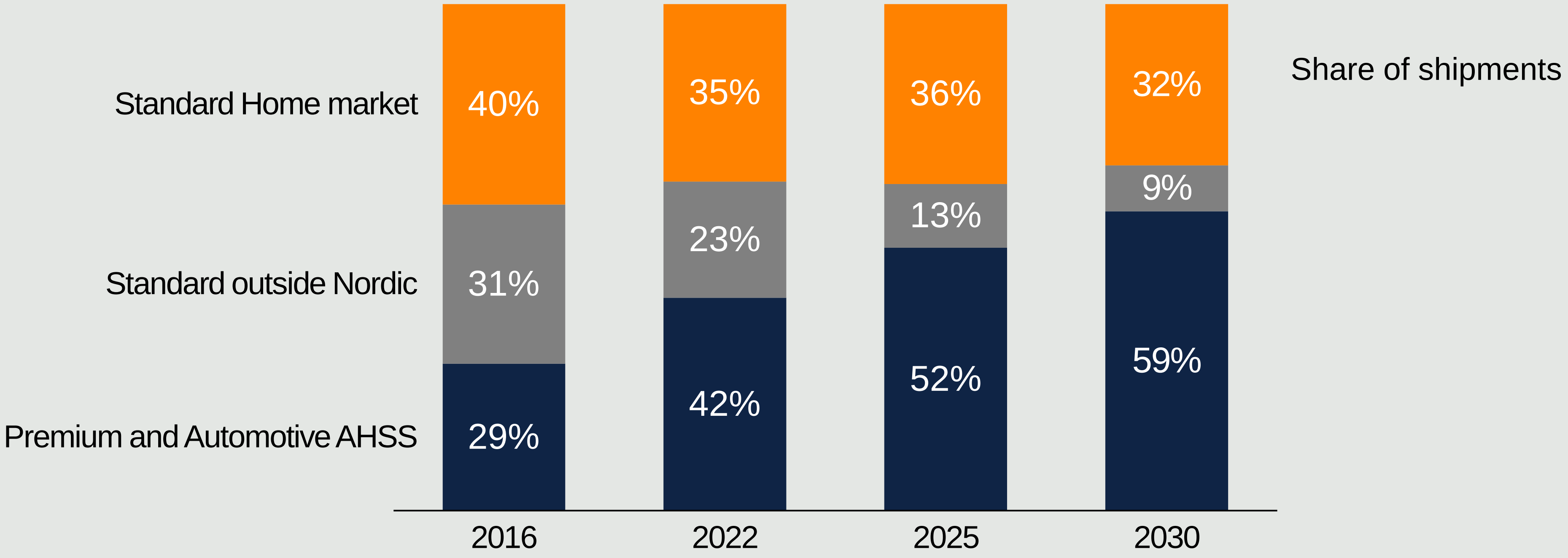
Nordic market leader with improving product mix

Strengthen the Nordic home market leadership

Allocate more of the production capacity to premium and AHSS

Reduce shipments of standard products outside of Nordics



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Market leader North American plate

Chuck Schmitt

EVP and Head of SSAB Americas

Strong contribution to overall Group strategy

Market leadership	Product mix improvement	Developing channels to market	Green transition
– Maintaining leading position on SSAB's North American home market	– Enable the launch of SSAB Zero products	– Focus on end-user segments and reduce dependency on Steel Service Centers	– Providing knowledge and experience in EAF steelmaking

Introduction

Market-leading North American producer of quality steel plate and coil

32.2 **BILLION SEK**

Annual net sales in 2022

38.8%

EBITDA-margin in 2022

600

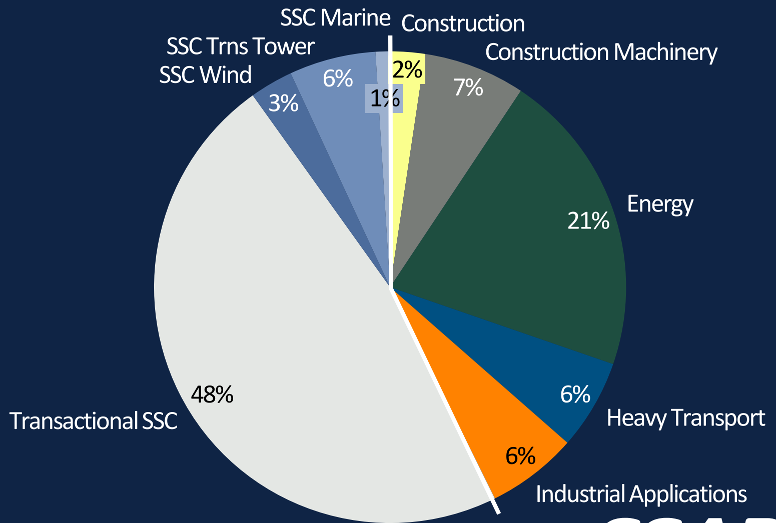
Professionals

#1 in quality

Annual steel production capacity:

2.0 MILLION TONNES

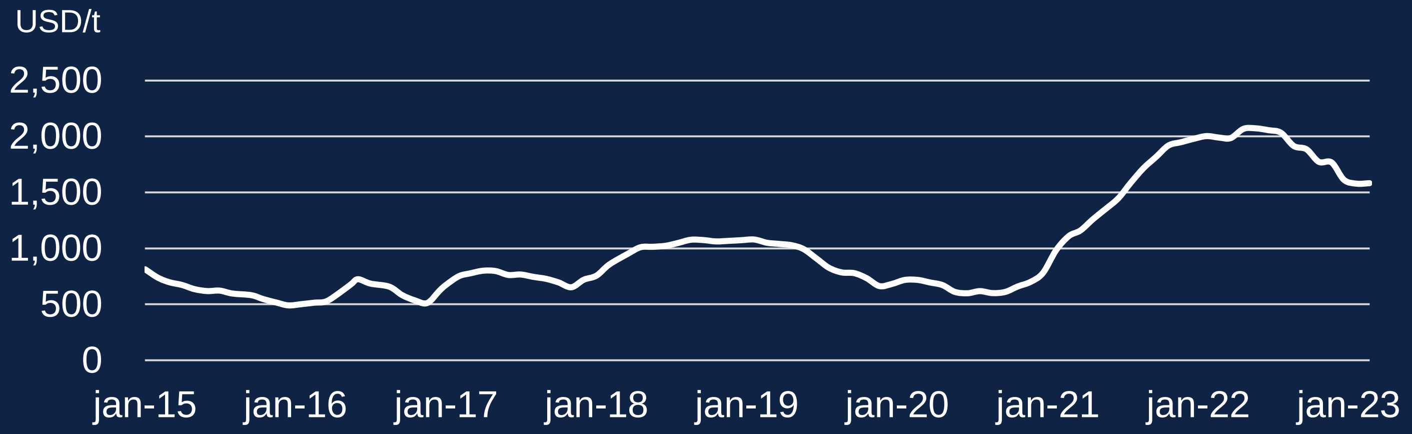
Customer segments



Strong earnings

SSAB Americas, EBITDA, SEK bn

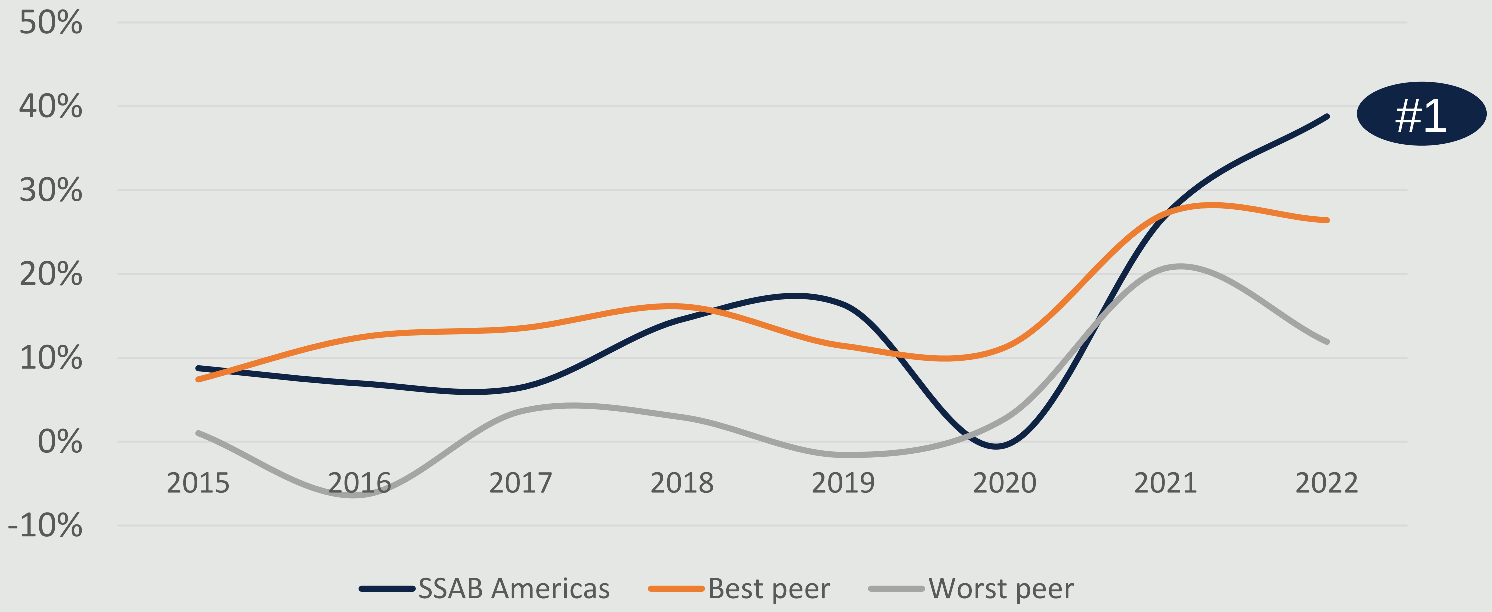
US heavy plate price, monthly



Industry leading margins

- Focus on reducing volatility
  - Reducing transactional exposure to Steel Service Centers
  - Premium offering – fossil free

EBITDA margin vs. peers



Peer group: Cleveland Cliffs, CMC, Nucor, Steel Dynamics, Stelco, TimkenSteel, US Steel

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SSAB in best-in class cost position

- Modern EAF set-up
- Continuous improvement to further strengthen productivity
- Maintain competitive production shipping model
- Flexible mini-mill operations close to customers
- Optimize scrap mix – using lower grades where possible

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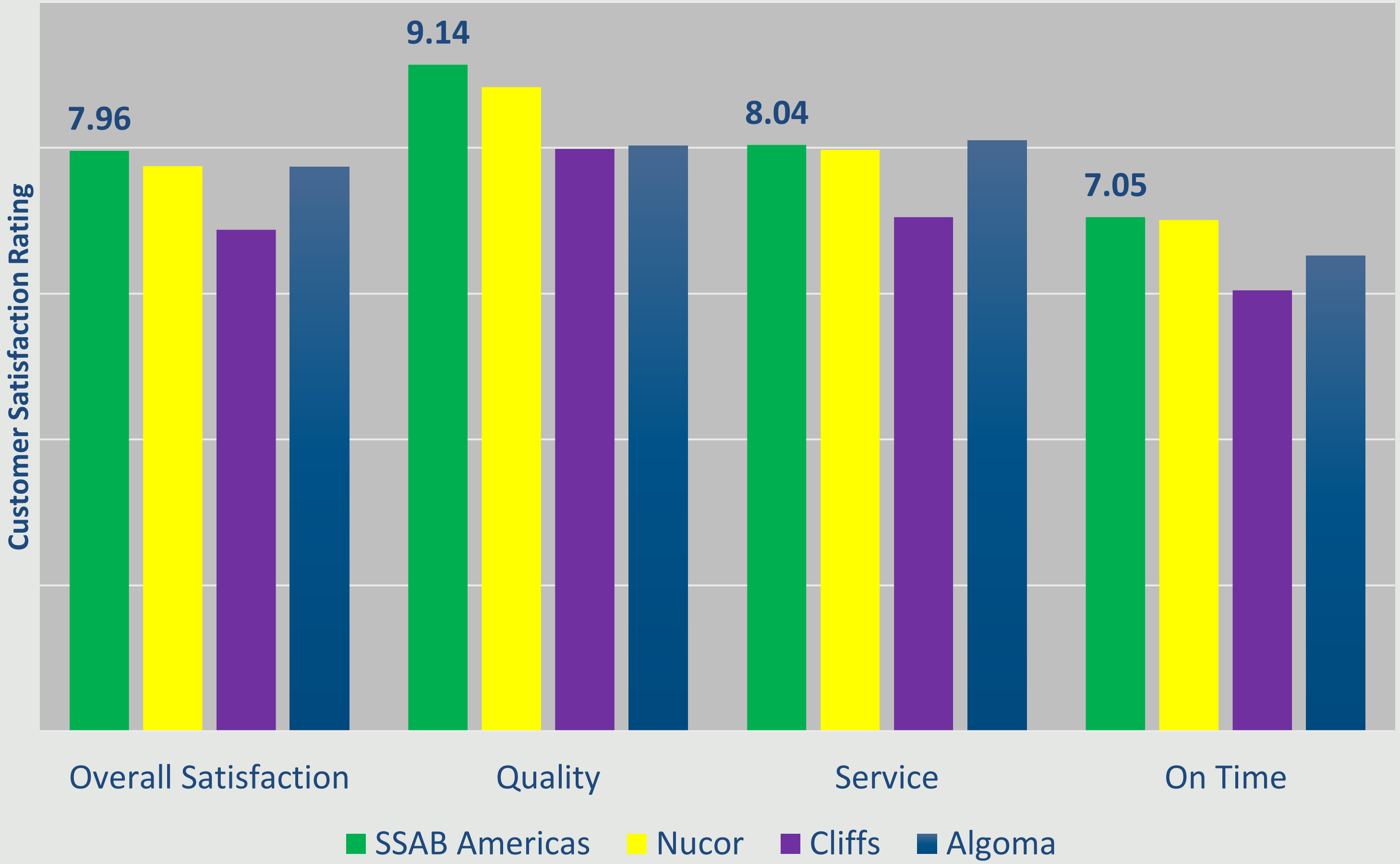
Strong competitive position

Examples from Jacobson Report

- Clear leader in quality
- Focus on improving on-time delivery



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Favorable home market dynamics

Key driving forces support US plate demand

- Balanced supply-demand despite new capacity

Infrastructure spending

- Extensive need for rebuilding US infrastructure
- Federal infrastructure bill expected to impact positively from 2023 and onwards

Investments in energy production

- Support from Inflation Reduction Act
- Expansion of on-shore wind power continues
- Ambition to add 30 gigawatts of offshore wind power by 2030
- Power transmission

Regionalized steel market

- Tariffs and quotas continues
- Higher demand for "melted in America"

New local capacity from competitors

- Ramp up of new US plate capacity in 2023
- Partly different offering vs. SSAB

SSAB

Infrastructure bill elevates steel demand

Total IIJA steel-containing infrastructure investment: $850 billion

Reauthorization of existing infrastructure trust funds: $393 billion

Additional investments: $457 billion

$100 billion in infrastructure spending

=

5 million net tons of steel mill products

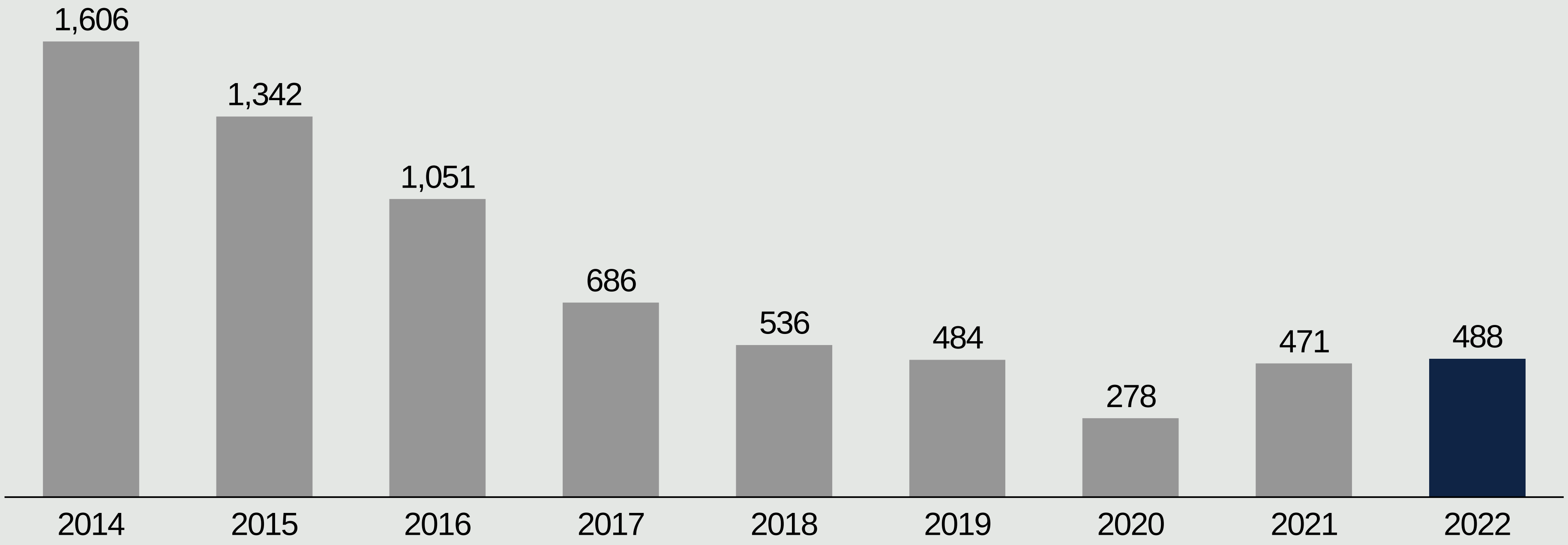
40-45 million net tons of steel products

Of which, 20-25 million net tons from additional investments

Source: American Iron and Steel Institute

More regionalized market – lower imports

Imported cut-to-length plate (ktonnes)



Source: SIMA, US Department of Commerce

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Demand expected to increase in key segments

