



Sustainability statement

Principles for Sustainability Reporting

The sustainability statement has initially been prepared in anticipation of reporting requirements under the European Sustainability Reporting Standards (ESRS) framework.

Following the EU announcement on February 26, 2025, regarding the simplification of sustainability reporting, Nynas will keep monitoring evolving sustainability reporting requirements and their transposition into applicable laws. In the future, Nynas will adjust its reporting to the applicable frameworks based on its location, size, activity and stakeholders' expectations. Such frameworks may include for example Corporate Sustainability Reporting Directive (CSRD) / ESRS, Voluntary Reporting Standard for SMEs (VSME) or others. Nynas is committed to adhering to the following key principles:

- **Materiality:** Prioritising the most relevant sustainability issues with significant impacts on the company and stakeholders.
- **Stakeholder inclusiveness:** Actively engaging with stakeholders to address their concerns and priorities.
- **Accuracy:** Providing precise, balanced, and reliable data supported by robust processes.
- **Clarity:** Ensuring data is presented in a clear, concise, and accessible manner.
- **Comparability:** Facilitating comparisons across reporting periods and with industry peers.
- **Timeliness:** Delivering consistent and periodic updates to stakeholders.
- **Reliability:** Establishing verifiable data and governance processes.

These principles strengthen transparency, enhance accountability, and foster integration of material sustainability topics into Nynas' strategy and business model. The sustainability statement has been reviewed and ap-

proved by Group Management, ensuring alignment with the company's governance framework.

Consolidated Sustainability Statement

The sustainability statement is consolidated at the Group level, mirroring the scope of Nynas' consolidated financial statements. It encompasses data from all operational and administrative units, including our two business areas: Naphthenics Specialty Products (NSP) and Bitumen.

Environmental performance data is predominantly sourced from operational business units, which account for the majority of Nynas' environmental footprint. Where specific impacts, risks, or opportunities may be obscured by aggregation, detailed and contextualised reporting ensures clarity and relevance for interpretation.

Reporting on the Value Chain

Unless otherwise specified, this statement focuses primarily on our own operations. Considerations related to our value chain are incorporated where appropriate based on our Double Materiality Assessment.

Strategy, sustainability and business model resilience

Our longstanding commitment to sustainability is rooted in our applications, in how we run our operations and how we do business.

Accelerating electrification is a critical step in the energy transition that is needed to limit global warming as per the Paris Agreement. As countries develop their economies, Nynas is there to support them, contributing to key infrastructure and clean energy applications that are vital for society. Thousands of transformers in power grids around the world contain our transformer fluids and the need for them will continue to grow as grids expand to allow for greater electrification.

Nynas transformer fluids primarily insulate and cool electrical transformers. They are found in other electrical equipment too, such as high voltage switches and circuit breakers. Our products allow for a longer transformer life with less maintenance, they are fully recyclable and some of them are fully biodegradable, already part of the circular economy.

Bitumen is another crucial ingredient in the world's infrastructure. Our bitumen is used to build and maintain roads, bridges and airport runways and, because it is 100% reusable, it contributes to the circular economy

'Our products allow for a longer transformer life with less maintenance, they are fully recyclable and some of them are fully biodegradable, already part of the circular economy.'

too.

Building on this legacy, our approach to sustainability is holistic as reflected in our four focus areas – Sustainable Products, Climate and the Environment, People and Society, Health and Safety – encompassing environmental, social and governance dimensions. Sustainability is at the core of our strategy and culture, shaping what we do and how we want to do it. These are some examples:

- We are committed to continuous improvement by evaluating and improving sustainability practices based on data, feedback, and emerging best practices.
- We foster a culture of innovation that encourages the development of new sustainable technologies and practices within our markets.
- We contribute to building a sustainable value chain and aim for closer partnerships with suppliers, customers, investors and local communities.
- We assess and manage sustainability-related risks, which include climate change, other environmental impact, resource scarcity, business conduct and work-force related risks.

Managing environment-related risk

Most of our products do not emit greenhouse gas in their use phase. Nynas products increase the lifetime of customers' applications and support the reduction of environmental impact. With proximity to our customers, we can shorten lead times and the distances that our goods must travel, thereby reducing their carbon footprint.

Nynas is committed to lowering its own environmental impact and our aim is to become climate neutral by 2050. We will monitor all our operational emissions based on the Greenhouse Gas Protocol. Since 2017, and through our transformation, we have reduced our own absolute Scope 1 and 2 greenhouse gas (GHG) emissions by more than 50%.

We continue to invest to reduce the carbon intensity of our sites. Nynas' products through their lifecycle have a positive impact, helping save carbon and energy compared to the next best available product. Nynas concluded a study led by a team of reputable academics via Hedgerow Analysis LLC, to independently assess these features of Nynas products. As we continue to develop for the future, our focus – and our responsibility – is to reinforce our role as a key player in the transition to a more sustainable society. We will continue to develop sustainable products and solutions that offer our customers longer life and greater circularity. All the above translates into our sustainability goals. Progress is monitored and reported through time-bound sustainability metrics.

In 2024, we identified the operational levers needed to bring our production sites, depots and shipping operations to carbon neutrality by 2050. We now have a clear roadmap. Scope 1 and 2 GHG emissions were significantly reduced, keeping us ahead of our anticipated trajectory to carbon neutrality. Work is still ongoing on Scope 3 emissions.



→ Principles for Sustainability Reporting

Nynas has developed a comprehensive strategy towards 2035 which includes a strong focus on sustainability (including Health, Safety, Security, and Environment (HSSE), social aspects and ethics), aimed at ensuring long-term growth while minimising environmental impact. The strategy is built around four priorities:

- We put customer needs at the heart of what we do.
- We innovate and foster strategic partnerships to create unique value.
- We are safe, reliable, efficient and continuously improve through rapid learning and adjustments.
- We shape the future by integrating sustainability across our value chain.

Climate and environment

Within our own operations we have a long legacy of working to reduce our climate impact, improving our energy efficiency and being a responsible neighbour. We want to be considered as a partner in the local community and are achieving this through high HSSE standards, transparency, proactive communication, and engagement.

Health and safety

Ensuring safety, reliability, and efficiency is crucial for maintaining our leading position in the industry. Our commitment to these principles will allow us to create a work environment where our employees can thrive, reduce operational risks, and optimise our processes to ensure sustainable growth.

We strive for further improvements to our safety performance, reliability, and efficiency. By adopting new technologies, fostering a culture of continuous learning, and emphasising the importance of HSSE, we can achieve higher standards and create greater value for our stakeholders including customers and suppliers.

Improving safety, reliability, and efficiency is a collective effort that requires the commitment of every employee. By working together, we can identify areas of improvement, implement best practices, and ensure that we are continually enhancing our operations. We strive for excellence across the value chain. We emphasise HSSE beyond compliance and ensure that our operations meet and exceed industry standards.

Governance

Ethics and how we do business matters. Compliance, transparency and responsibility are of the utmost importance. Good governance practices with solid structures and business processes steer our actions to maintain the trust of our customers, owners, business partners, local communities, and other stakeholders. Our policies, procedures and regular monitoring defined in our quality management system (ISO9001, ISO 14001 and ISO45001), supported by frequent training activities, provide the foundations for an efficient and consistent performance when it comes to business conduct.

The resilience of our business model is reviewed as part of our management and strategic processes. Key elements of our business model (partners, activities, resources, value proposition, customer relationships, channels, customer segments, cost structure, revenue streams) and the impact of and on sustainability matters are monitored within each business and management teams. Insights are then consolidated at corporate level and fed into the yearly strategic review for further action planning, budgeting etc.

Nynas operates within the specialty chemicals market, transforming heavy molecules into high performance, long-lasting highly engineered technical products with two distinct submarkets:

Value chain

Naphthenic Specialty Products Market: Focused on base oils used in lubricants, electrical insulation and cooling fluids used in infrastructure, utilities, and process oils used in industrial applications (for example tyres, adhesives, battery separators).

Bitumen Market: Serving infrastructure needs, primarily in road construction and maintenance. We create value through the quality of our specialty products and a deep knowledge of our customers' applications. The value chain includes activities such as extraction, processing, and refining of crude oil. Among these, refining and severe hydrotreatment are identified as the activity with the most significant environmental impact, owing to its energy-intensive nature and associated greenhouse gas emissions.



'Our longstanding commitment to sustainability is rooted in our applications, in how we run our operations and in how we do business. Building on this legacy, our approach to sustainability is holistic.'