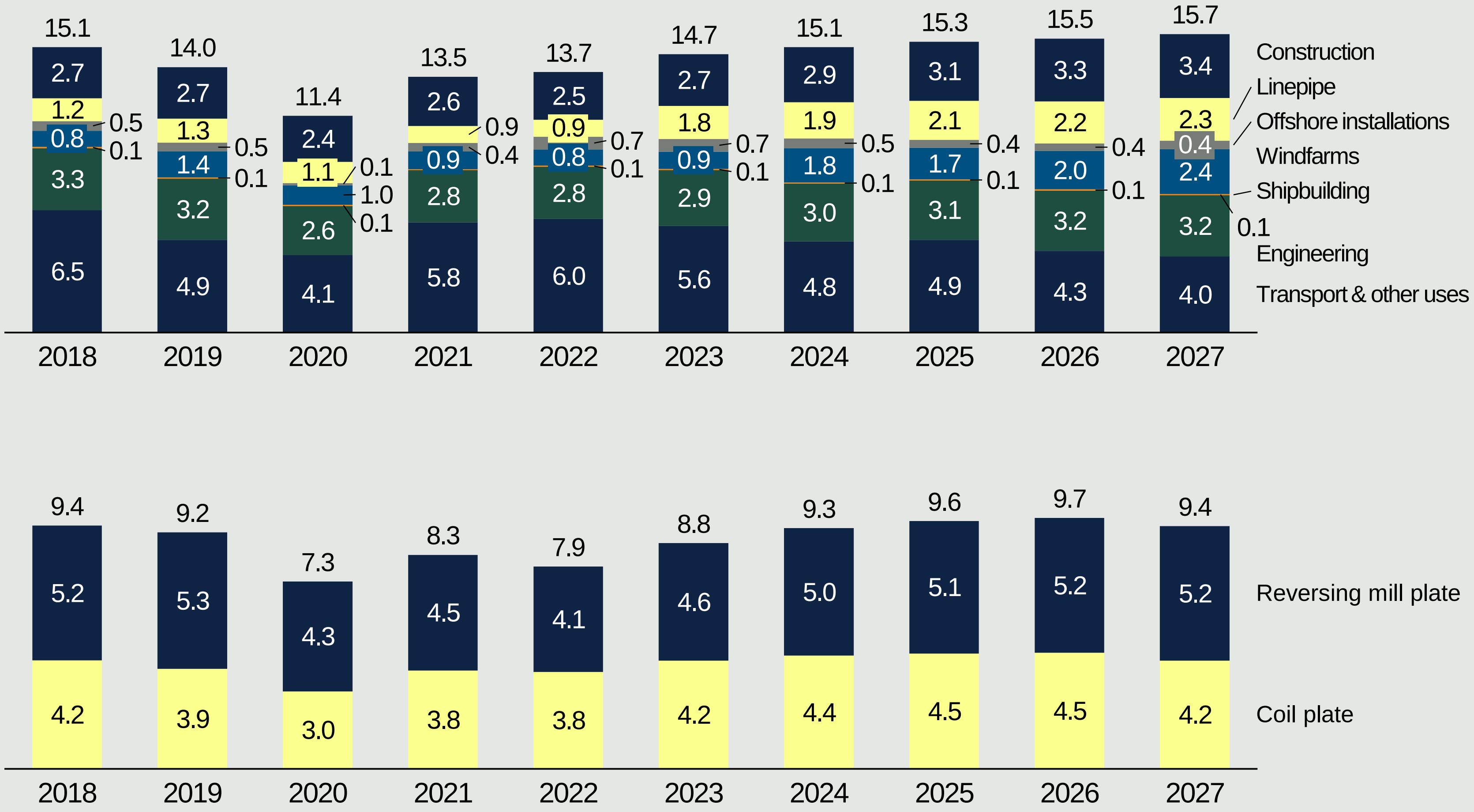
Examples from CRU forecasts for plate

North America

Consumption by end-use (Mt)

USA

Apparent consumption (Mt)



Uniquely positioned for zero-emission steel

Production start of SSAB Zero in Q1 2023

Production based on recycled scrap and renewable electricity

- Operate EAF exclusively with electrical energy
- Our supplier has a goal to achieve 100% renewable electricity from 90% today

Utilization of Biocarbon

- Substitution of bio-genic sourced carbon for injection into the EAF
- Elimination of charge carbon as a metallurgical input

Utilization of Biofuels

- Elimination of fossil based natural gas in the EAF
- Substitution of compressed Renewable Natural Gas in the primary end and rolling mill utilizing newly installed piping and flow control system

Flexible production system allows for a wide range of SSAB Zero products

Montpelier

EAF +
Rolling mill

Heavy plate products

Plates to Mobile's quenching lines

Mobile

Q&T products

Slabs to European rolling mills

Borlänge

Oxelösund

Strip and plate products including high-strength steels (Q&T, AHSS)

Our major customers demand a lower carbon footprint

John Deere

Caterpillar

The Greenbrier Companies

CB&I

GE Renewable Energy

Volvo

CNH Industrial

Arcosa

TrinityRail

valmont

SSAB

SSAB

Leading sustainable product offering

Tony Harris

VP Head of Sales and Business Development

SSAB in the lead

SSAB has built a leading position

HYBRIT -
Joint Venture
between SSAB,
LKAB and Vattenfall
formed in 2017

World-unique pilot
plant started
operation in 2020

World's first fossil-free
steel rolled and
delivered to Volvo
Group in 2021

Pilot shipments to
strategic customers

500 tonnes in 2022

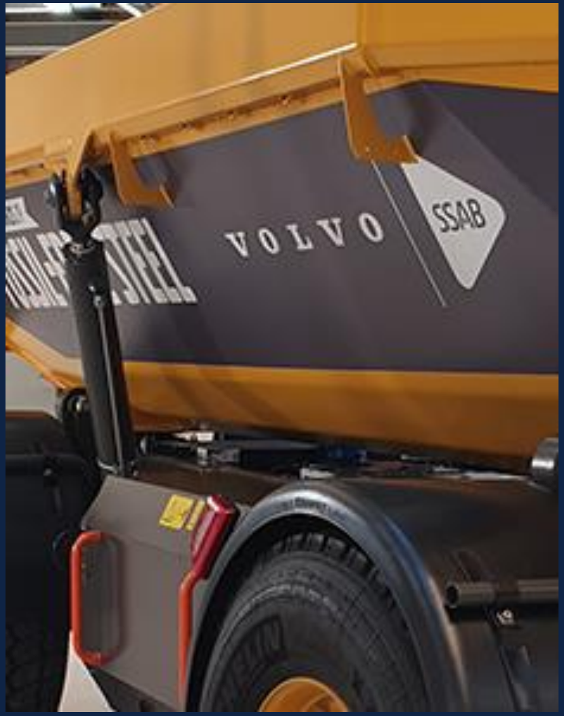
SSAB

96

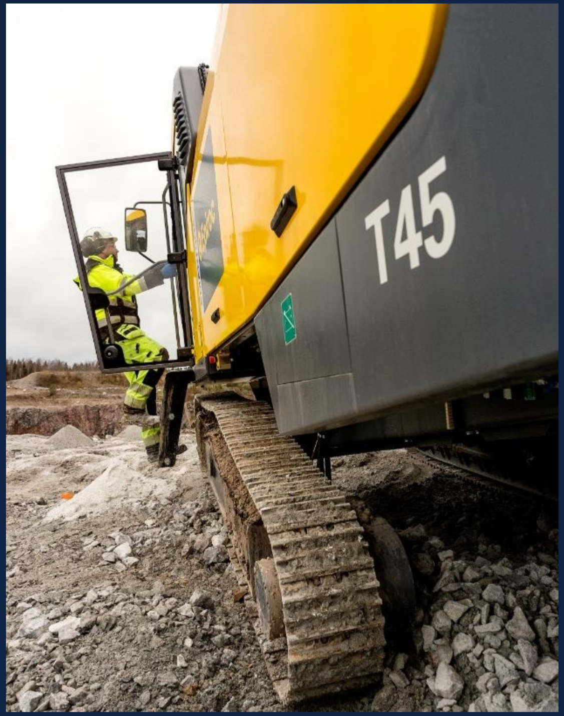
Several advantages of being first to market

– Pilot shipments started in 2021

Synergies from joint marketing efforts



Preparation for product qualification



Stronger relations to key customers

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First machine in operation

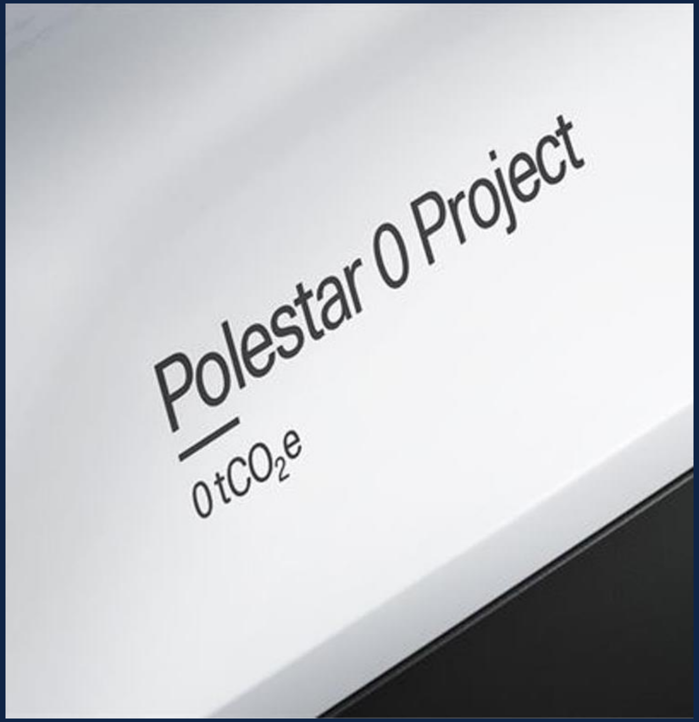
Produced by Volvo Construction Equipment and delivered to Swedish construction company NCC

SSAB

Strong customer demand

Construction

“Peab has ambitious climate and environmental targets, and this is an important step for us to reach climate neutrality by 2045”



Automotive

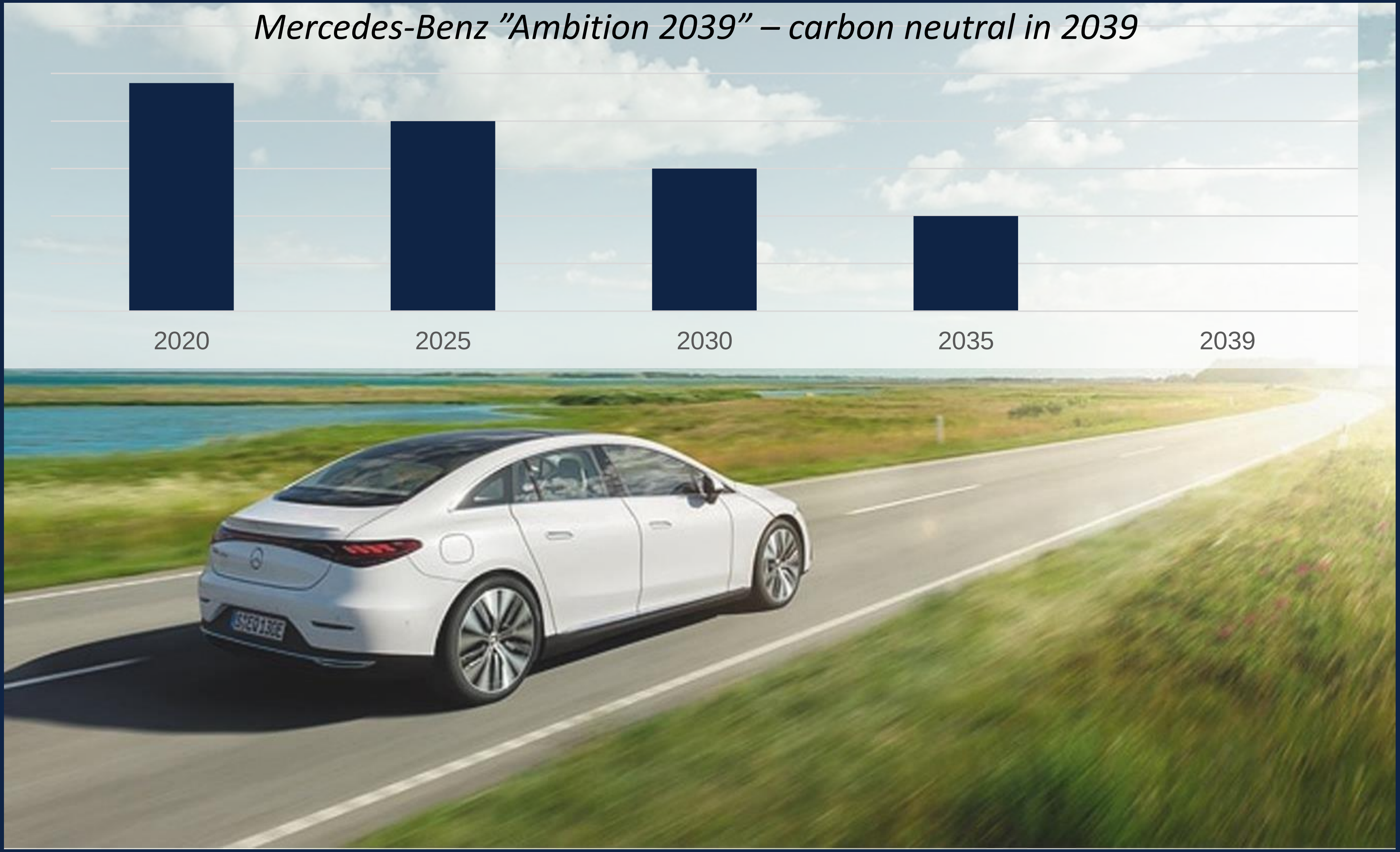
“The Polestar 0 project is Polestar's ambitious goal to create the first truly climate-neutral car by 2030 The approach will encompass collaboration across the entire development process and value chain, from suppliers to retailers”

Industrial Equipment

“Cargotec’s science-based target is to reduce value chain emissions by 50 percent by 2030”

SSAB

”Daimler is on its way to CO_2-lean production – Swedish producer delivers green steel”



”The automaker is driving the decarbonisation of its supply chain: Starting in 2026 Daimler will be sourcing CO_2-free steel from SSAB in Sweden.”

German financial paper Handelsblatt, September 2021, translation by SSAB

SSAB

SSAB in partnerships with leading companies

SSAB

Leading the way to zero-emission products

Both recycled and iron ore-based steel will be needed

Source: Swedish iron and steel producers' association, Jernkontoret

Introducing SSAB's zero CO_2 offerings

SSAB ZERO™ STEEL

SSAB FOSSIL FREE STEEL™

0.0

kg CO_2e emissions per kg steel

Commercially available today

Pilot shipments today – commercially from 2026

SSAB ZERO™ STEEL

- [x] Fossil-free electricity
- [x] Fossil-free fuels
- [x] Fossil-free internal transports
- [ ] Fossil-free sponge iron based on the HYBRIT® Technology
- [x] Iron based on external high-quality recycled steel

SSAB FOSSIL FREE STEEL™

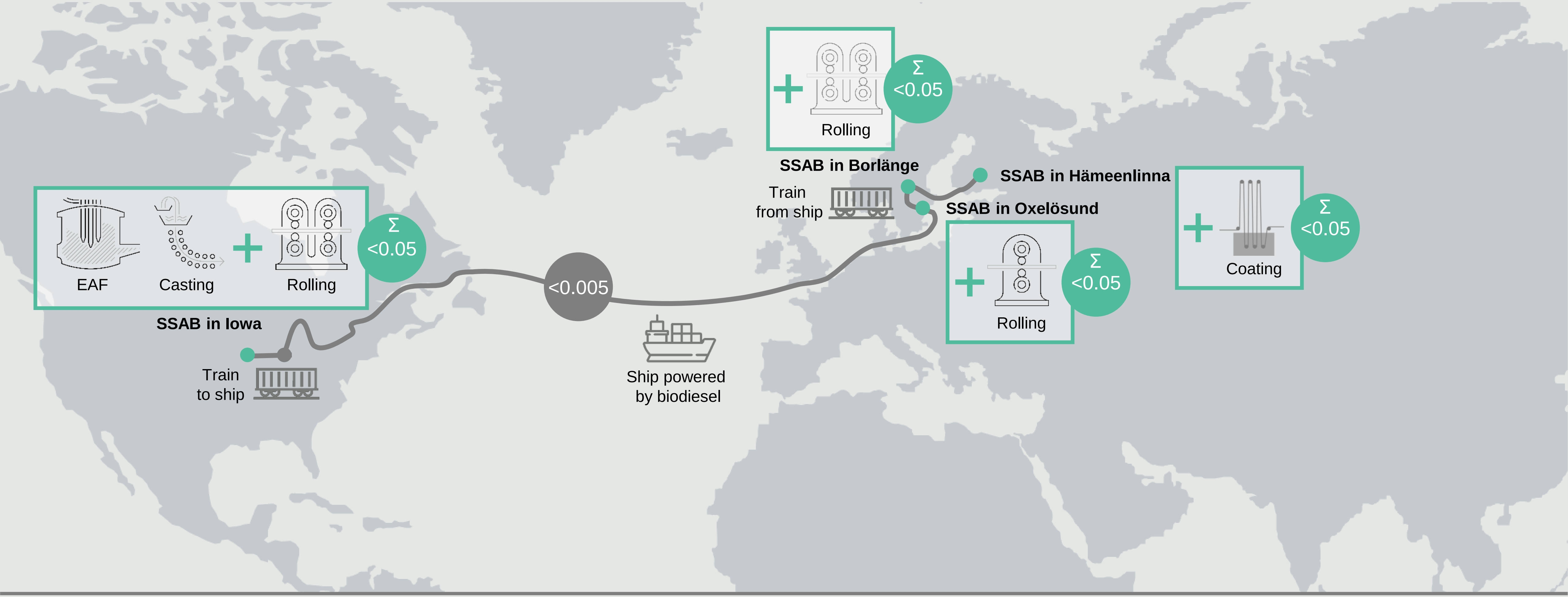
- [x] Fossil-free electricity
- [x] Fossil-free fuels
- [x] Fossil-free internal transports
- [x] Fossil-free sponge iron based on the HYBRIT® Technology
- [ ] Iron based on external high-quality recycled steel

Why SSAB Zero™ is unique

1. Zero carbon emission in operations. Third-party verified
2. Fossil-free electricity, bio carbon and bio gas
3. No carbon emission offsetting or mass balancing allocation schemes

SSAB

SSAB Zero™ route 2023



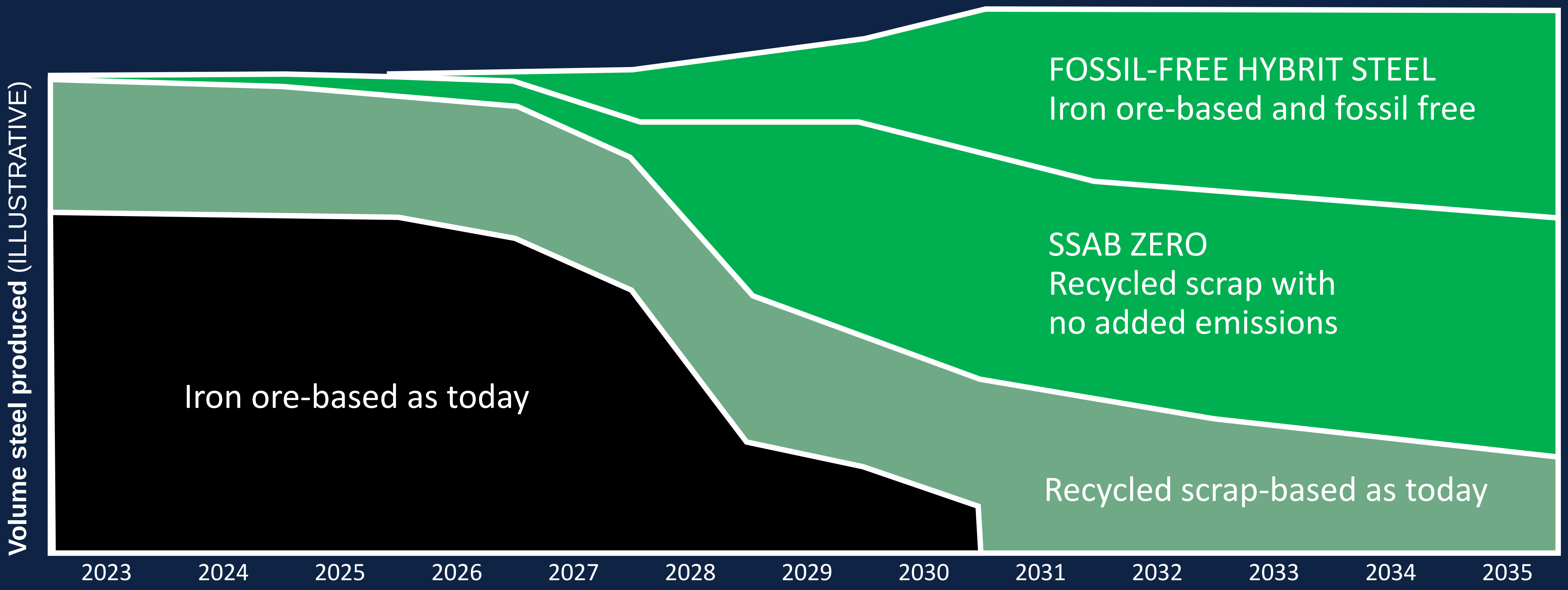
Σ Total accumulated product carbon dioxide emissions in Scope 1 and 2 incl. transportation (tonne CO2e per tonne steel product target)

Total transportation carbon dioxide emissions (tonne CO2e per tonne steel product target)

“We are making big strides forward with the introduction of low emission materials made from recycled steel with SSAB Zero in our products. In parallel with the already introduced fossil-free steel, it is another step towards fully climate-neutral transport solutions, and our partnership with SSAB is accelerating this ramp-up”

Martin Lundstedt, president and CEO Volvo Group

Targeting a fully sustainable steel portfolio



SSAB ZERO™ STEEL

SSAB FOSSIL FREE STEEL™

0.0

kg CO_2e emissions per kg steel

SSAB will produce steel based on both **virgin iron ore** and **recycled steel**

SSAB's sustainable offer provides customers with the world's lowest emission steel now and in the future

SSAB

Future production footprint

Carl Orrling
VP Transformation

SSAB

Introduction to SSAB's production system

Steel mills in Sweden, Finland and the US

- Modern cost-efficient Electric Arc Furnace (EAF) mills in the US
- Oxelösund has world leading capability in plate rolling and Quench & Temper lines
- SSAB Europe's Nordic mills are characterized by aging machinery in certain areas, for example hot and cold rolling

SSAB in a good starting position

- Use experience from EAF-based production in the US, including the most advanced Q&T grades
- Pilot shipments of fossil-free sponge iron started in 2022
- Ability to qualify products already now

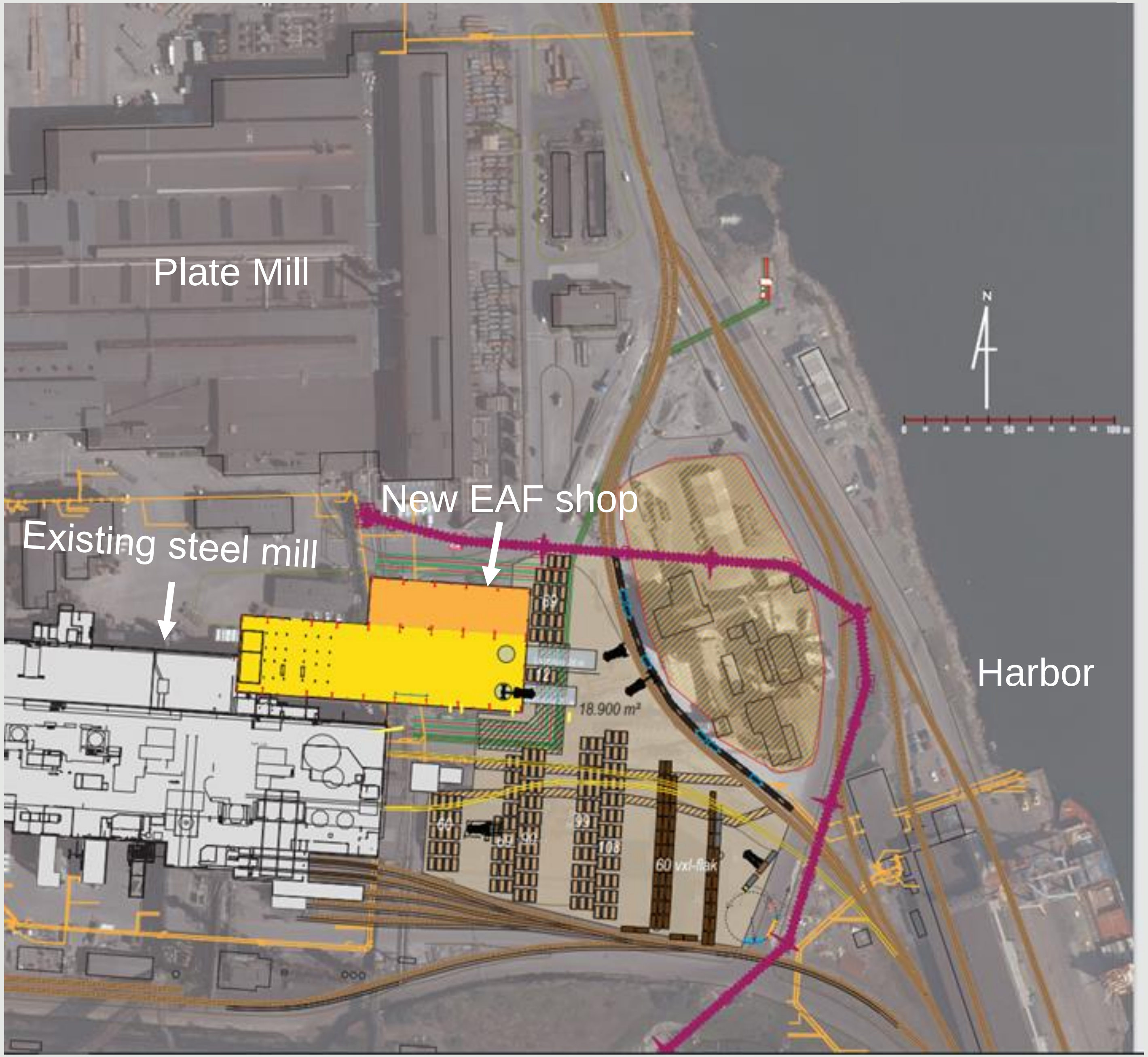
SSAB

Conversion of Oxelösund

SSAB

Oxelösund conversion

- Policy decision in Jan 2022
- Closing down coking plant and 2 blast furnaces
- Construction of Electric Arc Furnace
- New infrastructure for biofuels
- Expansion of scrap handling and efficient material logistics
- Rolling mill and Q&T lines remains
- Large site, ability to run new and old production system in parallel during transition period



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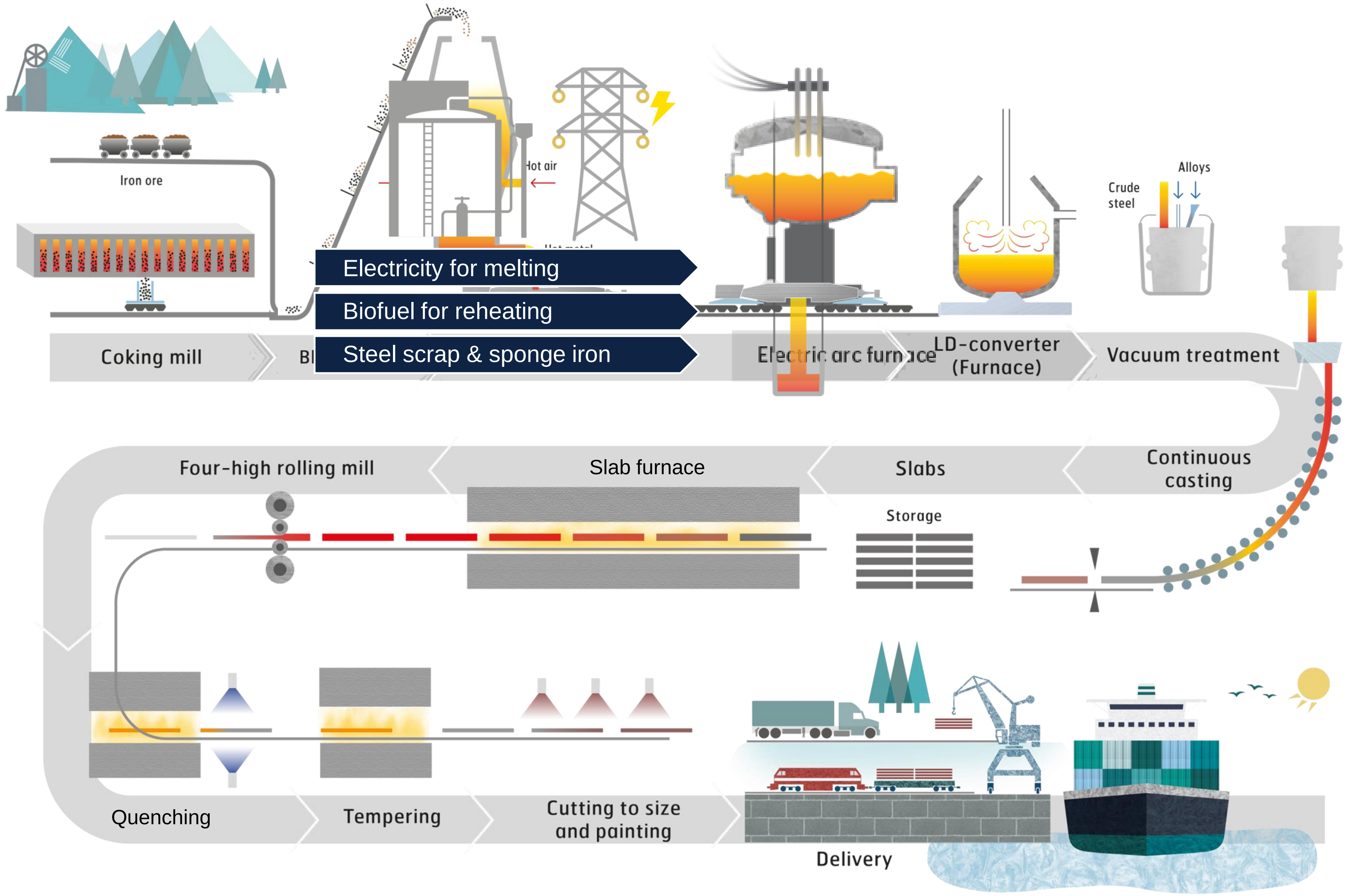
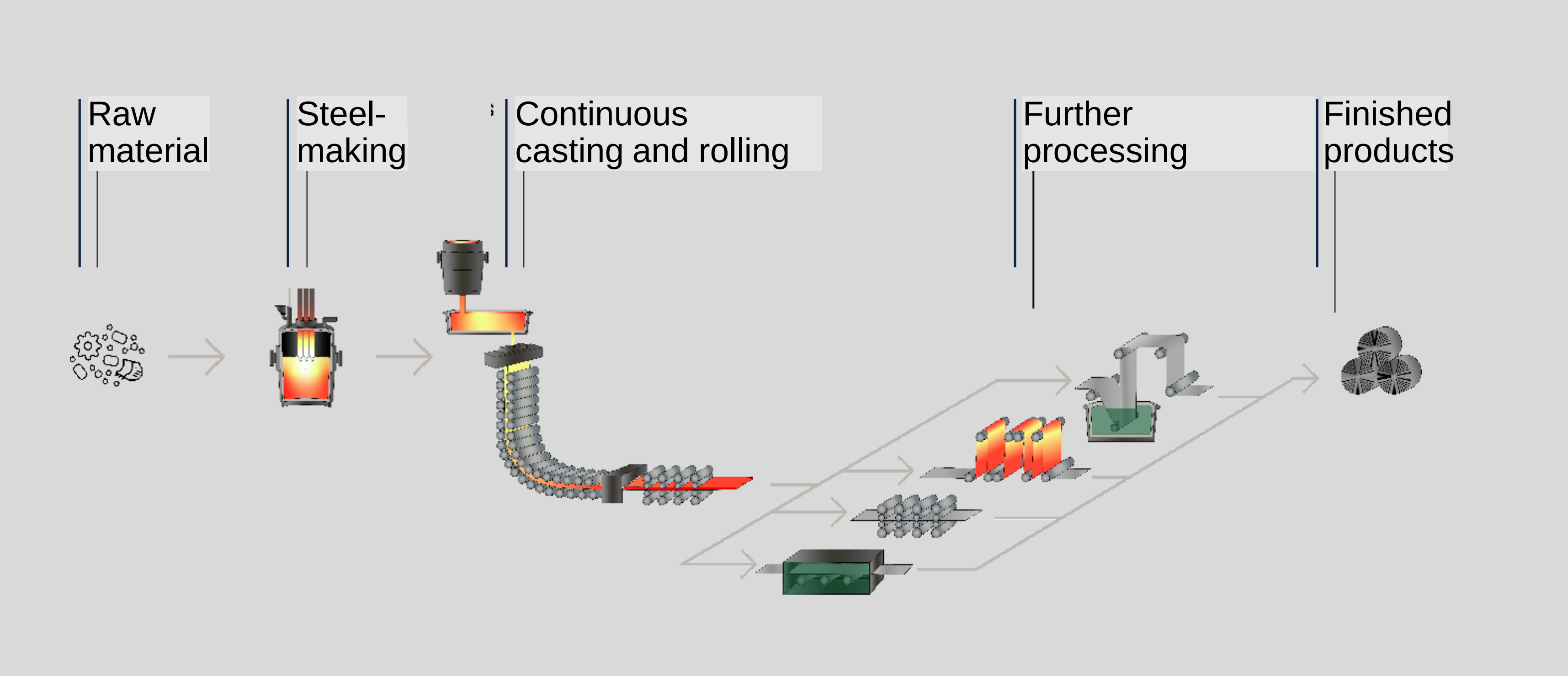


Iron ore
Hot air
Alloys
Crude steel
Electricity for melting
Biofuel for reheating
Steel scrap & sponge iron
Coking mill
Electric arc furnace
LD-converter (Furnace)
Vacuum treatment
Four-high rolling mill
Slab furnace
Slabs
Continuous casting
Storage
Quenching
Tempering
Cutting to size and painting
Delivery

Mini-mills in Luleå and Raahe

The mini-mill concept



- Electricity-based process – well-integrated under one roof
- Short lead time; 3h from steel plant to coils
- Less heat loss since the hot slab can be rolled right away
- High degree of digitalization and automation
- Flexible load of scrap and sponge iron 0-100%

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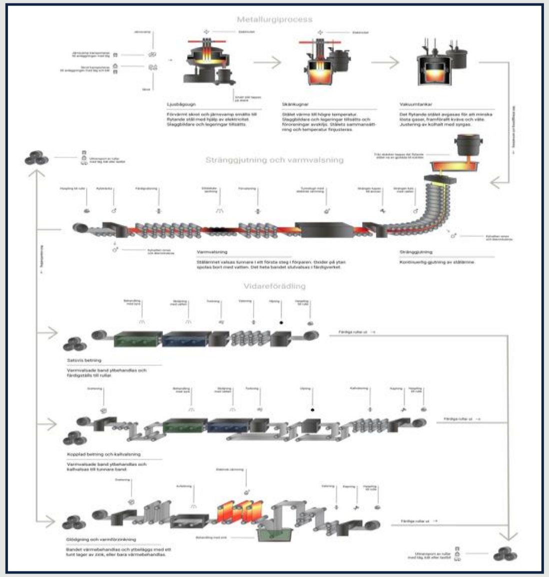
SSAB sites well suited for mini-mills



Large sites
- Luleå ~400 hectares
- Raahe ~500 hectares
- Ability to run new and old systems in parallel

Established logistics
- Direct access to harbors, railway, road transport
- Raw material handling capabilities

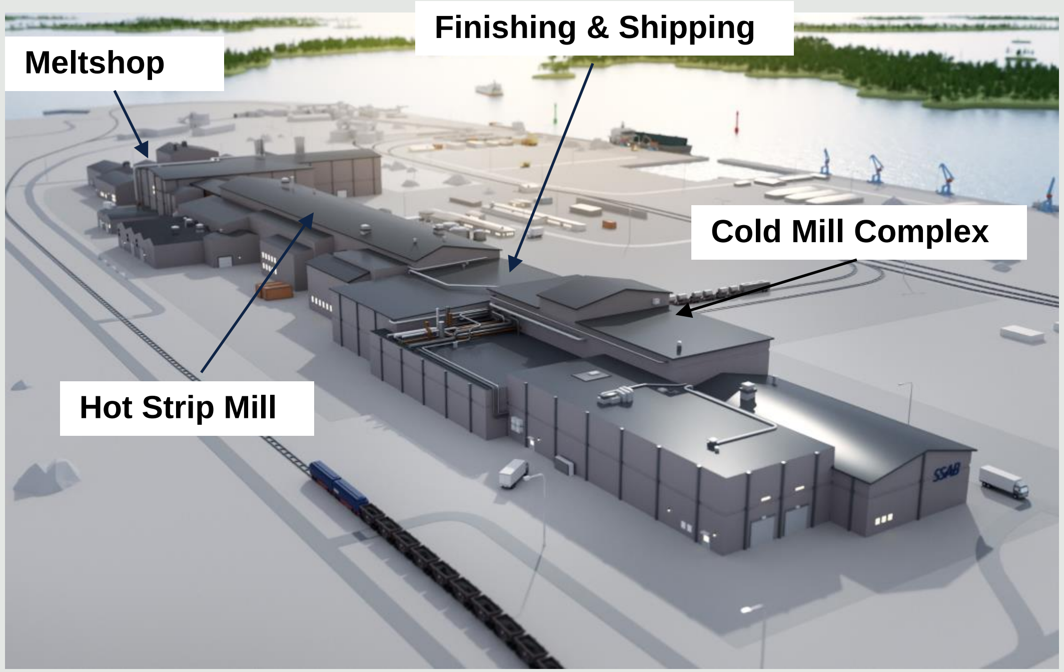
Capacity in line with today’s mills
- 2.5 million tons on each site which is ideal for mini-mill concept
- Potential for future additions – higher crude capacity, more advanced processing, hydrogen DRI etc.