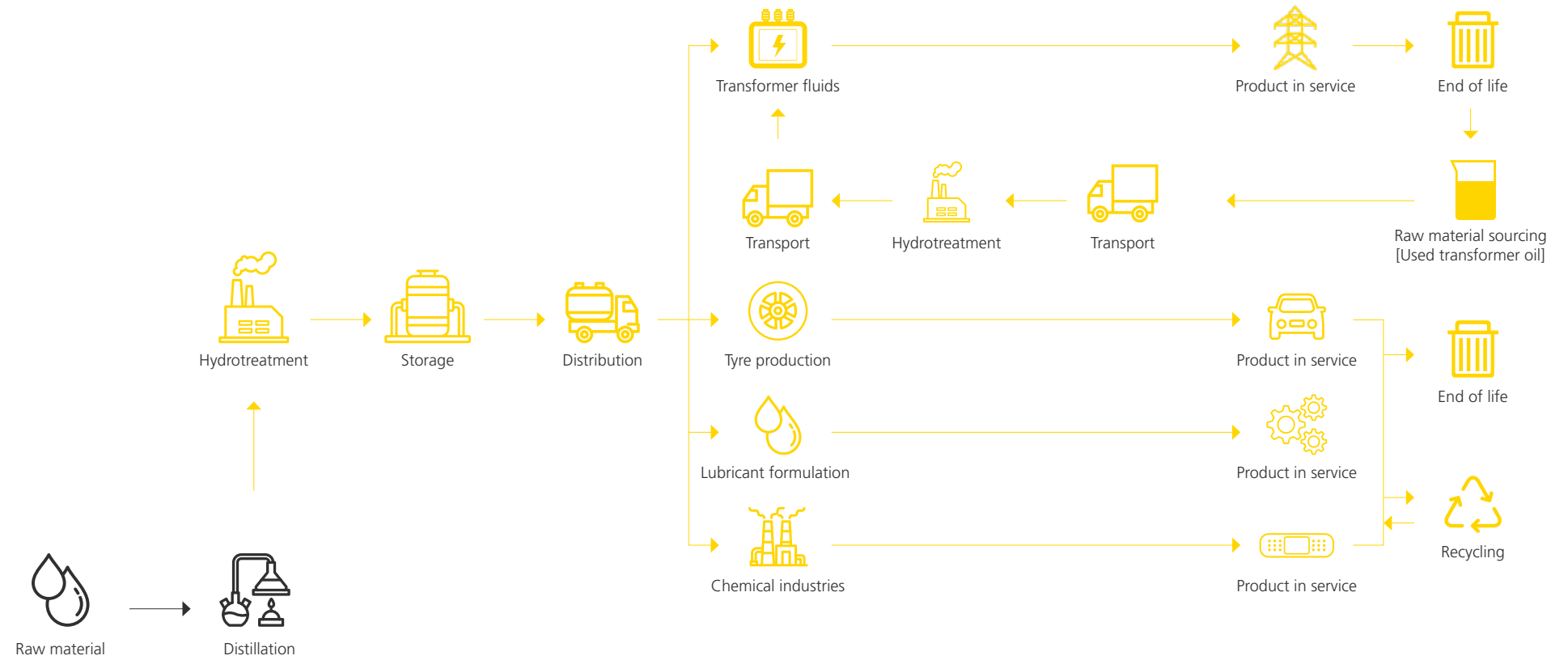
The company continues to implement decarbonisation strategies and circular economy principles to mitigate these impacts while maintaining operational excellence.

See our Value Chain, page 18.

Value chain



Naphthenic specialty products



Bitumen

→ Principles for Sustainability Reporting

Input to Operations

Today, the major inputs to our operations include crude oil, energy, and technical expertise. We are also gradually adding circular and sustainably sourced raw materials such as used transformer oil for re-refining, and biogenic components.

Our energy use and hydrogen generation result in GHG emissions. Our production processes impact the environment, affecting local stakeholders such as neighbouring communities and ecological systems. Nynas invests in technologies to minimise emissions and reclamation practices to restore impacted sites. Skilled labour and technical expertise are vital to meet our sustainability targets, ensuring efficient production while mitigating potential environmental and safety risks.

Our focus areas support the UN Sustainable Development Goals. Four goals have been selected for particular attention:

For more information on the other aspects of our strategy please see page 10.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8

Decent work and economic growth

Nynas aims to be regarded as a positive force in society and an attractive and equal opportunity employer and business partner.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



SDG 9

Industry, innovation and infrastructure

We provide and develop long-lasting, high-quality products. We are continuously conducting research and development into improving product lifetime, recyclability, product health and safety.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



SDG 12

Responsible consumption and production

Nynas strives to increase the energy efficiency in its operations and to lower the emissions to air, sea and land.

13 CLIMATE ACTION



SDG 13

Climate action

We aim to be climate neutral by 2050 and monitor our GHG emissions according to the Greenhouse Gas Protocol. We continuously work to improve energy efficiency and reduce greenhouse gas and other emissions from our operations.



Sustainability governance

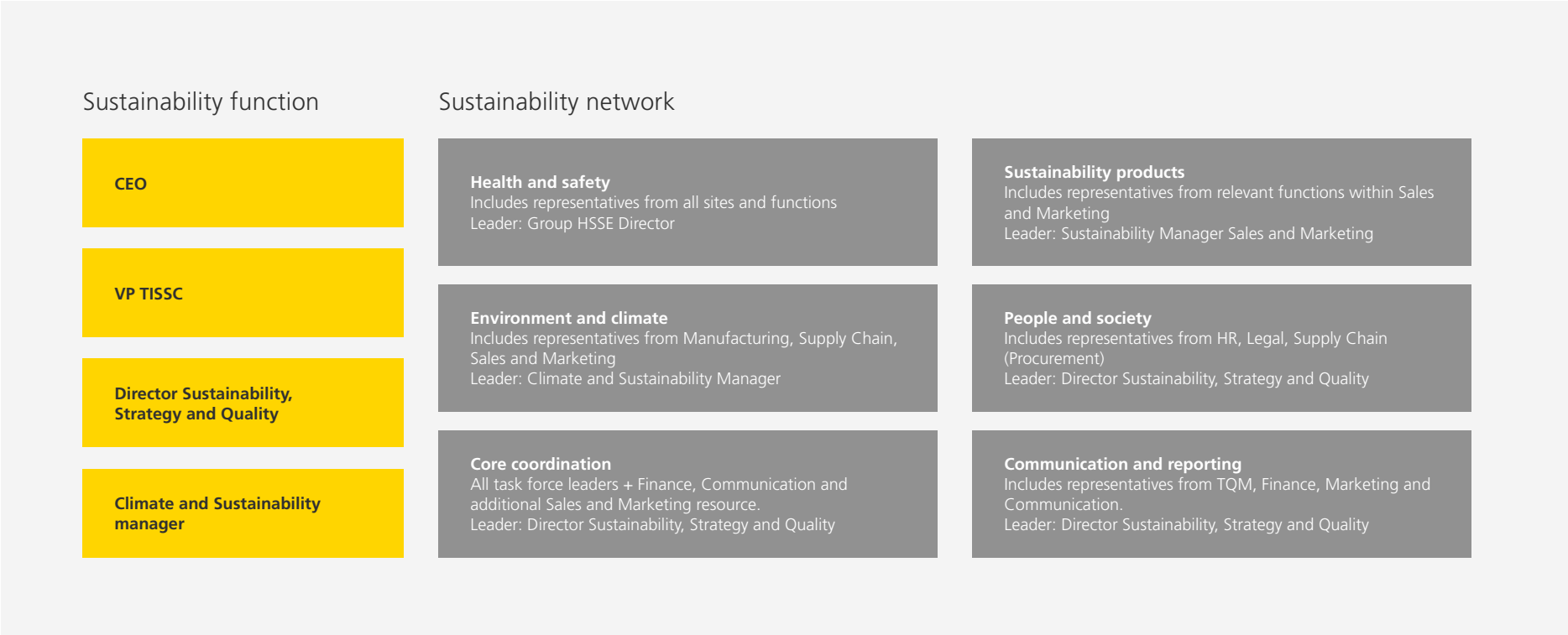
Sustainability is the responsibility of the Nynas Board whose decisions are carried out by the Executive Committee (EC).

An important cornerstone of Nynas’ sustainability work is that every part of the organisation has a well-defined role. Even though sustainability work concerns all employees, there are key individuals who ensure that all activities align with our common vision:

- In the EC, the VP TISSC (Transformation, IT, Strategy, Sustainability & Communication) has the overall responsibility for the sustainability area and reports to the CEO. This role is currently fulfilled by the CEO.
- The Director of Strategy, Sustainability and Quality is responsible for integrating sustainability and strategy work into the operations and reports to the VP TISSC.
- The Climate and Sustainability Manager reports to the Director of Strategy, Sustainability and Quality and is primarily responsible for identifying climate and sustainability risks and opportunities arising from the business and regulatory landscape and for the execution of our GHG emission reduction roadmaps.
- Within Sales & Marketing (S&M), the Sustainability Manager Sales & Marketing works closely with the other sustainability functions and is primarily responsible for the development of product related sustainability information, supporting the S&M team, Nynas’ customers and other users of Nynas products with relevant information on Nynas’ sustainability approach.