Raahe mini-mill

- Policy decision in Jan 2022
- Close blast furnace, coking plant and strip mill
- Integrated process – steelmaking and direct rolling in one process line
- Option to add hydrogen DRI (Hybrit)

Luleå mini-mill

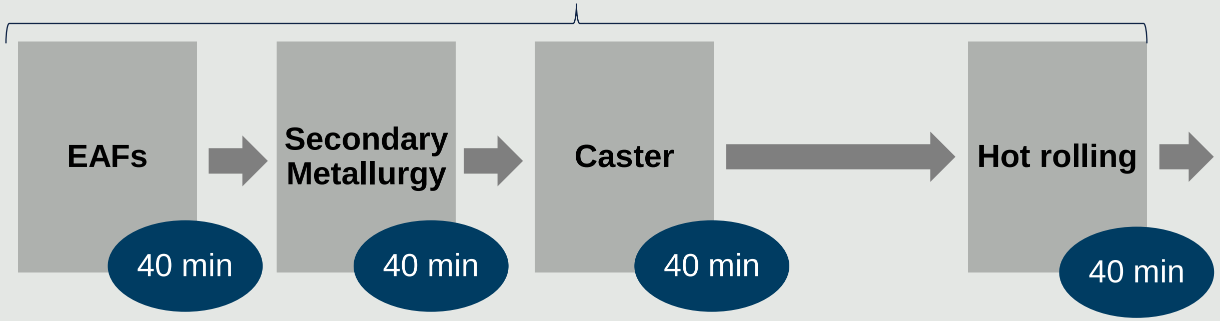
- Policy decision in Jan 2022
- Closing coking plant, blast furnace and steel plant
- Integrated process – meltshop, hot strip mill and cold mill complex in one facility
- Production of high-strength and premium steel for the European market
  - 3rd generation of AHSS products
  - New dimensions of AHSS and Q&T products up to 2 meters wide
  - Improved tolerances and new coatings
- Strip products for further processing in SSAB's downstream assets



Operational flexibility – lead time and production adjustment

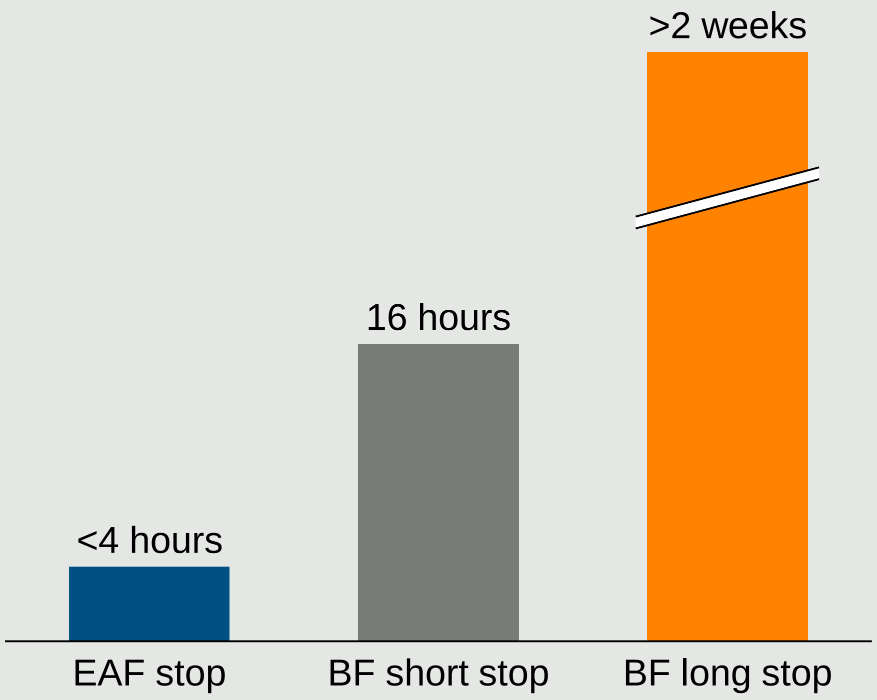
Lead time

160 min from melting start to hot rolled coil = ~240+ ton strip coils/h



In total, lead time from mill estimated to be reduced from 6 weeks to less than 2 weeks

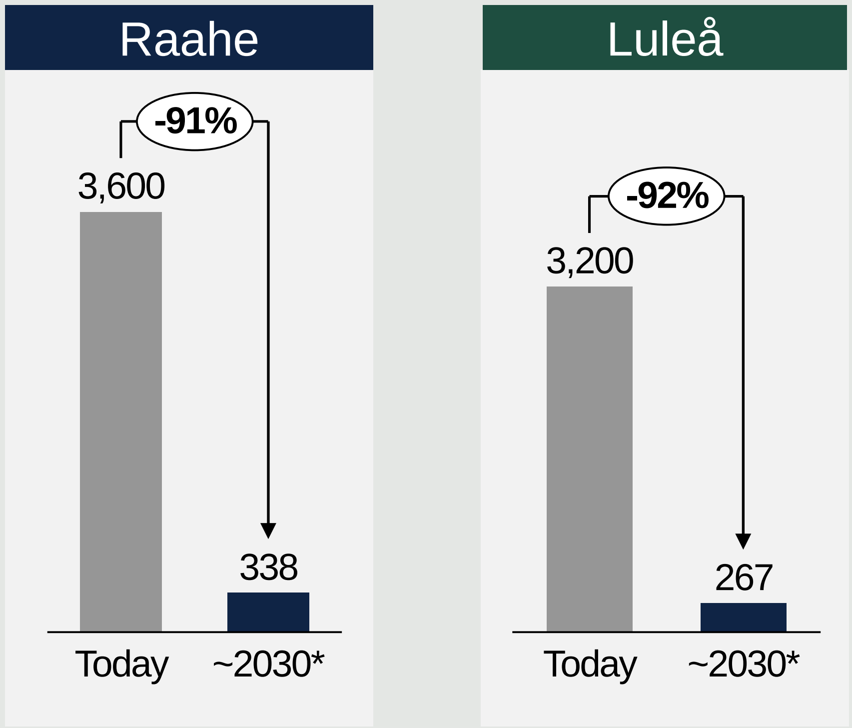
Operational time to adjust production



SSAB

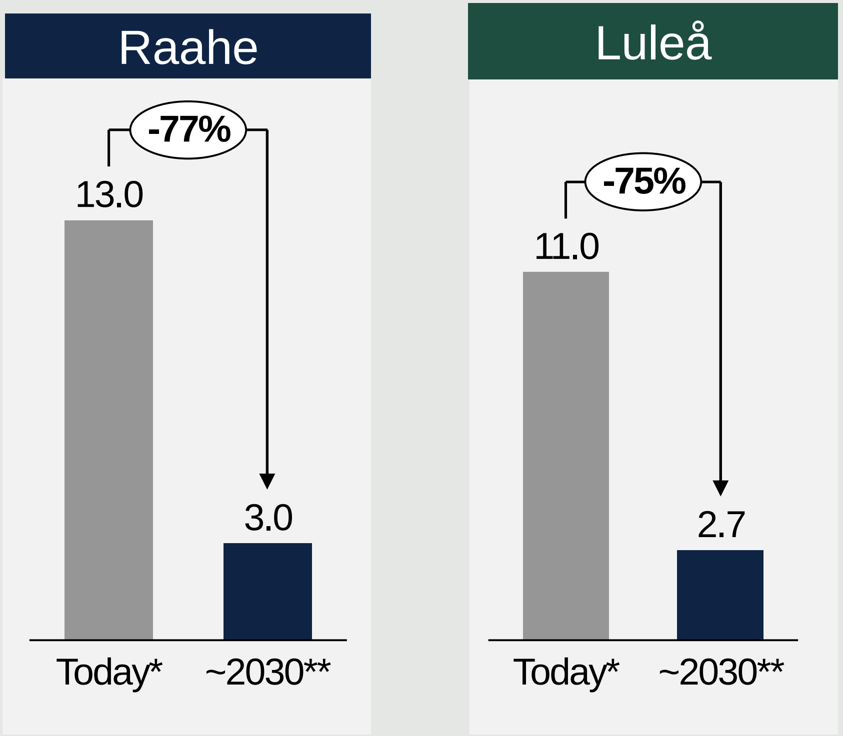
Substantial reduction in emissions and energy consumption

Annual CO_2 emissions (ktonnes)



*Long-term target to be all biogenic

Annual energy consumption (TWh)
(Excluding sponge iron production)

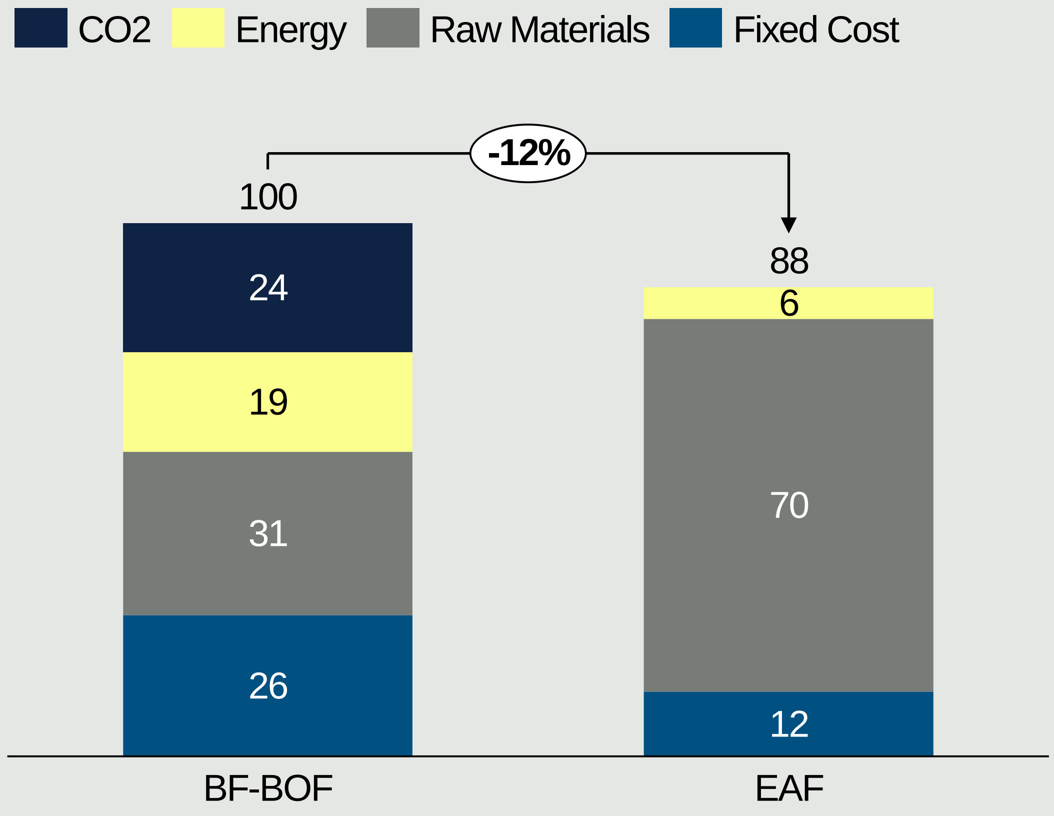


*Primarily coal for iron ore reduction

**Primarily fossil free electricity

More flexible and favorable cost structure

SSAB Hot Rolled Strip Cost analysis, scenario 2030



- SSAB will have a more flexible cost structure with the mini-mill's lower fixed costs per ton
- Higher emission costs in the EU will allow SSAB to reduce the overall cost with mini-mills, even with a higher variable cost per ton
- SSAB will move down the comparative cost curve in EU with the new mini-mills

- Source: SSAB analysis
- Note: Energy includes coal, electricity and gases

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Summary

Summary

- US mills in good starting position on cost and emissions
- SSAB's European sites well suited for EAFs/mini-mills
- Step change in efficiency and cost – construction of state of the art mini-mills
- Built for fossil-free production from start
- More capacity for high-strength and premium steels

SSAB

Sustainable raw materials

Viktor Strömberg
EVP and Head of Strategy & Digitalization

Our raw material transformation

Reducing iron ore with metallurgical coal in blast furnaces

Iron ore

~ 7 Mt

+

Metallurgical coal

~ 2.5 Mt

Flexible mix of recycled scrap and sponge iron, using fossil-free energy

Sponge iron

Electricity

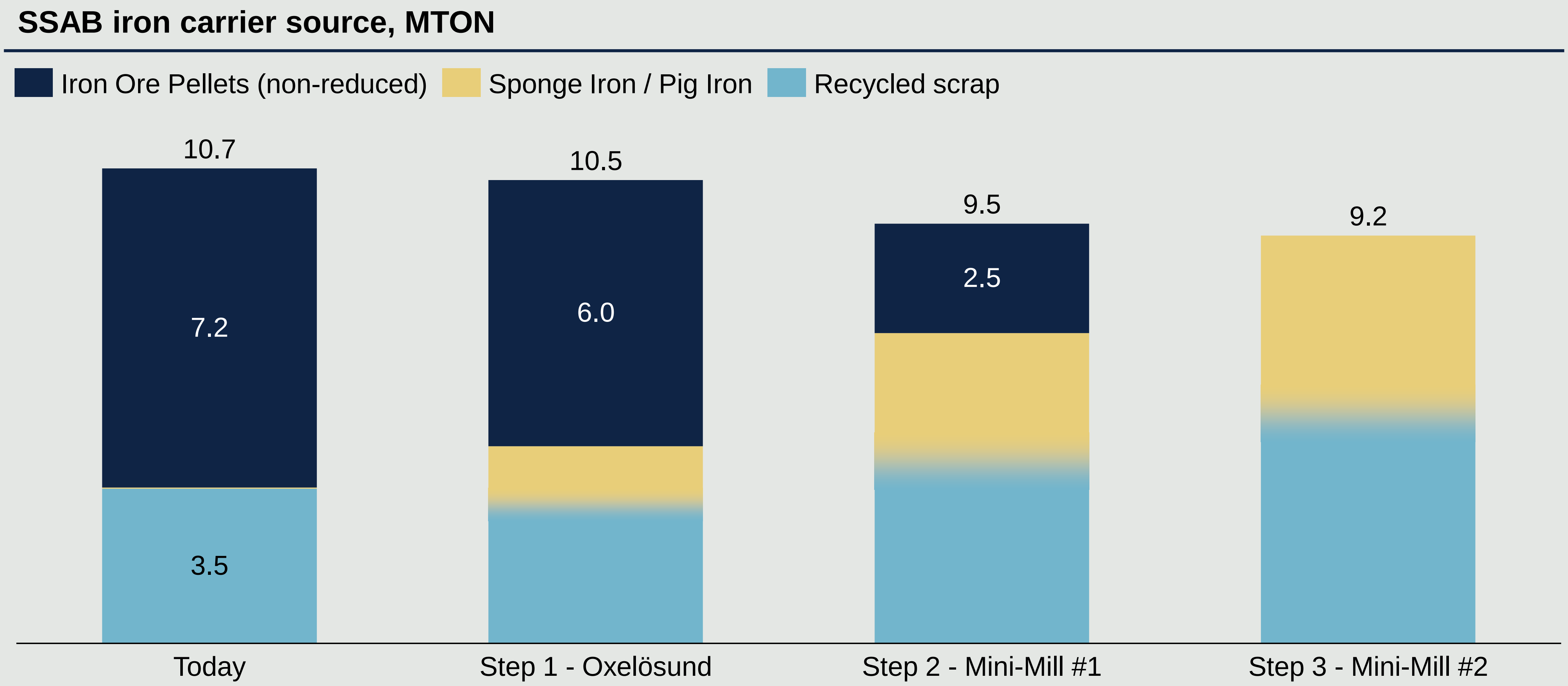
Recycled scrap

Biogas

Biocarbon

SSAB

Sequential journey towards more sponge iron and scrap



SSAB

SSAB sponge iron strategy

Based on unique partnership with LKAB, securing fossil-free iron ore/sponge iron

Hybrit pilot and demonstration plant

- Hybrit pilot plant in Luleå used for pilot shipments of fossil free steel
- 1.35 Mt Hybrit demonstration plant planned
- SSAB with exclusive rights to source the sponge iron from Hybrit plants

LKAB Partnership for full industrialization

- LKAB partnership to build the most efficient value chain and share benefits
- LKAB is planning to convert Malmberget to 5.4 Mt sponge iron (today Malmberget supplies SSAB's blast furnaces)

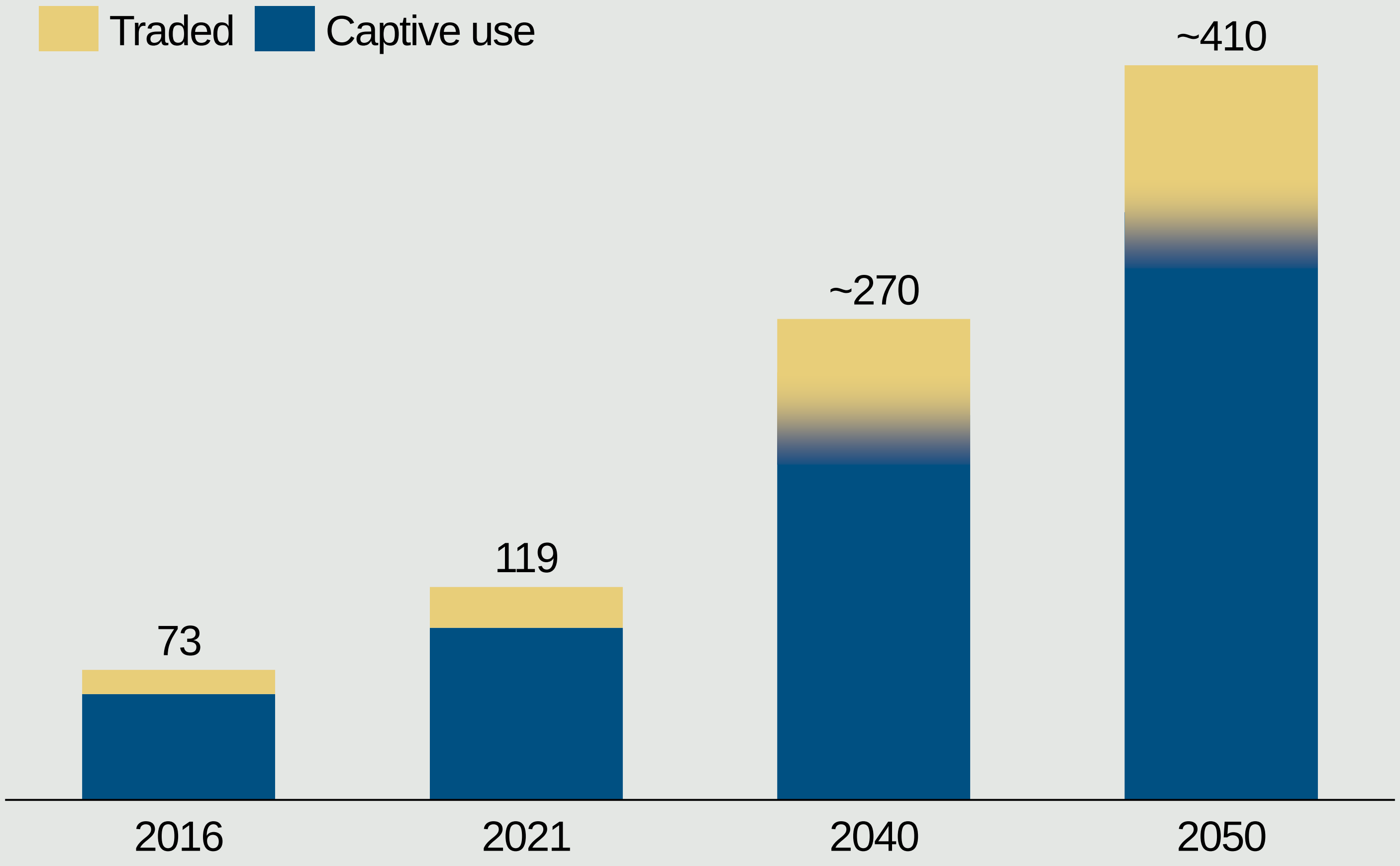
Option to build captive DRI plants based on HYBRIT technology

- Both SSAB and LKAB has option to build own DRI plants based on HYBRIT technology and IP in the Nordics
- Certain potential in geographies like the United States, and/or depending on the timing of LKAB's roadmap

SSAB

Sponge iron will eventually be a liquid global market

Global sponge iron production, Mt



- Total global production ~120 Mt today
- Small commercial market ~22 Mt / 19%
- Substantial growth of DRI production coming decades
  - Both hydrogen and natural gas
  - Both steel and mining companies investing
- A liquid market for sponge iron will emerge

Difference between scrap and scrap

High quality scrap

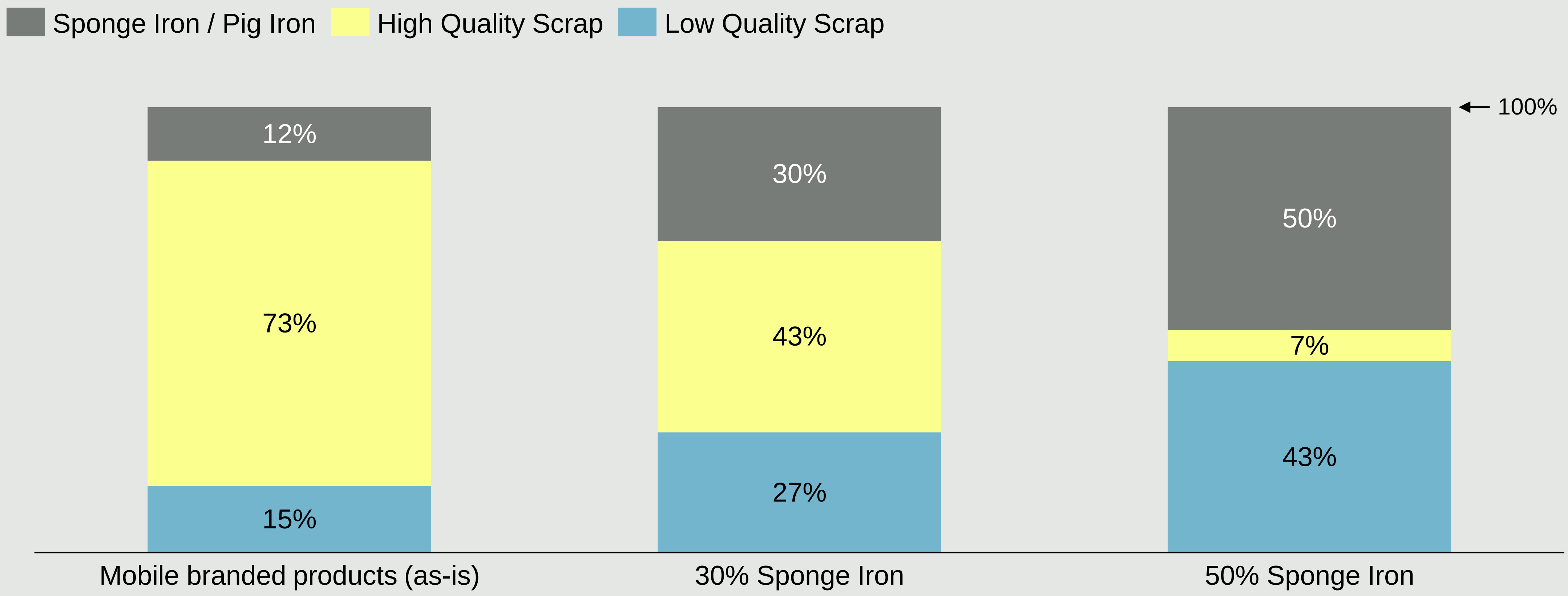
- **Sought after by EAF steelmakers** due to strictly defined and known analysis
- **Constrained supply on commercial market** today – ~20 Mt traded in EU

Low quality scrap

- **Mixture of different steel grades** with a broader tolerance for trace elements
- **Generally available on the commercial market**, with ~27 Mt exported out of the EU today

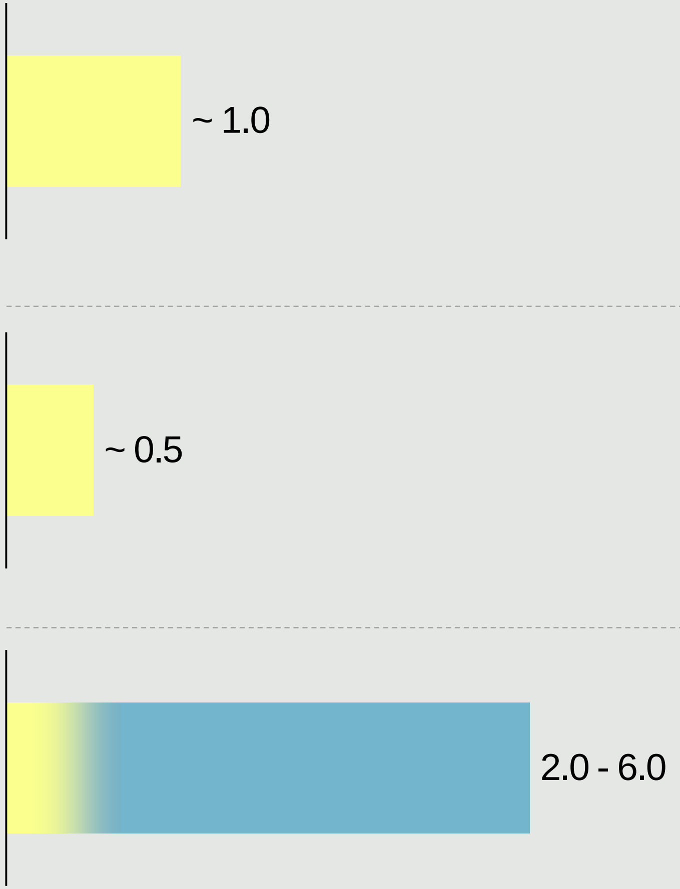
Sponge iron enables more usage of low quality scrap

Illustrative examples



Note: Calculative example for reaching the same levels trace elements by combining different purities of iron carrier

SSAB's scrap strategy with three avenues



Internally falling high quality scrap

- Scrap generated within SSABs network
- High quality scrap with known chemical composition

Customer return flows of high quality scrap

- Circular flows with SSAB customers
- High quality scrap for SSAB due to the known chemical composition

Partnerships with scrap companies

- Partnerships to source scrap from the open market
- Volume and mix depending on the level of sponge iron

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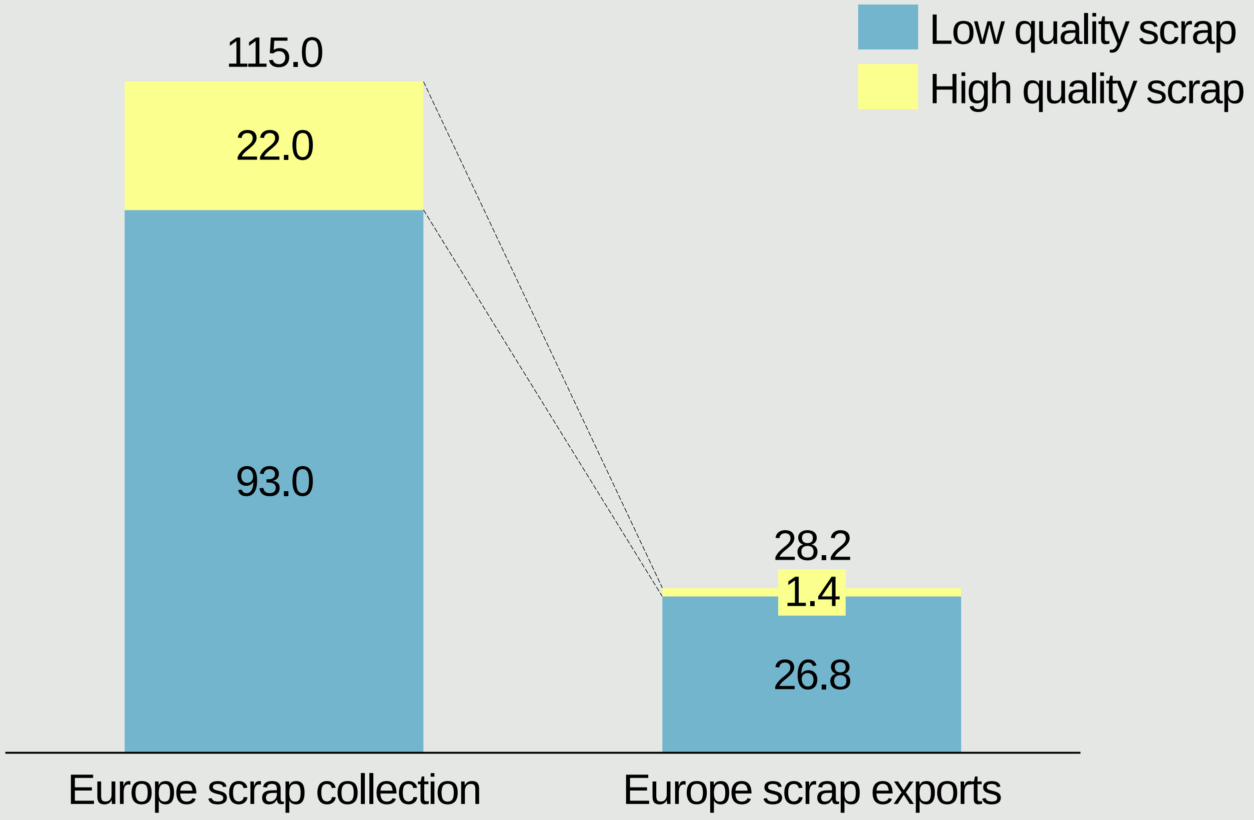
Europe is the world's largest exporter of recycled scrap