Sustainability network

Four task forces and working groups are dedicated to our four sustainability focus areas (Sustainable Products, Climate and the Environment, People and Society, Health and Safety). These task forces include representatives of both the sustainability organisation and of the wider businesses and functions.



Their tasks include the following:

- Ensure the execution of the agreed actions for each focus area,
- Monitor the business environment for sustainability (impact, risks and opportunities),
- Create and promote synergies across the company for faster execution of agreed activities,
- Share knowledge and experience on sustainability across the company,
- Consolidate input to annual report and validate internal/external messages on respective topics.

Two additional task forces provide support on the following:

- Communication and reporting; sustainability metrics, sustainability reporting, internal and external communication on sustainability.
- Core coordination to maintain alignment and momentum across the taskforces and with Nynas’ strategy, to escalate topics and provide analysis or recommendations to management for decision through bi-annual sustainability reviews.

In addition, on request, the Director of Strategy, Sustainability and Quality provides updates and insight to the Audit Committee on performance versus metrics and reporting requirements.

→ Sustainability governance

Information provided to, and sustainability matters addressed by, the administrative, management and supervisory bodies

The CEO is accountable for all policies including the ones related to sustainability matters. The following sustainability related policies are subject to approval by the Nynas Board:

- Code of Conduct
- Health and Safety Policy
- Anti-bribery and Anti-corruption Policy

For each material topic, targets and metrics are suggested by the sustainability network and vetted by the EC. Targets must be SMART: Specific, Measurable, Achievable, Relevant and Time bound. They must reflect short, medium, or long-term goals, and use scientifically grounded methodologies. Quantitative and qualitative metrics are selected by the EC to directly measure progress toward each target. Progress is monitored at intervals that are appropriate for each target and metric (monthly to yearly) and reported annually. Targets and metrics are listed under each material topic target. The Board is consulted through its Audit Committee.

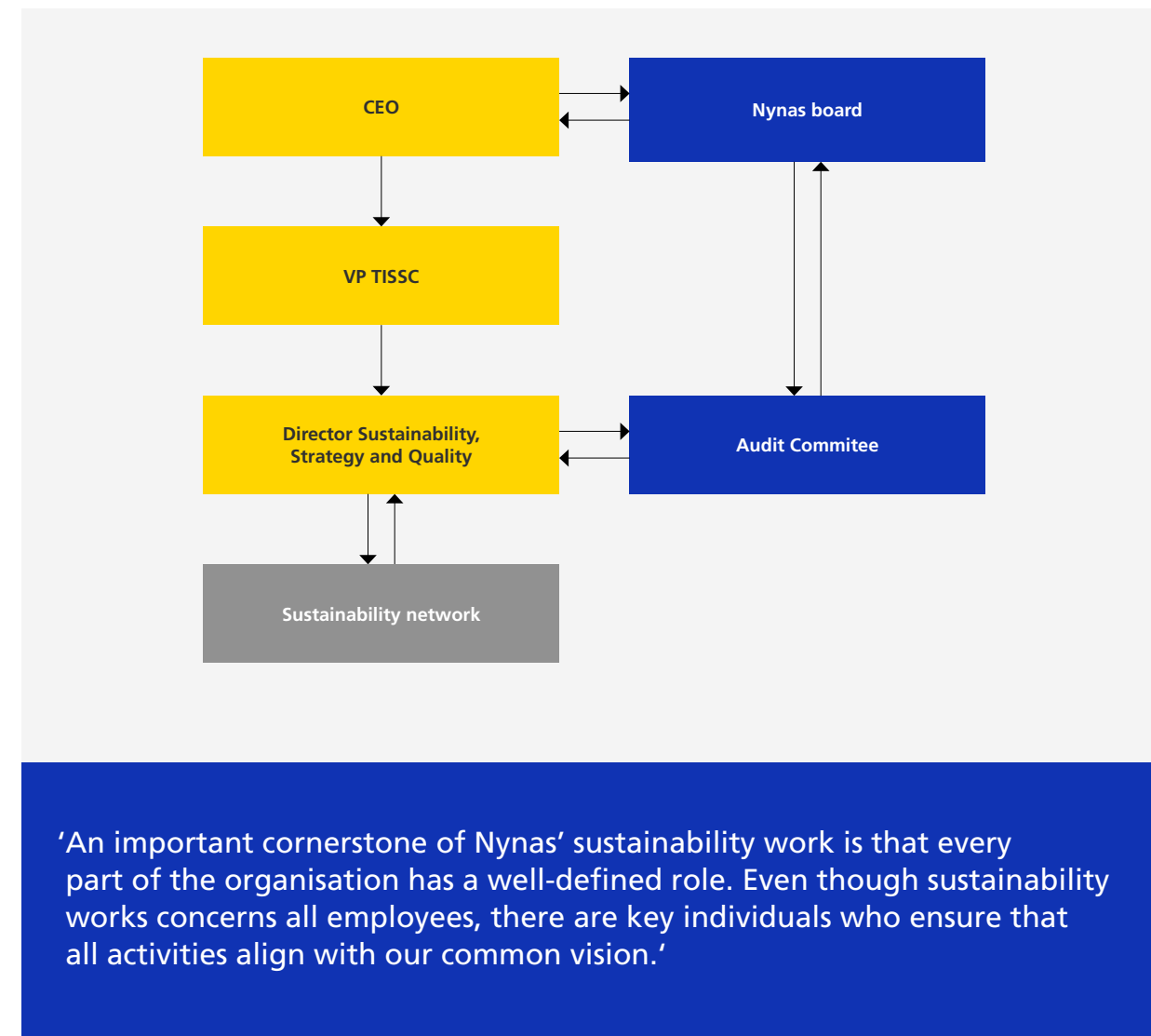
In 2024, the Director of Strategy, Sustainability and Quality relayed the outcome of the Double Materiality Assessment (DMA) to the Board through its Audit Committee. Various discussions and workshops were also held with the Board on Strategy and Enterprise Risk management (ERM) to ensure integration of the DMA and ERM findings into the strategy.

Integration of sustainability related performance in incentive schemes for members of the Executive Committee

The following sustainability metrics are integrated into the incentive scheme for the members of the Executive Committee:

- Employee Engagement Index
- Total Recordable Injuries Frequency Rate
- Reported Cases Frequency, near misses

The remuneration dependent on the above can make up to 15% of the variable remuneration.

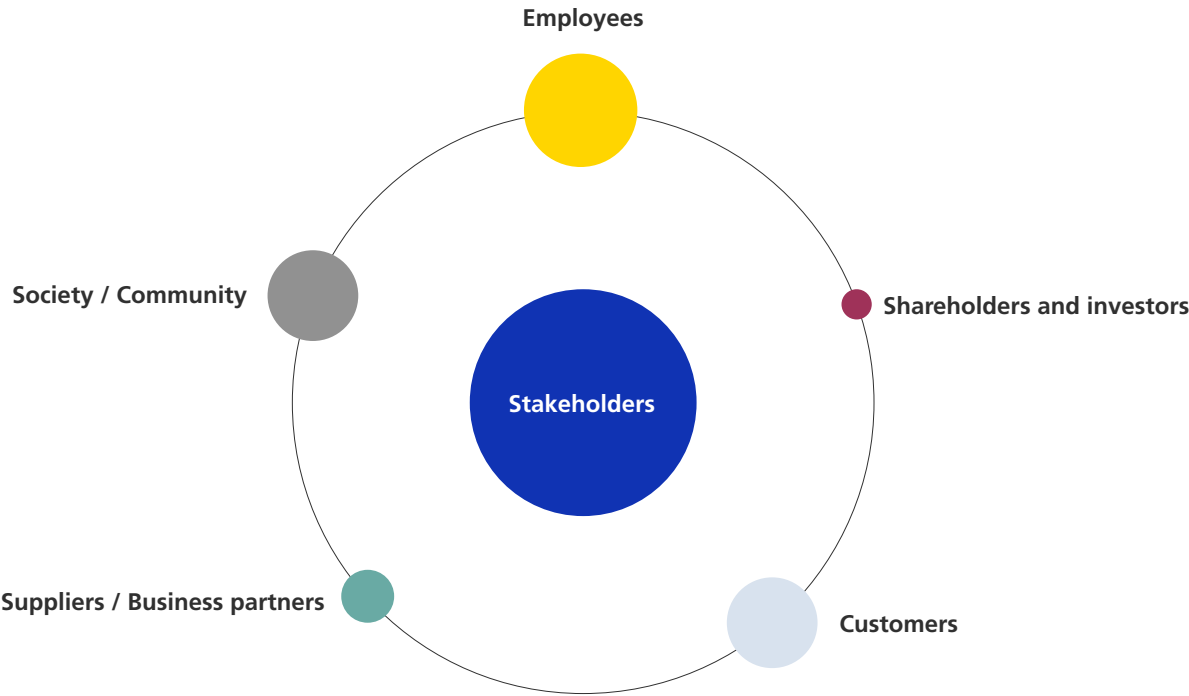


Interests and view of stakeholders

Views and interests of stakeholders are collected in various ways to inform decision processes, be it strategic prioritisation, risk assessment or action planning. Business environment intelligence activities provide input needed to feed into our strategy process and management discussions for the interests of the Society/Community.

Employees: Nynas conducts an annual employee survey, known as the Compass, to identify areas needing improvement. The survey covers topics such as engagement (energy and clarity), team efficiency, leadership, and the organisational and social work environment. We also conduct Pulse surveys intermittently between the main Compass surveys to maintain a continuous feedback loop.

In addition, each employee is invited to a minimum of one Performance Appraisal talk per year with their manager to provide and receive concrete feedback.



‘Exchanges with our stakeholders and social groups are a key element of Nynas’ strategy and core values. They shape and strengthen our sustainability approach and contribute to the resilience of our business model.’

Shareholders and investors: The relationship with shareholders is managed through the Board of Directors, whose working procedures are described in our Quality Management system.

Nynas engages with a wide range of potential investors, lenders and other financial institutions that have a keen interest in sustainability matters. During 2024 the company ran tenders for several major components of its capital structure, including its inventory financing facility, its receivables facility, as well as its longer-term capital structure, attracting a wide range of interested institutions. These resulted in extensive disclosure of the company’s sustainability profile and plans to those institutions as well as subsequent engagements with experts on sustainability from those institutions, which helped inform our choices on disclosure, target setting and strategy.

Customers: Customers and potential customers’ views and interests are routinely collected in daily sales activities and recorded in a customer relationship management tool. A customer satisfaction survey is held yearly, and the findings are analysed and cascaded down leading to action plans.

Suppliers/business partners: Views and interests of suppliers and business partners are collected through routine supplier-customer relationship management activities, such as supplier prequalification, supplier assessment, contract negotiation, yearly reviews, planned follow up and ad hoc meetings.

The starting point of our strategic process is to thoroughly review stakeholders’ views and interests by analysing in depth customers, competitors, industry environment and our own realities.

Also, employees, suppliers, customers, and investors were asked for specific input to our Double Materiality Assessment through a combination of online surveys and deep dive interviews. The input was consolidated and then presented to the Executive Committee for calibration and prioritisation.

Material impacts, risks and opportunities and their interaction with strategy and business model

The outcome of the Double Materiality Assessment can be summarised as follows:

					Material for		Impact		Financial		
Subtopic	Subtopic number	Material impact or risk	Description	Mitigation/Action	Value Chain	Own Operations	Positive	Negative	Risk	Opportunity	Reference to policy
Climate change											
Climate change mitigation	2	We operate in an energy intensive industry with high emissions.	Mitigating our impact is required for regulatory compliance and to meet stakeholders' expectations. Cost of carbon and of necessary investments to switch to low emissions, potential loss of revenue and business opportunities if we fail to deliver are additional risks. Mid to long term impact.	GHG emission reduction targets: investments in energy efficiency, renewable energy, circular and sustainable renewable raw materials, focus on reduced emissions in use and end of life of sold products. Development of new products will offer some opportunities too. We work closely with customers and create solutions to meet challenges and capture opportunities in the transition to a sustainable society.	×	×		×	×	×	(1), (2), (5), (7), (9)
Energy	3	We operate in an energy intensive industry. Energy needs are forecasted to increase creating concerns on future availability and price volatility of energy. There may also be new commercial opportunities	The efficient use of energy and the transition to sustainable energy sources are critical to ensure both the operational resilience and the competitiveness of our production sites. Long-term impact.	GHG emission reduction targets: investments in energy efficiency, renewable energy, hydrogen generation. Local partnerships on renewable energy solutions.	×	×		×	×	×	(1), (2), (5), (7), (9)
Climate change adaptation	1	Impact from climate change on our ability to operate and necessary actions to adapt, carbon pricing.	Climate change can have an impact on our operations, supply chain, and regulatory environment, posing risks to their sustainability. Long term impact.	Our operational sites are located in low-risk regions and the availability of our main raw materials is unlikely to be severely impacted.	×	×		×	×		(1), (2), (5), (7), (9)

Reference to policies

- 1) International Chamber of Commerce Charter for Sustainable Development Policy
- 2) Code of Conduct
- 3) Competition Compliance Policy
- 4) Trade compliance Policy
- 5) Procurement Policy
- 6) Global Anti-bribery and Anti-corruption Policy

- 7) Health, Safety, Security, Environment and Quality Policy (HSSE&Q)
- 8) People and Human Rights Policy
- 9) Nynas Group Enterprise Risk Management Policy
- 10) Data Privacy Policy
- 11) Whistleblower Policy
- 12) Information Security Policy



→ **Material impacts, risks and opportunities and their interaction with strategy and business model**

Subtopic	Subtopic number	Material impact or risk	Description	Mitigation/Action	Material for		Impact		Financial		Reference to policy	
					Value Chain	Own Operations	Positive	Negative	Risk	Opportunity		
Pollution												
Pollution soil	6	Controlling pollution is part of our license to operate.	Consequences of potential leakage (production sites, depots, secondary distribution)	Nynas maintains a rigorous concept of process safety measures to minimise the risk of a loss of primary containment and has a response organisation and measures to prevent escalation. We encourage transparency and the reporting of incidents through a “no blame” approach. We train employees in investigation techniques to capture root causes and define corrective actions.	×	×		×	×		(1), (2), (5), (7), (9)	
Pollution air	4	Controlling pollution is part of our license to operate.	The financial risk is related to GHG emissions/ potential tighter regulation on air emissions and associated costs	Compliance with environmental permits, measurement campaigns, risk assessments.	×	×		×	×		(1), (2), (5), (7), (9)	
Pollution water	5	Controlling pollution is part of our license to operate.	Consequences of potential leakage (production sites, depots, secondary distribution)	We maintain a low impact/risk from our operations by having control over water treatment in our operations and stringent requirements and where possible even control on our suppliers’ operations (shipping).	×	×		×	×		(1), (2), (5), (7), (9)	
Circular economy												
Resource inflows	17	Predominant use of finite virgin resources with concerns over future availability and costs, whether circular/renewables, fossil based, catalysts and other chemicals, packaging, etc.	Circular and renewable raw materials present both risks and opportunities (product differentiation, new markets, profitability price volatility, substitution) Short to long-term impact.	The majority of our R&D projects (62% in 2024) include sustainability as one of their main drivers: improved use of resource, circular and renewable materials, energy efficiency, alternative energy use, etc.	×	×	×	×	×	×	(1), (2), (5), (7), (9)	
Resource outflows	18	Use of sold products and end of life of sold products	A large share of our products is already in circular loops but end of life remains a challenge for other products in some applications. Mid to long-term impact.	We see opportunities for Nynas products (existing and future) thanks to both a positive handprint and circular opportunities. New product developments.	×	×	×	×		×	(1), (2), (5), (7), (9)	
Waste	34	Amount of waste generated along value chain	Waste hierarchy, treatment and end of life. packaging etc. Mid to long-term impact.	We assess the HSE impact of our products and do our utmost to minimise it which applies to waste. We have waste management procedures in place at all operational sites (plants and depots).	×	×		×			(1), (2), (5), (7), (9)	
Consumers and end users												
Personal safety on consumers and end users	30	Nynas does not directly sell products to general consumers but to professional and industrial users whose personal health and safety is important.	Accidents, spills to the environment, etc. involving Nynas products could have an impact on reputation and financials. Short to long-term impact.	We provide product data sheets and safety data sheets for all our products as well as safety booklets where relevant. We provide an emergency phone number and run regular safety campaigns for targeted groups (bitumen drivers).	×			×	×		(1), (2), (7), (8), (9), (10), (11), (12)	