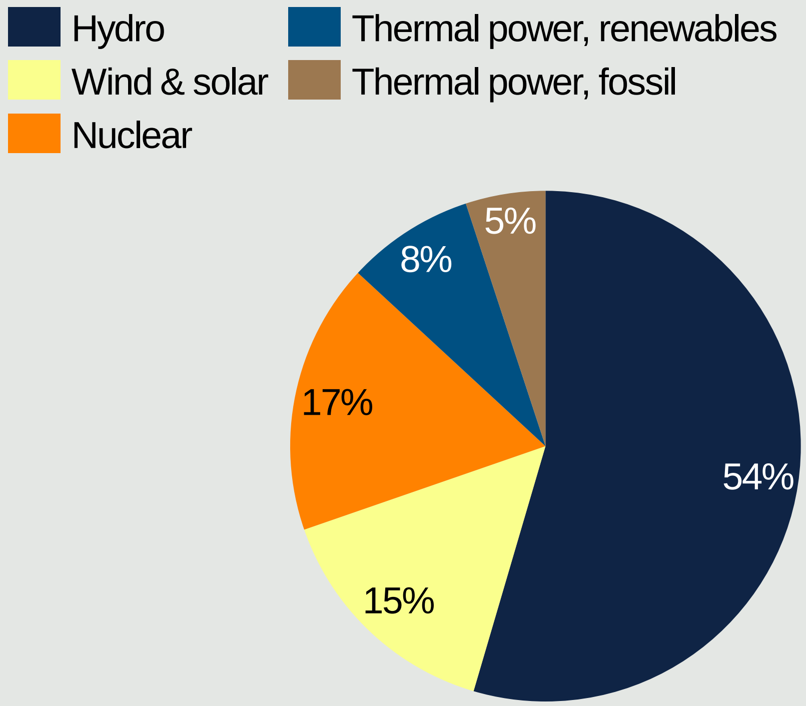
Europe (EU+UK) scrap market, MTON



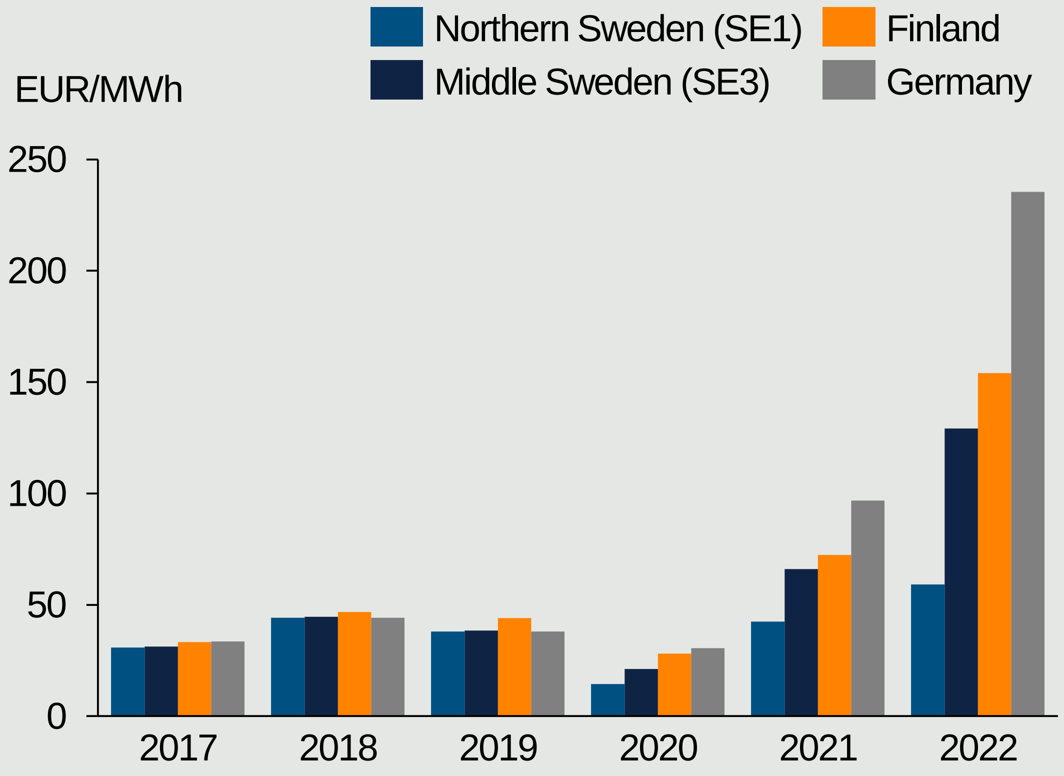
Source: Eurostat

The Nordic energy system has a competitive advantage

Fossil-free mix



Competitive prices



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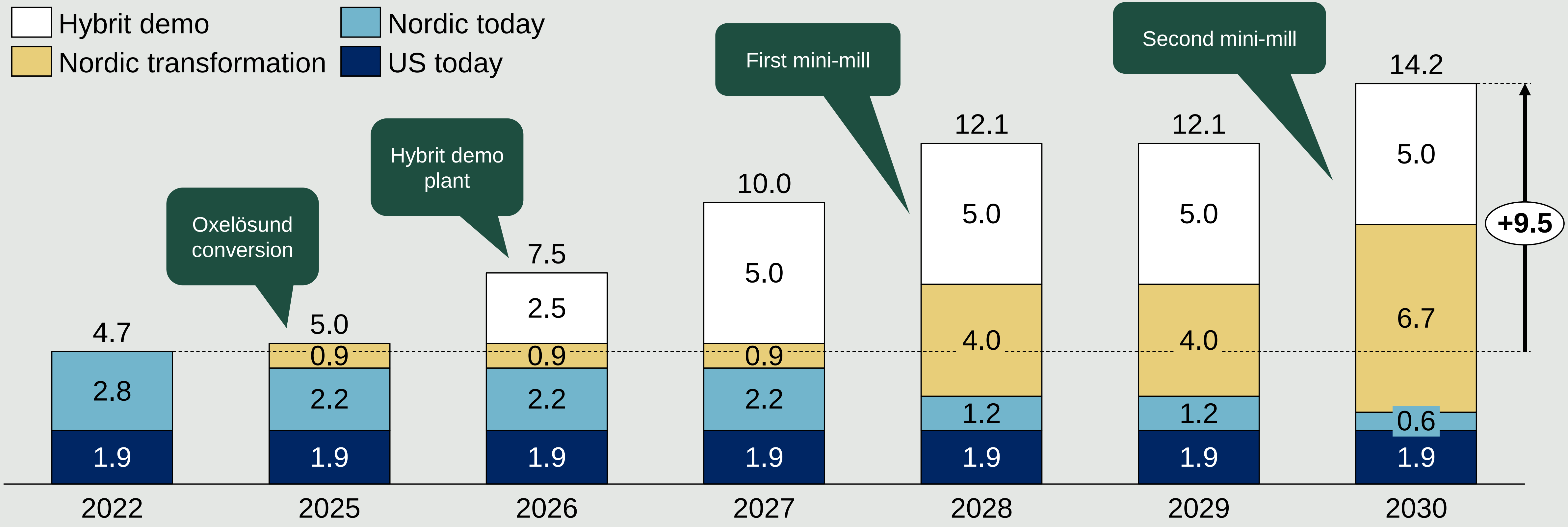
SSAB needs ~9.5 TWh for the transformation

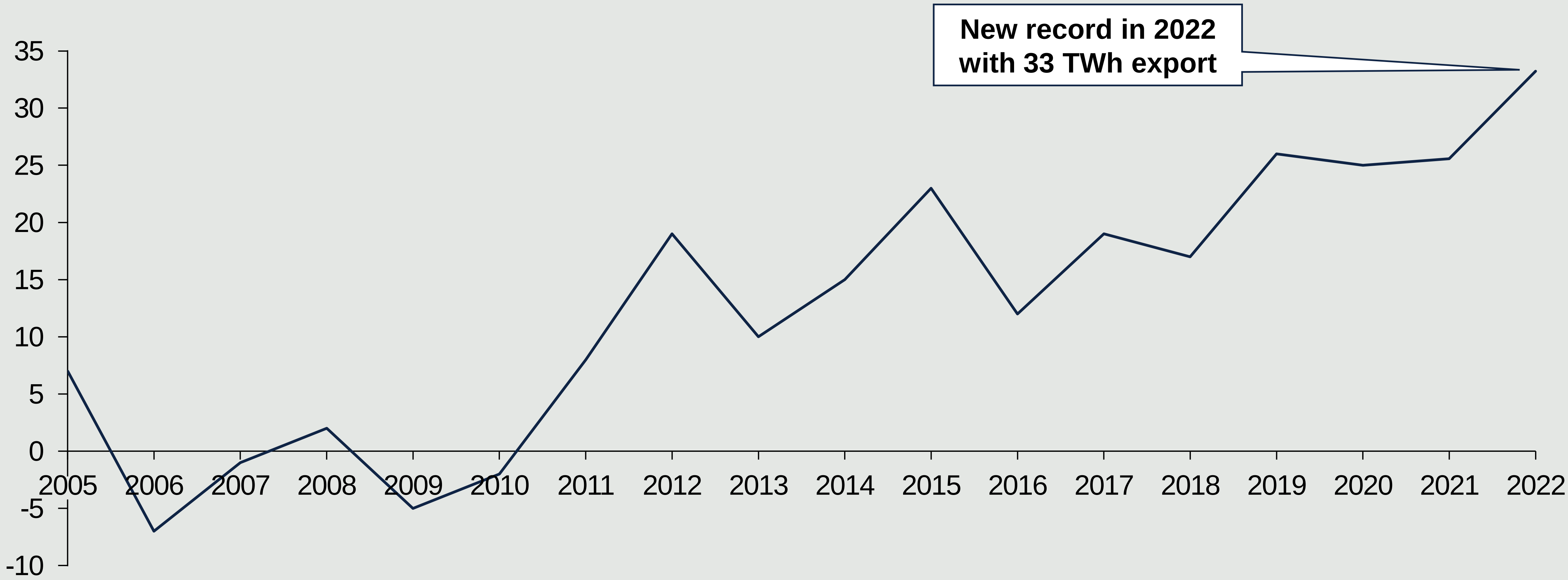
(including the Hybrit demo plant)

SSAB electricity needed, TWh per year



Significant net export last decade

Net export of electricity from Sweden, TWh per year



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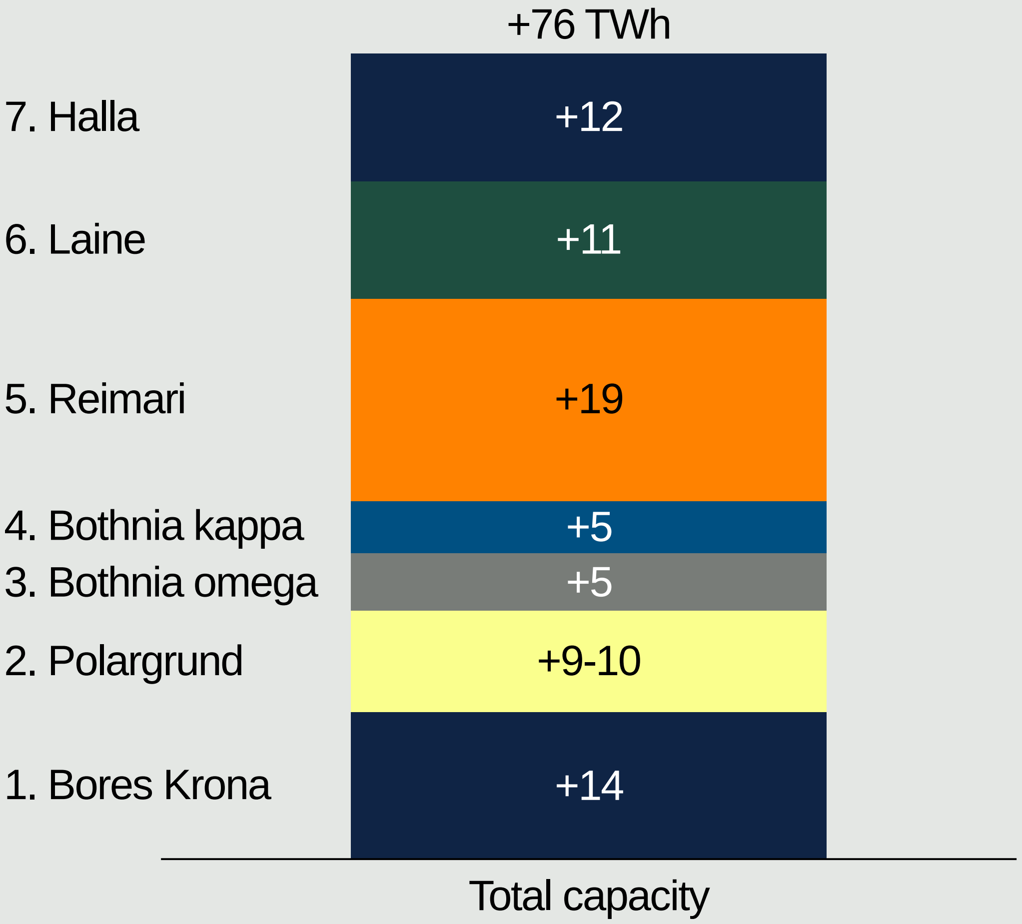
Ambitious plans for offshore wind in SE1 and Finland



Summary

Key takeaways

- Phasing out iron ore and coal usage in blast furnaces saves about 30 TWh of thermal energy, replaced by 9.5 TWh electricity
- SSAB will have new flexibility between sponge iron and recycled scrap
- Partnership with Hybrit and LKAB secures SSAB's access to competitive sponge iron
- Competitive advantage of fossil-free low cost electricity in the Nordics

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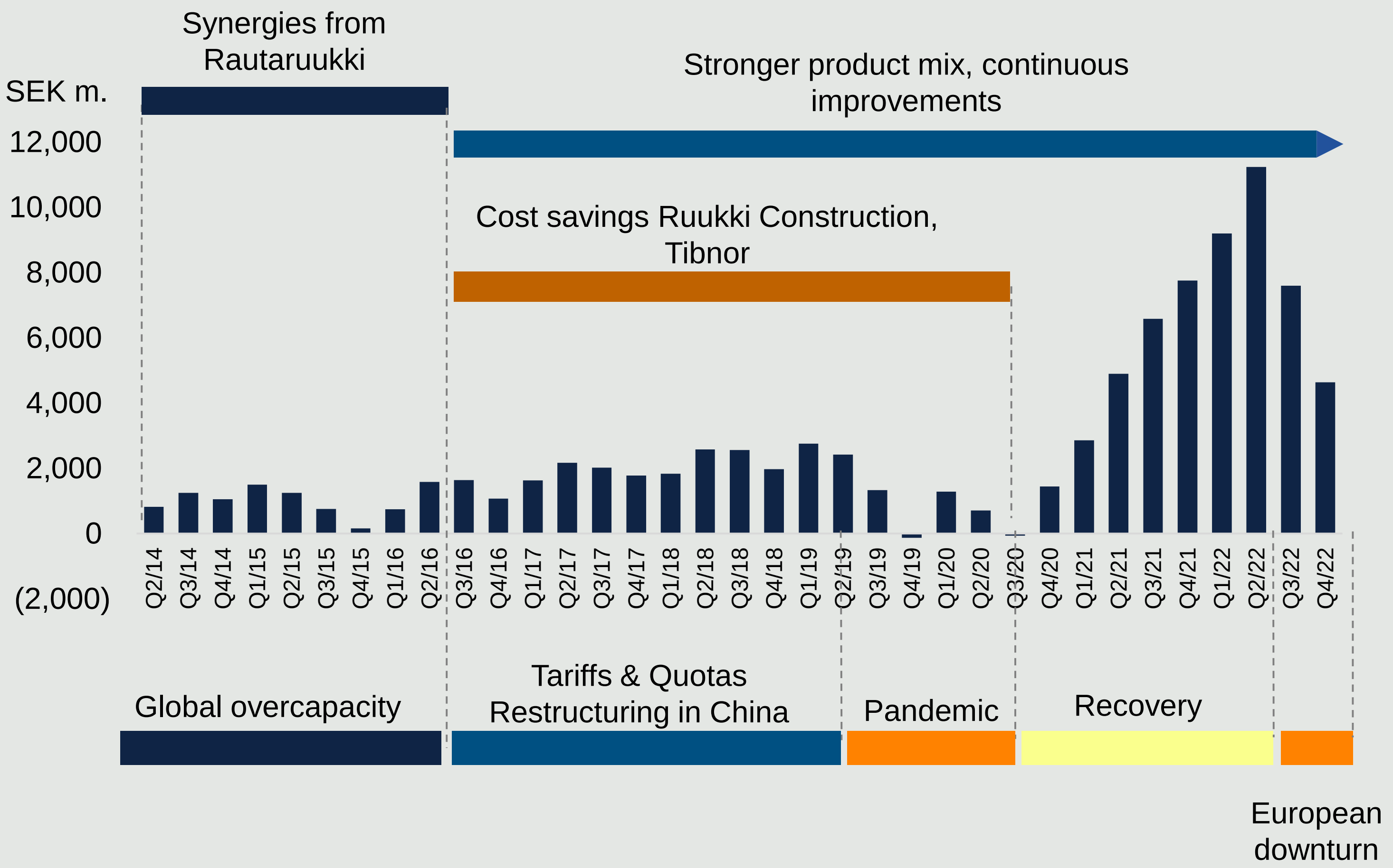
A more profitable SSAB

Leena Craelius, EVP and CFO

Robust financial performance

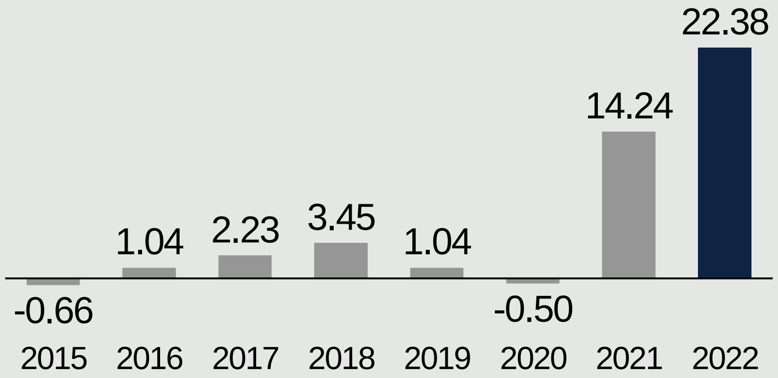
Strong earnings



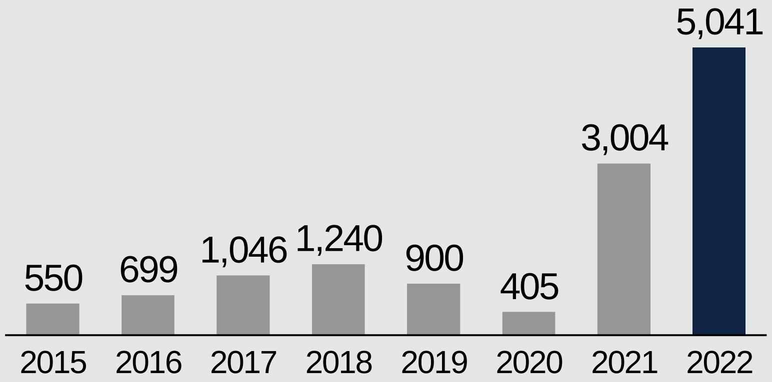
- Volatile market conditions in recent years
- Underlying trend of improving earnings since 2014
  - A combination of a healthier steel industry and SSAB initiatives

Two consecutive years of record earnings

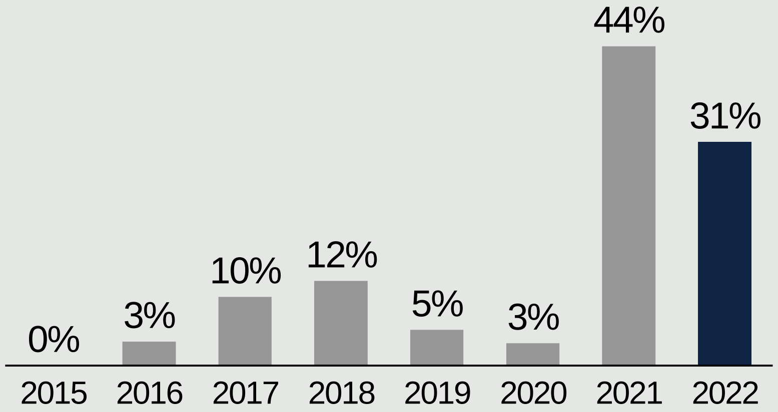
Earnings per share (adj), SEK



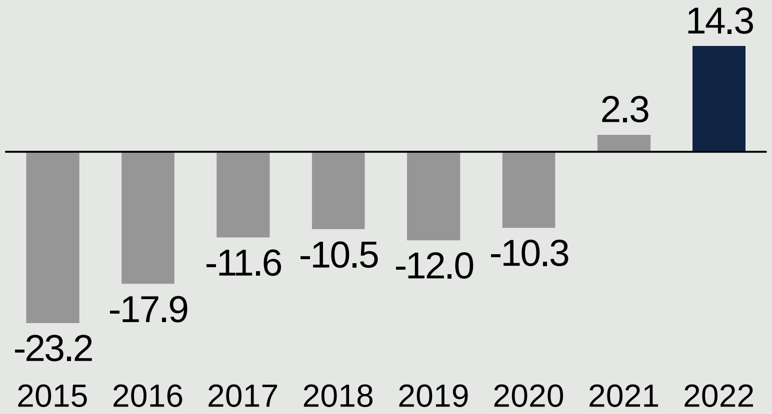
EBITDA per tonne (adj), SEK



Return on capital employed (adj)