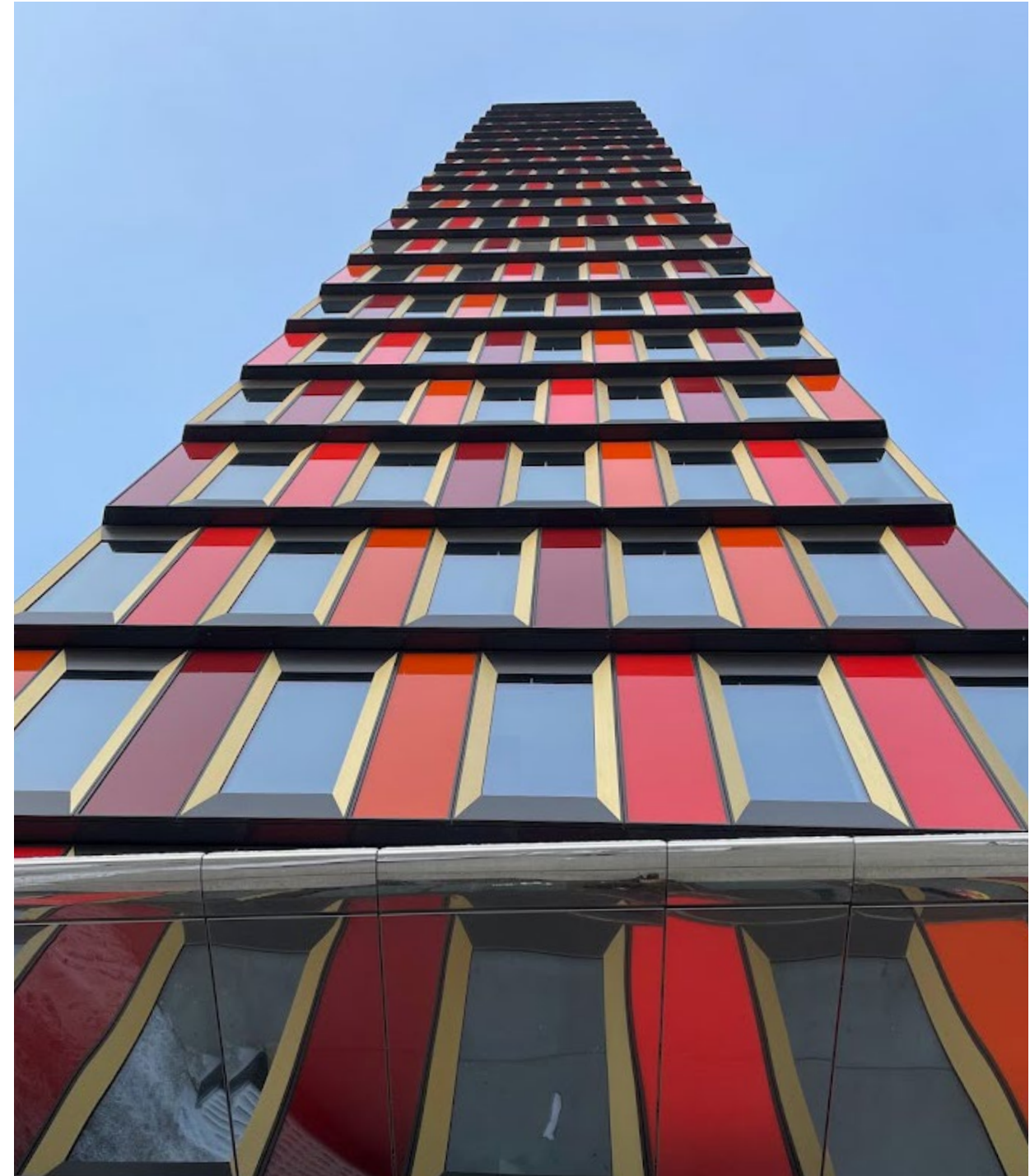
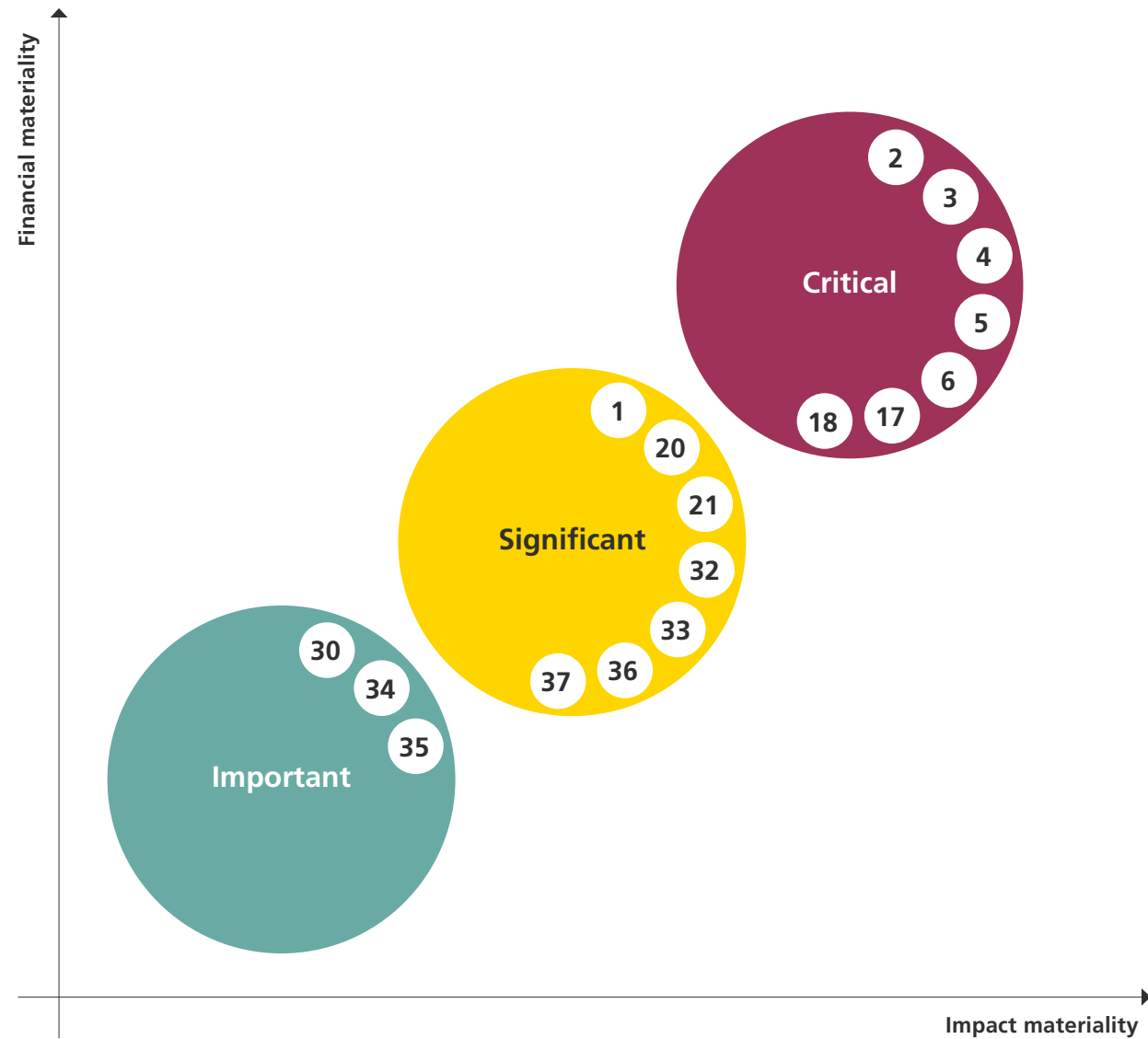
→ **Material impacts, risks and opportunities and their interaction with strategy and business model**

Subtopic	Subtopic number	Material impact or risk	Description	Mitigation/Action	Material for		Impact		Financial		Reference to policy	
					Value Chain	Own Operations	Positive	Negative	Risk	Opportunity		
Own workforce												
Working conditions	20	Ability to recruit and retain, productivity, brand reputation	Safety has a very clear financial impact so would a high employee turnover. A positive working environment is an opportunity. Employer branding and employee retention are key aspects of our strategy. Short to long-term impact.	We foster a constructive social dialogue, invest in competence development and in HSE (occupational, transport and process safety). Line management is responsible for promoting a strong HSE culture, while all employees and contractors are responsible for contributing to HSE in their work activities. HSE awareness programmes and training, along with Nynas policies, support these efforts We encourage transparency and the reporting of incidents through a “no blame” approach. We train employees in investigation techniques to capture root causes and define corrective actions. Nynas has developed a Code of Safe Conduct to support all individuals working for Nynas in their HSE endeavours.	×	×	×	×	×	×	(1), (2), (7), (8), (9), (10), (11), (12)	
Equal treatment and opportunities for all	21	Ability to recruit and retain, productivity, brand reputation	Gender equality, diversity, inclusion. A positive working environment is an opportunity. Short to long term impact.	Employer branding and employee retention are key aspects of our strategy. We foster a constructive social dialogue and invest in competence development. Our processes for compensation and benefits ensure that we offer competitive salaries, career opportunities, international work experiences and training, along with an open-minded culture.	×	×	×	×	×	×	(1), (2), (7), (8), (9), (10), (11), (12)	

→ **Material impacts, risks and opportunities and their interaction with strategy and business model**

Subtopic	Subtopic number	Material impact or risk	Description	Mitigation/Action	Material for		Impact		Financial			
					Value Chain	Own Operations	Positive	Negative	Risk	Opportunity	Reference to policy	
Business conduct												
Relationship with suppliers/payments	36	Breaches resulting in fines would have large consequences directly and indirectly (loss of brand value).	Nynas is an important customer to some local suppliers. Relationships and agreed conditions impact on working capital and supply reliability. Short to long-term impact.	Supplier relationship management.		×	×			×	×	(1), (2), (3) (4), (5), (6), (7), (8), (9), (10), (11), (12)
Corruption & Bribery	37	Part of license to operate.	Ensuring robust anticorruption measures and a zero-tolerance policy towards bribery is critical to safeguard our business. Failure to do so presents major financial risks.	Training or targeted audiences, whistleblower mechanisms, manual of authorities, checkpoints in financial manuals, role segregation, etc.	×	×						(1), (2), (3) (4), (5), (6), (7), (8), (9), (10), (11), (12)
Corporate culture	32	Part of license to operate	Corporate culture greatly influences our operational integrity and stakeholder relationships. A positive corporate culture directly impacts our ability to achieve long term goals and manage risks effectively. Misalignment of corporate culture and ethical requirements poses a high financial risk. Short to long-term impact.	Introduction programme for new recruits, manager and leadership training programmes, corporate value campaigns. Adherence to values is part of the yearly appraisal process.	×	×	×			×	×	(1), (2), (3) (4), (5), (6), (7), (8), (9), (10), (11), (12)
Protection of whistle blowers	33	Part of license to operate	We provide a safe and secure mechanism for all stakeholders to report unethical practices, non-compliance or safety concerns without fear of retaliation. Short to long-term impact.	Mechanism available from both intranet and website, awareness campaigns and trainings, etc.	×	×						(1), (2), (3) (4), (5), (6), (7), (8), (9), (10), (11), (12)
Political engagement and lobbying	35	Conflicts of interests, lack of transparency, unethical behaviours.	Activities carried out with the objectives of influencing the formulation or implementation of policy, legislation or standards. Short to long-term impact.	Nynas makes no financial or in-kind political contribution.	×	×	×	×		×	×	(1), (2), (3) (4), (5), (6), (7), (8), (9), (10), (11), (12)

Outcome of Double Materiality Assessment



Description of the process to identify and assess material impacts, risks and opportunities

Nynas concluded its updated Double Materiality Assessment (DMA) in 2024 to identify material topics and to provide input to its strategy process, business decisions and action planning. There was no change from previous assessments in the DMA findings.

The assessment ran in parallel to the strategy update. Those findings are a source of insights that have been embedded into the strategy process and will be included in the resulting mid to long-term action plans.

The DMA was used to identify, assess, and prioritise the environmental, social and governance-related sustainability impacts, risks, and opportunities of the business. The DMA process was performed based on the description in the ESRS requirements. Stakeholders were engaged through surveys and interviews.

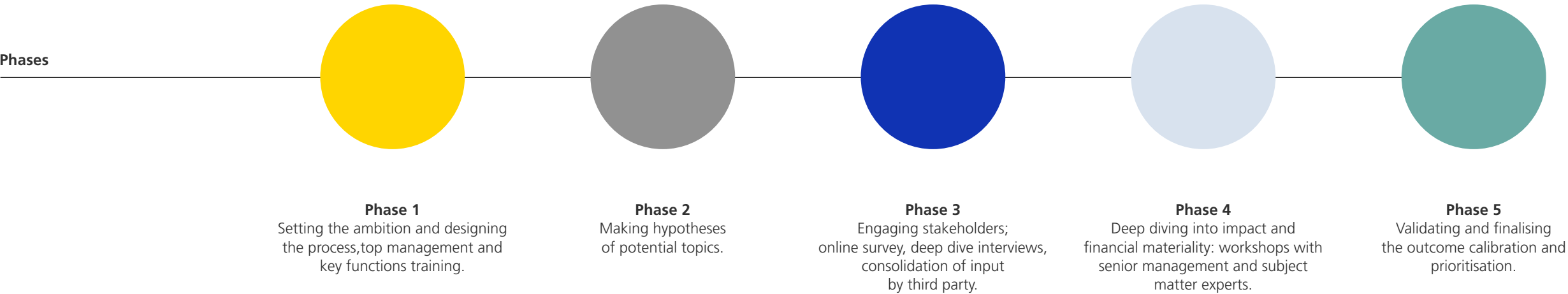
From external stakeholders the focus was on customers, suppliers/business partners, shareholders and investors. All employees were involved as internal stakeholders and additional subject matter experts were requested for specific contributions (Procurement, Finance, Legal, Product HSE, Group and Product Sustainability).

The assessment was performed in five phases.

The criteria used for materiality were streamlined with those used in the enterprise risk management exercise and are described below.

In addition, it is worth mentioning that sustainability is also part of the Enterprise Risk Management exercise although not at such a detailed level.

	Environmental, Social and Governance Materiality	Financial materiality
Critical	Mandatory disclosure or reporting included in 'license to operate': for example, legal requirements, environmental permits, BAT-BREF, agreements with lenders. Company-wide/global impact or extreme impact on company strategy/business model. High likelihood of irreversible impact to the environment.	>500 MSEK
Significant	High likelihood of impact to the environment taking more than five years to recover. High impact on business model or strategy or ability to execute strategy including ability to recruit/retain. Impacts various segments or markets.	300-500 MSEK
Important	High likelihood of impact to the environment taking between six months and five years to recover. Low impact on business model/strategy or ability to execute strategy. Impacts one segment or market.	100-300 MSEK
Informative	High likelihood of impact to the environment taking less than six months to recover. No impact on business model or strategy.	<100 MSEK



Policies adopted to manage material sustainability matters

Nynas’ commitment to sustainability is reflected in our business governance and throughout the group-wide policies that collectively steer our corporate responsibility approach by addressing environmental, economic and social aspects.

Policies and any significant revision are approved by the CEO except for the Code of Conduct, the Health and Safety Policy, the Global Anti-bribery and Anti-corruption Policy which are subject to Board approval. Unless

otherwise specified, the CEO is also accountable for their implementation and their scope extends to all in own workforce. Where relevant they will also extend to agents, distributors, suppliers etc. (for example the Code of Conduct, Competition Compliance Policy).

Policies are reviewed as needed and at least every three years. Our policies are accessible to all employees through the Nynas Management System, and the link to the NMS tool is available on our intranet.

We use feedback loops to identify gaps, refine strategies and continuously improve. Policies may be adjusted to reflect technological advancements, market trends, and regulatory changes. This integrated approach ensures that policies inform day-to-day operations, procurement, product design, and supply chain decisions (operational alignment), engage all departments to break silos (cross-functional collaboration) and foster a culture of innovation and sustainability awareness.

The following are valid policies

Policy	Description	Intention	Owner	Actions
International Chamber of Commerce Charter for Sustainable Development Policy	Provides a basic framework of reference for action by individual corporations and business organisations throughout the world.	To demonstrate Nynas’ commitment to comply with international frameworks	CEO	Risk assessments, training, information about products and services, continuous improvement, effective use of resources, R&D
The Code of Conduct	Sets out the basic rules, fundamental standards and ethical framework applicable to our business.	This approach is central to the company’s strategy, enabling a sustainable and responsible value chain while meeting market demands.	Board	Nynas expects all its employees and partners to commit to, respect and act in accordance with The Code of Conduct which also applies to all business partners, including customers and suppliers.
Competition Compliance Policy	Gives Nynas’ own workforce a quick point of reference for issues which frequently arise (competition regulation, participation in specific strategic / structural projects such as mergers & acquisitions, joint ventures or co-operation with competitors).	To ensure, as far as possible, that the practices of all parts of the Nynas Group comply with relevant competition and antitrust laws of all countries in which Nynas operates.	CEO	This Guide applies to Nynas’ employees within Europe. Employees in other countries should consult the applicable Competition Compliance Handbook for that country. In countries where no Competition Compliance Handbook exists Nynas’ employees should follow local legislation in such country and, to the fullest extent permitted under local law, the principles laid down in this Competition Compliance Handbook.
Trade Compliance Policy	Describes how Nynas own workforce and directors, agents, brokers, distributors, and other intermediaries shall comply fully with all applicable export control and sanctions laws and regulations when they are acting on behalf of Nynas, or third parties, including customers, with which Nynas enters into a joint venture, partnership, investment, teaming arrangement or other business combination and business partners throughout the world.	Compliance with all applicable export control and trade sanctions laws and regulations including but not limited to the European Union (“EU”), UK and United States of America (“U.S.”). Nynas shall also comply with all other laws and regulations governing the sale and supply of products, services, and technical data, globally, as may be applicable.	CEO	Risk assessment, due diligence, reporting, training.