Net debt, SEK bn



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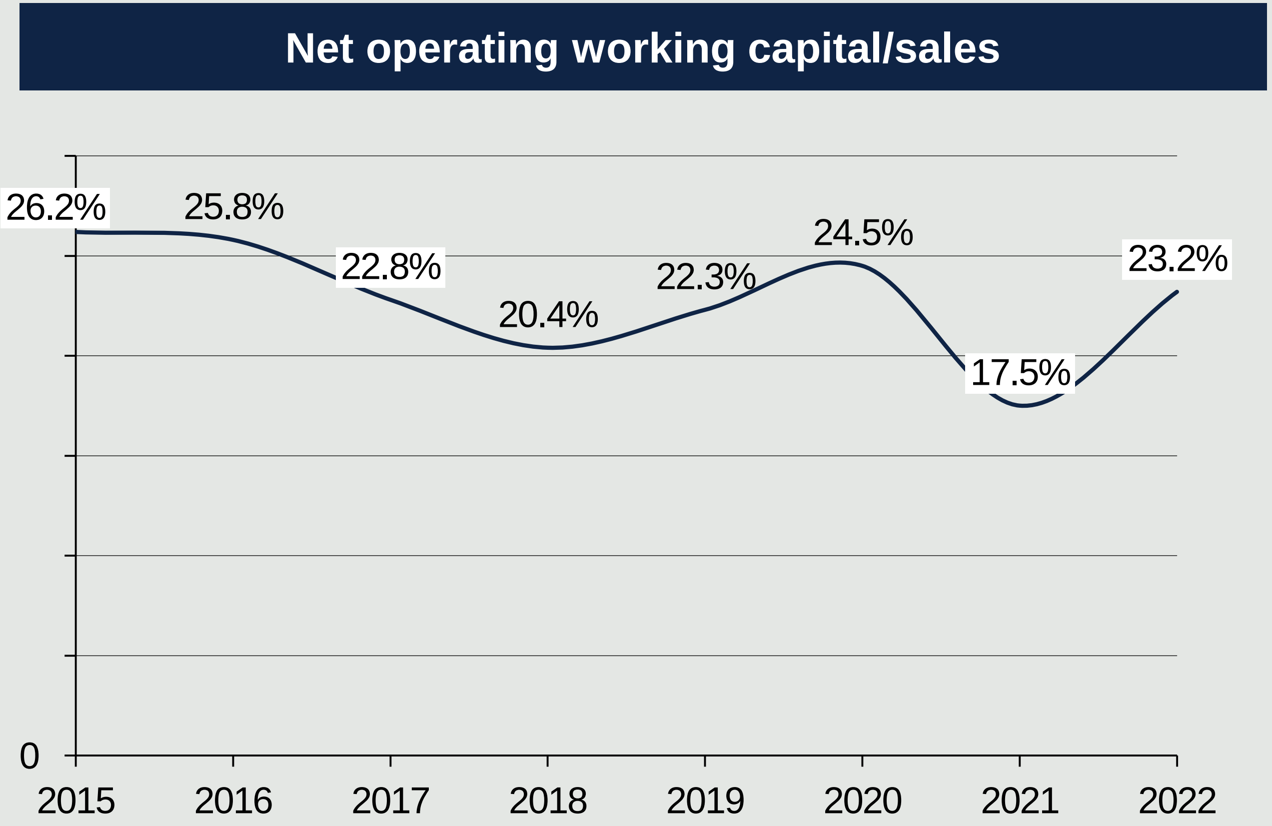
Working capital focus



- Disturbances in supply chain during 2022 due to Russia's invasion of Ukraine – higher inventory
- Measures implemented to reduce working capital
- Transformation will provide a step-change in NOWC/sales ratio

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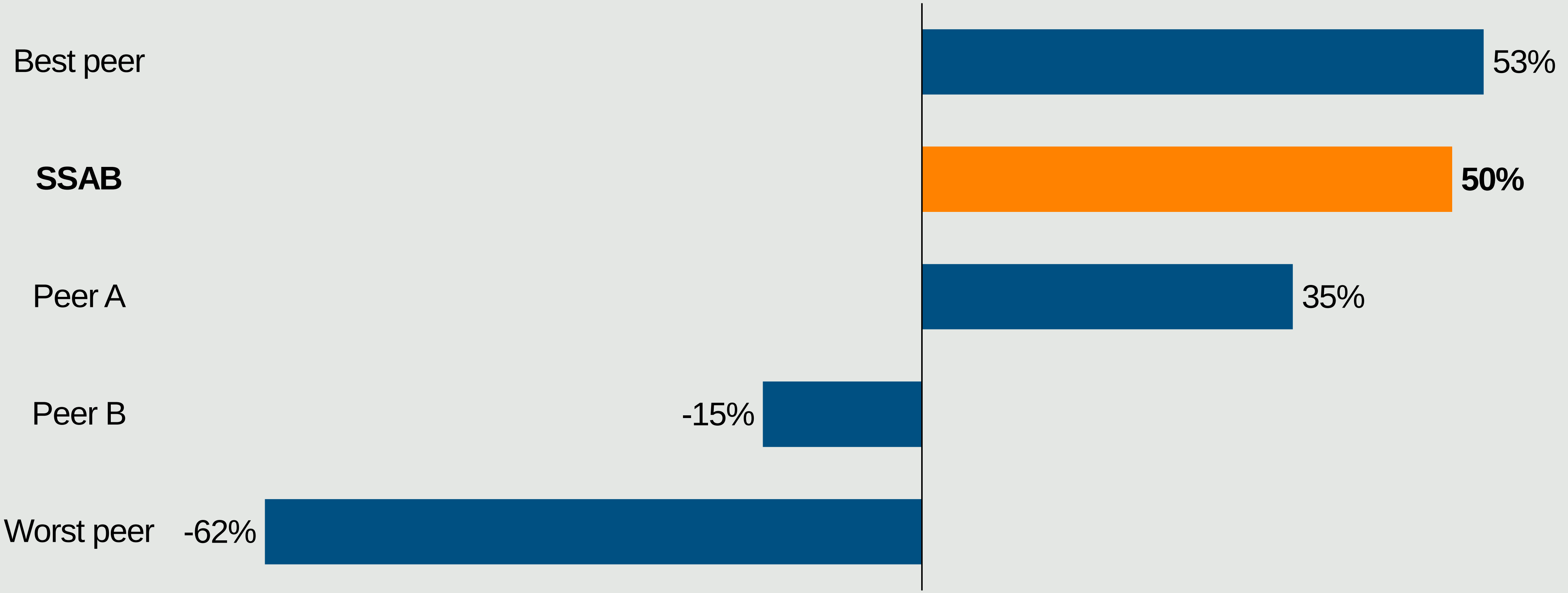
Industry-leading cash flow generation

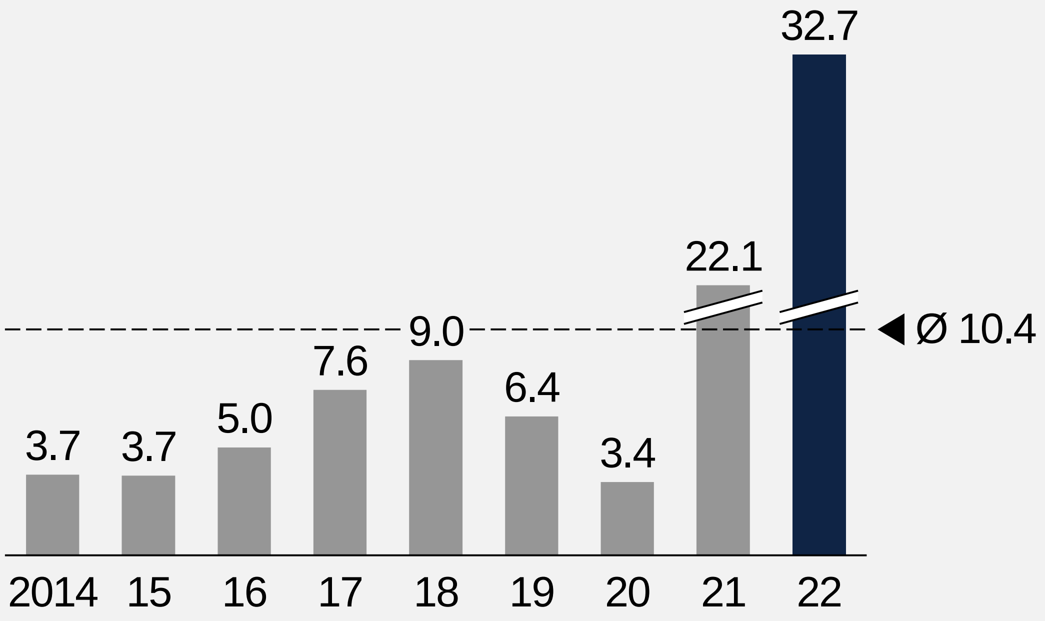
Cumulative cash conversion 2017-2022 (Operative cash flow before strategic investments/EBITDA)



Favorable outlook for healthy earnings level

Historical earnings

SSAB EBITDA (Adj. SEK bn)



Healthier over the cycle profitability

Indications that the historical average earnings could be a conservative assumption

- Not fully reflecting SSAB's achievements
- Not fully reflecting industry changes

Good conditions to finance investments for the transformation and pursue the dividend policy

Investments to build a stronger company

Three long-term strategic alternatives for 2045

Options	Reinvest in current technology	EAFs at all sites by 2045	Accelerated transformation
Description	• Rebuild coke ovens • Reline blast furnaces • Maintain existing rolling mills • Cost of CO_2 emissions	• Replace current blast furnaces with EAFs • Design EAFs based on limitations of existing steel mills • Modernize existing rolling mills	• Replace Nordic strip system with modern mini-mills • Design for efficiency and fossil-free from the start
Indicative CAPEX 2021-2045* (R&C / Strategic)	SEK >70bn	SEK >80bn (Strategic ~25)	SEK ~85bn (Strategic ~50)
Annual earnings improvement	**Negative**	**Marginal**	**SEK >10bn**
	Not possible	**Not attractive**	**Policy decision**

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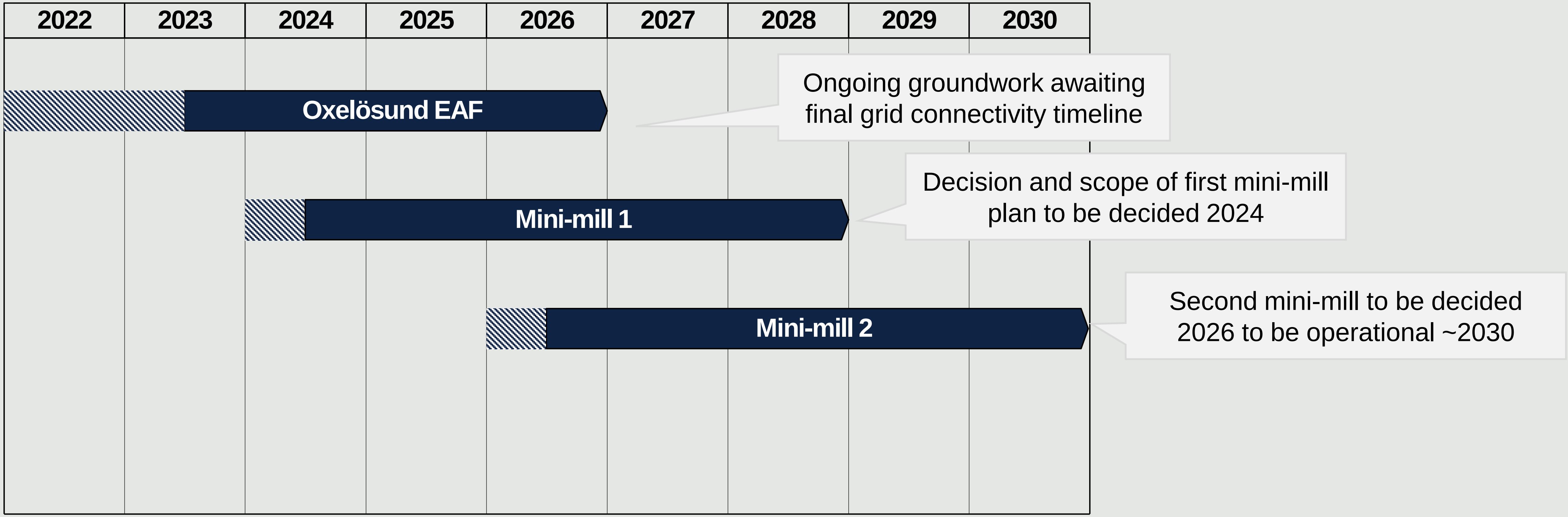
* In 2021 currency value assuming normalized over the cycle raw material prices

Sequencing of investments coming years - base case



Strategic investments estimated to be in the region of SEK 50bn.
Outcome will depend on final specification of each project

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Manageable financial risk profile

Well-defined guidelines

Favorable financial outlook and an attractive business case

Options to adapt roadmap

Favorable green financing options

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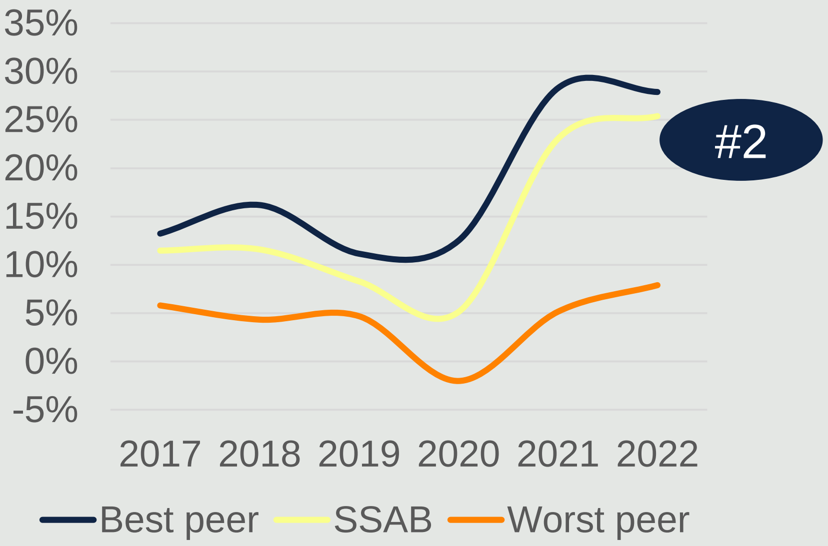
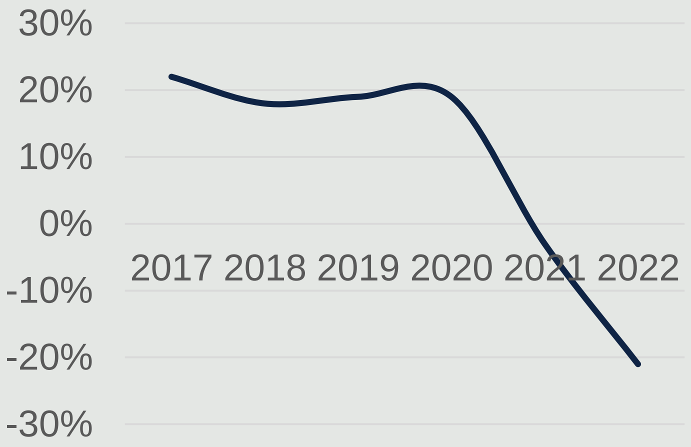
Financial targets – track record

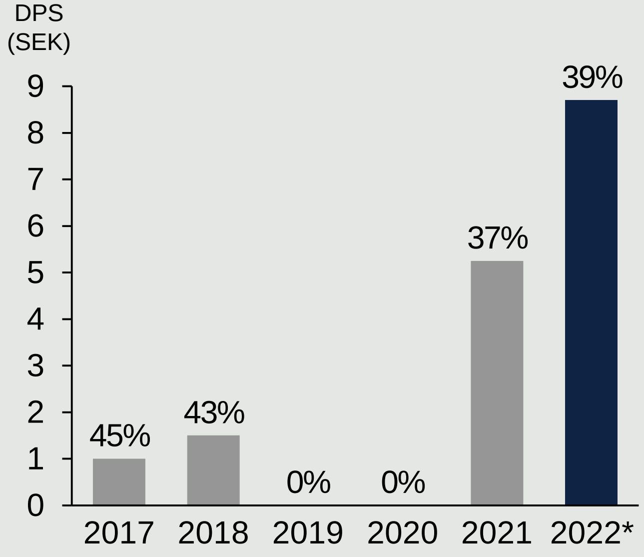
Profitability
- EBITDA margin vs peers



Capital structure
- Net debt/equity <35%



Dividend
- 30-50% of profit after tax



*2022 Board proposal

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SSAB financial targets

Profitability

Industry-leading EBITDA margin compared to peers*

Unchanged

Capital structure

Net gearing ratio between -20% to 20%. (Net Debt to Equity)

Updated

Dividend

40% of profit after tax

Updated

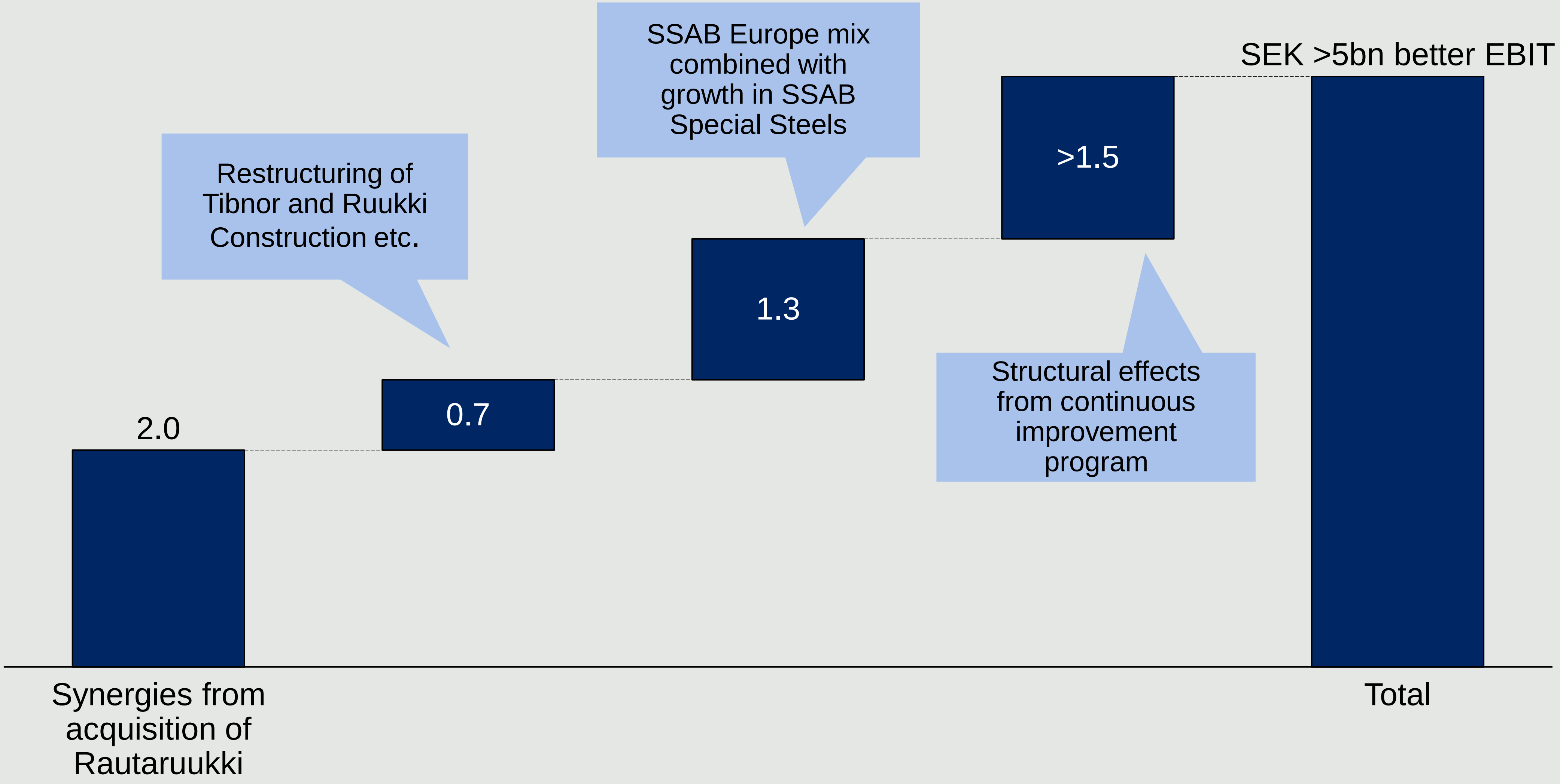
Before determining the yearly dividend proposals and capital structure adjustments, the management and board of directors will evaluate the capital needs for the coming years based on market outlook, capex plans and other considerations.