→ Policies adopted to manage material sustainability matters

Policy	Description	Intention	Owner	Actions
Procurement Policy	Describes the major principles for purchase within Nynas. This Policy shall also ensure that Nynas purchasing activities follow applicable internal Policies within the areas HSSE, Compliance, CSR, traceability, Risk Management and all laws and regulations.	To contribute to effective and efficient procurement, to mitigate risk exposure and to support that shareholders and other stakeholder's interests are met.	CEO	Due diligence, supplier prequalification and assessment
Global Anti-bribery and Anti-corruption Policy	Defines the minimum standards that all Nynas employees must observe when dealing with existing or prospective customers and suppliers as well as government officials.	Compliance with all applicable laws and regulations.	Board	In cases where local legislation has higher legal expectations, these shall be adhered to. Failure to comply with a provision of this code or company policy may result in disciplinary action, including termination of employment as well as civil or criminal charges
Health, Safety, Security, Environment and Quality Policy (HSSE&Q)	Defines Nynas approach, expectations and actions towards health, safety and environmental impact of our products and practices and how to minimise it. Describes how Nynas promotes a strong and positive HSSE&Q culture, incl. continuous improvement and management system.	Nynas wants everyone to return from work at least as safe and sound as they went there, and that the integrity and quality of our operations is maintained. Minimise negative impact.	Board	<p>Risk assessments, guidance for safe use of our products, compliance with laws and regulations regarding security matters in addition to maintaining our own security standard. Breaches of security will be recorded and investigated to identify improvements and to maintain acceptable security performance.</p> <p>All employees are individually aware and responsible for their working activities and act accordingly to the HSSE&Q culture we want to achieve.</p>
People and Human Rights Policy	Demonstrates Nynas' full endorsement of the International Bill of Human Rights: Nynas is an equal opportunity employer and has a strict policy against harassment in the workplace.	To ensure that no basic human rights are abused or set aside, and that employment terms and practices are not in breach of local legislation.	CEO	<p>It is the responsibility of all to live up to and enforce this policy. Nynas partners, including suppliers, consultants, agents, contract parties or distributors, are also required to adhere to this policy.</p> <p>Track breaches.</p>
Nynas Group Enterprise Risk Management	Outlines the way Nynas operates its Enterprise Risk Management programme. Risk management is integrated into our organisation's philosophy, practice and business plans.	Is designed to assist the organisation in the development of risk management plans. This policy is meant to foster mutual support and provide guidance on processes sufficient to satisfy ISO requirements, where applicable, to the various critical parallel risk management initiatives across Nynas.	CFO	See Risk management section in Board of Directors report page 48.
Data privacy policy	Describes processes related to personal data in accordance with the General Data Protection Regulation (GDPR), Nynas Code of Conduct and local legislation.	To achieve personal integrity and a high level of data protection.	CEO	Includes responsibility to provide information, upon request, to the individual if personal data concerning them are processed, i.e. what type of data is maintained and for what reason.
Whistleblower Policy	Explains how the whistleblowing system works, including what information can be reported, who can report and how reports are handled. The internal whistleblowing system is in accordance with the rules in the Act (SFS 2021:890) (the "Whistleblower Act").	To make sure that potential whistleblowers can make an informed decision about whether, how and when to report. The Whistleblower Policy also informs about whistleblower's protection.	CEO	Detect and report protect whistleblowers, investigate reported issues.
Information Security	This policy is based upon applicable parts of the Basic level for IT Security (BITS) and aligned with General Data Protection Regulation (GDPR) and the Protective Security Act (Säkerhetskyddslagen). BITS are consistent with ISO/IEC 27001 recommendations concerning Information Security.	The Information Security Policy is a prerequisite to be able to manage information security within the business.	CEO	The Information Security Policy states Nynas objectives regarding information security as well as how to achieve them.

Climate change

Impacts, risks and opportunities

We operate in an energy intensive industry and most of our revenue (> 90%) is still derived from crude oil-based products.

Integrating sustainability across our value chain is a key strategic priority. Reducing GHG emissions is one of our focus areas as set out in our ambition to become carbon neutral by 2050 to meet expectations from all stakeholder groups, secure the resilience of our business model and create new business opportunities.

It is also essential to live up to our commitments to support the UN Sustainable Development Goals (SDG) and fully endorse the International Chamber of Commerce Charter for Sustainable Development Policy, as reflected in our own policies and targets.

Impacts, risks and opportunities related to climate change are identified as part of the double materiality assessment described on pages 23-27.

Governance and accountability follow the general guidelines described on pages 20–21.

Transition plan

To contribute to mitigating climate change, the company has established ambitious near-term and long-term GHG emission reduction targets. Near-term targets for Scope 1 and 2 emissions by 2030 have been set with the objective to align with the 1.5°C pathway outlined in the Paris Agreement. Additionally, Nynas is committed to achieving net zero emissions for Scope 1 and 2 by 2050.

Scope 3 emissions have been mapped for 2022, 2023 and 2024 but need further finetuning and the 2017 baseline need to be calculated before further communication. Work towards setting targets for Scope 3 reductions is ongoing too.

Scope 1 and 2

80% of our Scope 1 and 2 emissions lie in our main production sites while our vessels are responsible for 13% of Scope 1 and 2 emissions. Bitumen depots account for the remaining 7%. Challenges in this area will revolve around the future cost of carbon emissions, the availability and cost of renewable/decarbonated green energy, the maturity of available technologies (hydrogen generation) and potential investment requirements but our manufacturing sites are well positioned for partnerships on hydrogen generation and Bio-LNG with discussions ongoing. To meet targets and address risks related to locked-in GHG emissions, the company has identified several climate mitigation actions and decarbonisation levers:

For operations (production sites and depots):

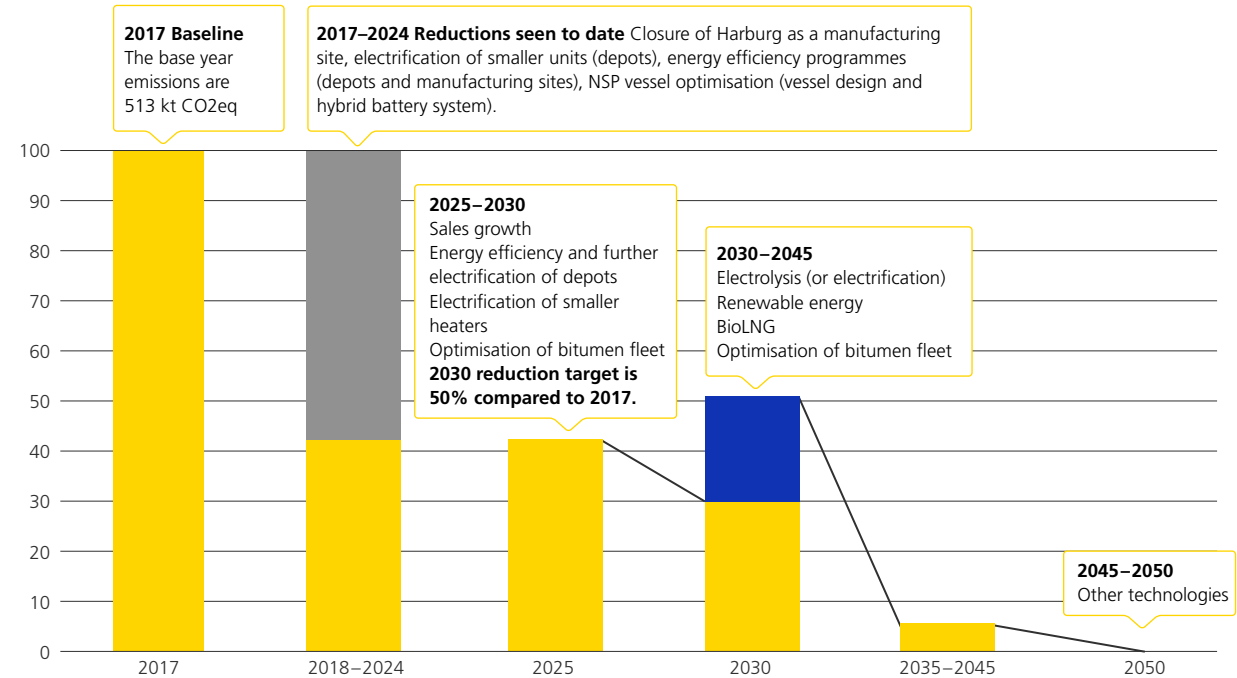
- Energy efficiency programmes (for example improving tank insulation, optimisation of tank farms, leveraging end of life of existing equipment to switch to more energy efficient hardware and technologies).
- Optimised logistics.
- Electrification and grid decarbonisation.
- Renewable energy use and use of Bio-LNG.
- Hydrogen generation through hydrolysis.

For our own operated vessels specifically

- Energy efficiency measures: e.g. hull optimisation, propeller upgrades, and voyage optimisation through route planning and speed reduction, can decrease fuel consumption and emissions.
- Improving vessel designs: can be planned at the end of life of the current fleet (starting after 2028), with possible emission reduction of up to 50% compared to current fleet.
- Transition to low carbon fuels (e.g. liquefied natural gas (LNG), biofuels, hydrogen, or ammonia): shipping emissions can be reduced by up to 30%, with significant cost implications through.