*ArcelorMittal, Nucor, Salzgitter, Tata Steel Europe, ThyssenKrupp and US Steel

Summary – SSAB taking the lead

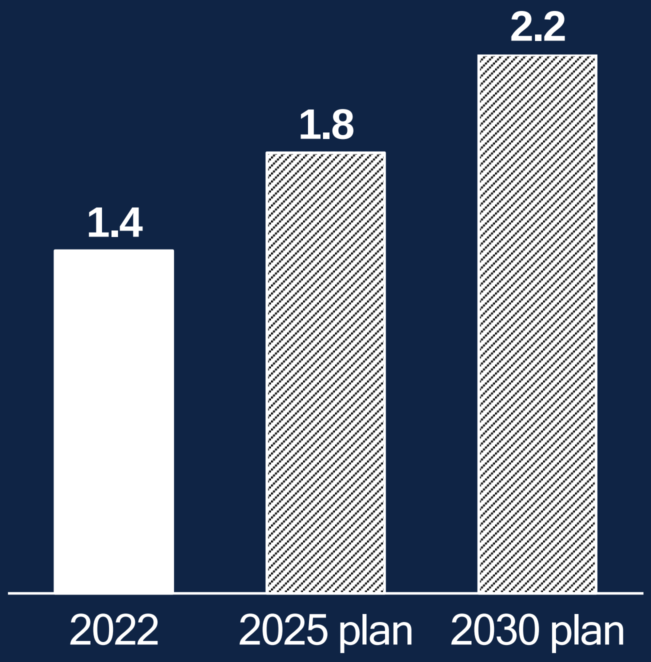
Martin Lindqvist, President and CEO

We have built a more resilient SSAB



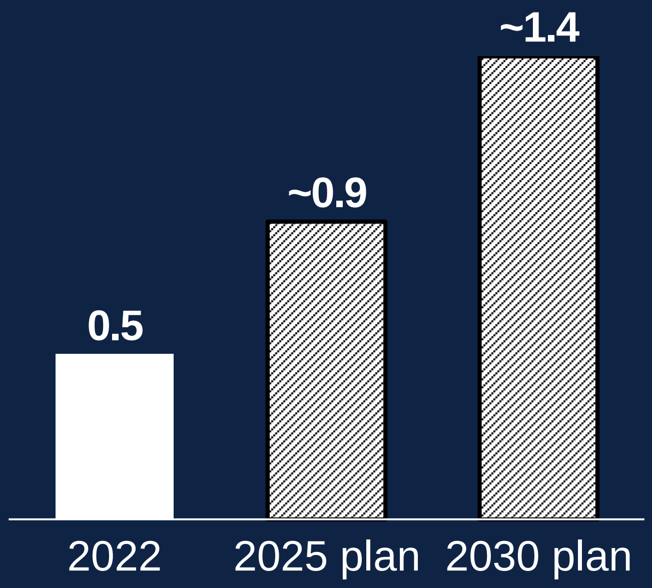
Mix improvement continues – new growth targets

SSAB Special Steels

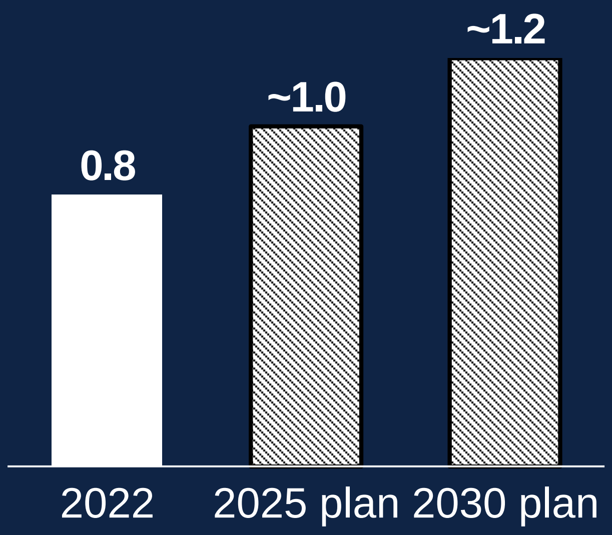


SSAB Europe

Automotive AHSS



Premium products



Million tonnes

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Launch of SSAB Zero

- Zero carbon emission in operations. Third-party verified
- Fossil-free electricity, bio carbon and bio gas
- No carbon emission offsetting or mass balancing allocation schemes
- Zero emission steel is a premium product – premium estimated at EUR ~300/tonne

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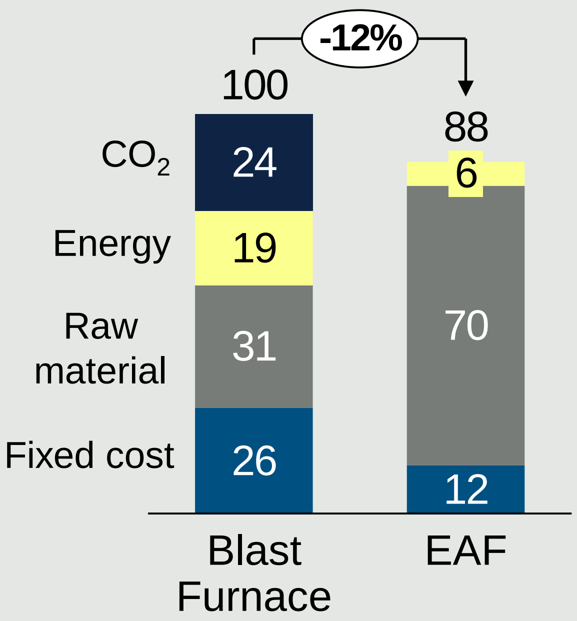
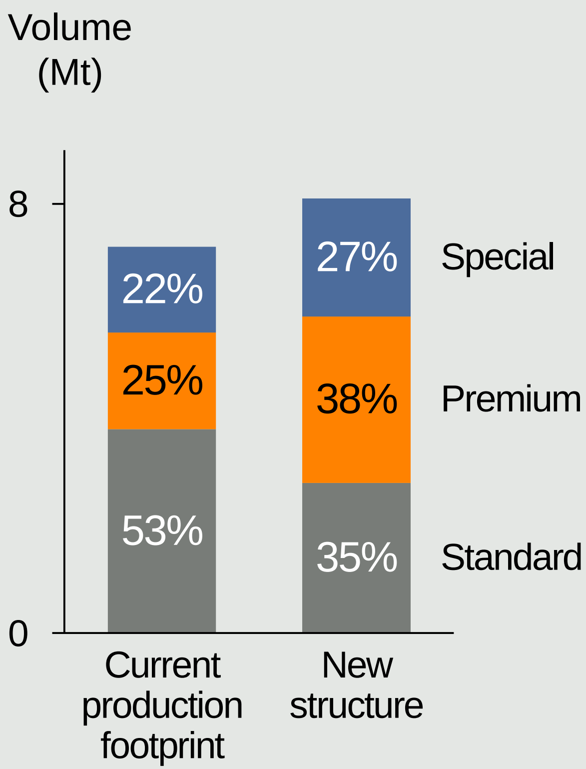
Main components of earnings uplift

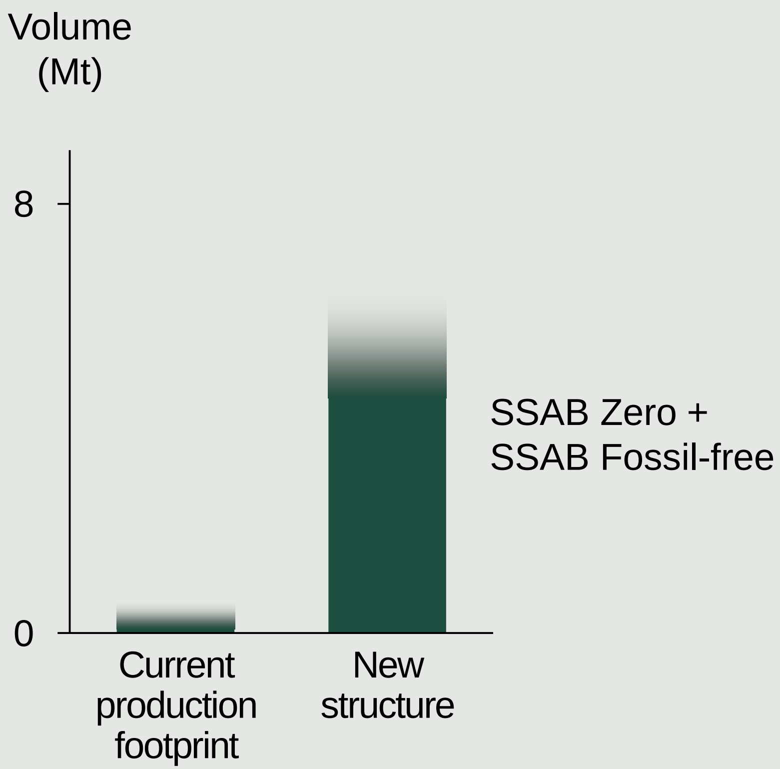
Cost benefit (indexed)



Commercial strategy

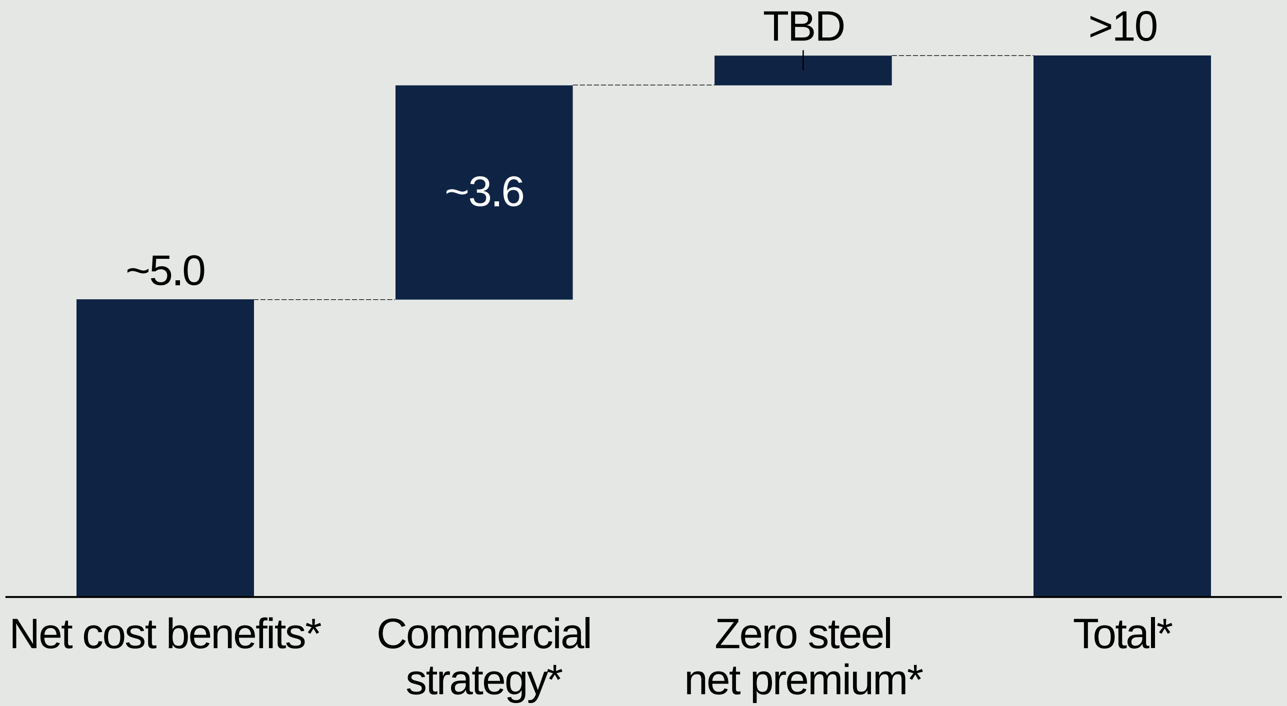


Zero emission steel



Positioned for industry-leading profitability

Transformation benefits >2030 (SEK bn)



*Benefits refers to annual earnings improvement compared to a scenario where SSAB keeps current blast furnace system

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Future production footprint

- US mills in good starting position on cost and emissions
- SSAB's European sites well suited for EAFs/mini-mills
- Step change in efficiency and cost – construction of state of the art mini-mills
- Built for fossil free production from start
- More capacity for high-strength and premium steels

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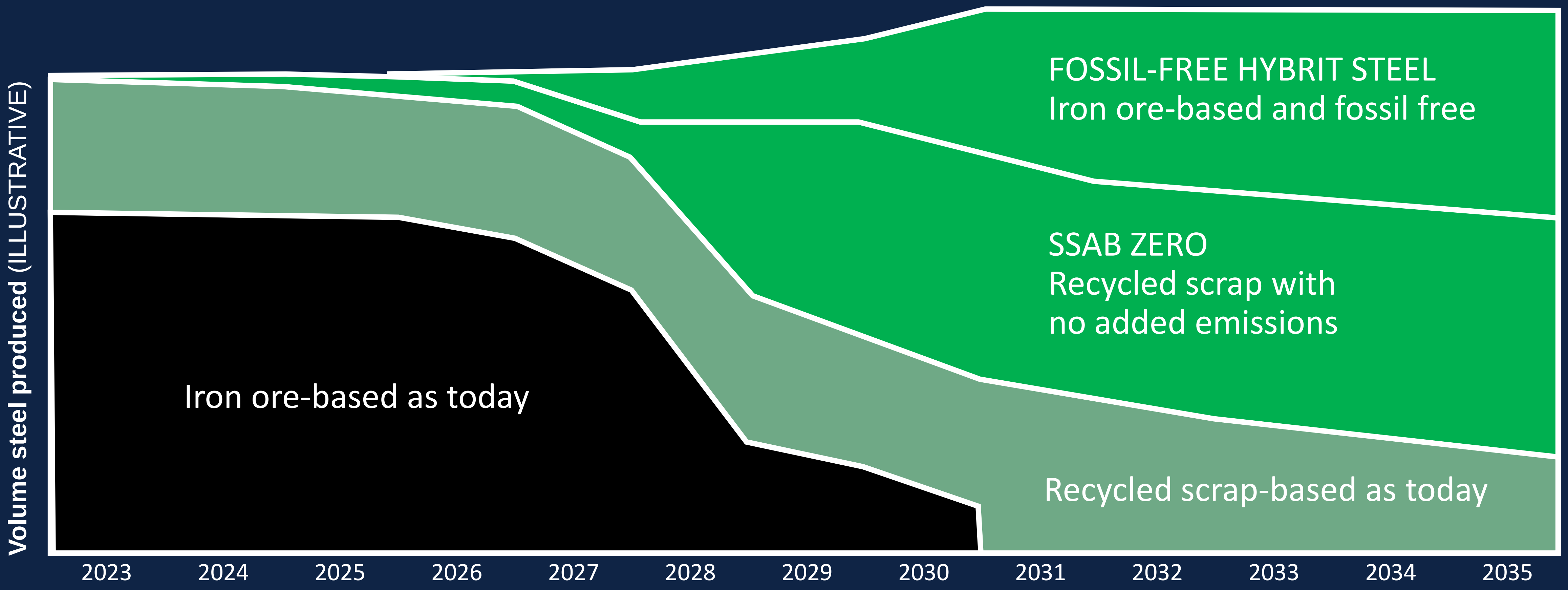
Transform SSAB to a fully sustainable steel portfolio



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Summary

- We have built a more resilient SSAB
- Mix improvement continues – new growth targets
- Launch of SSAB Zero
- Transform SSAB to a fully sustainable steel portfolio
- Future production footprint improves flexibility and cost position

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