2017 was the last representative year of robust operations for Nynas: a profitable business and smooth and optimal feedstock supply. In 2018-2022 Nynas was significantly affected by sanctions against Venezuela, war in Ukraine, higher energy costs ultimately leading to feedstock changes, financial restructuring and a down-sized geographical footprint. There is no production in Harburg anymore but the ongoing operations are

Nynas Operations' Scope 1 & 2 GHG emissions – reduction roadmap to 2050



'Nynas is committed to lowering its own environmental impact and our aim is to become carbon neutral by 2050. Since 2017, we have reduced our own absolute scope 1 and 2 GHG emissions by more than 50%.'

included in the scope of this report. 2017 is still a relevant baseline. Whether a baseline recalculation is needed at a later stage will be reviewed in due time. This roadmap has been endorsed by the Nynas Board. For changes anticipated beyond 2030, various scenarios are still being investigated to address external uncertainties around technology maturity, costs and electrical grid development.

Scope 3 emissions

Our current and non-final assessment is that in 2024, three categories accounted for roughly 94% of our Scope 3 emissions.

- Category 11 – Use of sold products: 45% (side streams that cannot be upgraded to bitumen or NSP's and it is assumed ending up being burnt in most cases).
- Category 12 – End of life treatment of sold products: 31% (non-recycled NSP products)
- Category 1 – Purchased goods and services: 18% (raw materials).

→ **Climate change**

To address emissions in category 11 we continuously work towards reducing the amount of side streams that we produce and that cannot be upgraded into bitumen or naphthenics specialty products through process improvements, feedstock selection, new products and new application developments.

Reducing emissions in category 12 requires additional work on the circularity of our own products. While asphalt incorporating our bitumen binders is already 100% recyclable, some of our NSP's are or cannot be reused or recycled today. Significant progress will involve developing existing circular outlets and building new ecosystems.

To decrease upstream emissions in purchased goods and services, we work towards finding and implementing alternative raw materials for existing products while also introducing new products based on circular and/or sustainably sourced raw materials. For more information see pages 36-37.

Nynas will continue to supply crude oil-based products going forward. In most cases, this is simply because the performance of these products is unrivalled by alternative solutions at hand today and in the near term. These products also offer sustainability benefits such as a longer service life, reduced emissions in their use phase, and reduced use of overall resources. The majority of our products are not burnt.

All the above requires that we work closely with customers, suppliers and new partners to create solutions that meet challenges and capture opportunities in the transition to a sustainable society. Examples include partnerships for the collection of used transformer oils and long-term discussions on creating local ecosystems around our production sites for hydrogen generation.

Our focus is on developing high-quality products that enable longer service life, reduce GHG emissions, increase energy efficiency in both their production and use phase and support the circular economy. This means increasing the share of circular and of sustainably sourced renewable raw materials while at the same proving the sustainability credentials of all our products. To take stock of and evidence the footprint and handprint of our current offering Nynas commissioned a scientific study from PhD academics of HedgeRow Analysis, LLC in 2024.

Up to 65% of our products can be recycled at the end of their useful life and the study found that today, a sim-

ilar proportion of our sales contributes to save CO₂ emissions in the use phase compared to the next alternative market products. The authors (David Murphy, Stephen Balogh, Michael Carbajales-Dale, Marco Raugei) quantified the environmental impact of Nynas products based on a Net Energy Analysis (estimations of energy saved during the use-phase relative to the market baseline) that leverages the Life Cycle Assessment (LCA) methodological framework (estimations of cumulative energy demand through a conventional cradle-to-gate analysis conducted in a LCA).

In May 2024, the study concluded that for several crucial hard-to-abate applications, Nynas products and innovations enabled customers to avoid CO₂ emissions and save net energy versus market-available and commercial alternatives, including in some cases biogenic material, thereby demonstrating Nynas leadership in the transition. Those savings are based on use-phase superior performance, that have already been the subject of published and peer reviewed technical articles:

- **Transformer oils:** Improving the efficiency of electricity transformation through enhanced cooling, reducing energy losses.
- **Greases:** Using less lithium hydroxide, a common thickener used in grease production, that is very energy intensive to produce and reducing energy usage in grease production.
- **Tyres:** Reducing rolling resistance of the tyre, and therefore optimising fuel or electricity consumption as applicable.

In these use cases, 740 thousand metric tons of CO₂ emissions can be saved through use of Nynas products. That is more than 5 million barrels of oil equivalent saved or in excess of 30 million giga-joule. In addition for bitumen, thanks to our logistical footprint, Nynas saves emissions in the distribution system for over 80% of towns and cities in the UK, Finland and Scandinavia by often being the only bitumen producer and closest supply point through our wide range of depots in the markets where we are active.

The white papers resulting from this survey and the references used can be made available upon request.



65%

'Up to 65 % of our products can be recycled at the end of their useful life. A similar proportion of our sales in Naphthenics and Bitumen contribute to save CO₂ emissions in the use phase compared to the next alternative market products.'

→ [Climate change](#)

Policies and commitments

Our commitment to mitigating climate change is built into how we operate through our targets and policies. Nynas strives to continuously improve its energy efficiency and reduce climate impact in production, operations and transportation through various programmes. We will monitor and make improvements on applicable environmental aspects and communicate clear targets for the reduction of GHG emissions. We aim to provide our customers with high quality products that also help them reduce their climate impact and energy consumption.

Actions and resources

Within our own operations we have a long legacy of working to reduce our climate impact, improving our energy efficiency and being a responsible neighbour by taking corrective actions. We monitor all emissions from our operations based on the Greenhouse Gas Protocol. In 2024, we continued mapping our Scope 3 emissions with the initial objective to identify the significant categories of Scope 3 emissions in Nynas’ value chain. The Swedish manufacturing sites are fully compliant with the Industrial Emissions Directive (IED). Several new products were introduced during the year, including the revolutionising EVO range whereby Nynas’ customers can get the naphthenic products they are used to but with a significantly lower product carbon footprint. This was achieved by using biogenic energy and material in the processing of the products. To further improve the understanding of the life cycle impacts of our products, we put a specific focus on building in-house expertise on life cycle assessment, updating and generating several new studies during the year. From

now on, we aim to have all studies reviewed by independent experts to verify credentials and conformance with the standards concerned. Within all our operations we are introducing options for energy sources with a lower climate impact, such as transitioning to natural gas or electricity from fuel oil. Within the framework of our long-term investment and asset management plan, a number of important life-prolonging projects have been executed to upgrade some key process units at our Nynäshamn facility such as the crude heater and the main steam reformer. We also have projects to upgrade safety-critical instrumentation in our hydrogenation units and a programme for pipe rack upgrades and upgrades to other important infrastructure facilities at the harbour in Nynäshamn. In 2021, we inaugurated two natural gas heaters at the Gothenburg bitumen manufacturing site that reduced carbon dioxide (CO₂) emissions by approximately 4,000 tons for 2024 compared to a year with similar throughput. In addition, emissions of nitrogen (NO_x) and sulphur oxides (SO_x) have been reduced by approximately 10 tons (NO_x) and 5 tons (SO_x) annually. The heaters have also been adapted to run on biogas.

Electrification

- At our depot plant in Holmsund (Sweden) we have started the replacement of an oil heater with a new and more efficient electric heater. Similar work was also completed at our Polymer Modified Bitumen unit in Nynäshamn.
- Still in Nynäshamn, work started to allow our naphthenic vessel to run on electricity instead of fossil fuels and to recharge batteries while at quay. (completion expected in 2025).
- At our depot in Dundee, we have started converting tracing systems heated by fuel to electricity (completion expected in 2025).

Energy efficiency

We have ongoing programmes to improve energy efficiency at all our sites. At our Nynäshamn manufacturing site, which produces bitumen and naphthenic specialty products, we have been monitoring steam losses from steam traps through a programme started in 2010. Since then, we have managed to dramatically reduce the amount of steam lost, from 37,017 tons in 2010 to 2,737 tons in 2024. Steam

savings have reduced the amount of annual energy lost from 27,762 MWh in 2010 to just 2,053 MWh in 2024. In 2024, we completed the renovation of one of our tanks by completely reinsulating it for better energy efficiency at our depot in Dundee. At our depot in Eastham (Polymer Modified Bitumen and bitumen emulsions), we took the following actions:

- Made electrical upgrades to reduce both energy consumption and reduce equipment wear and tear (Variable Speed Drives).
- Replaced the soap line and tank connection and improved energy efficiency through new more efficient insulation
- Renovated our water heater with new and improved insulation.

Exploring alternative energy

We continue to assess the opportunities to use renewable energy and less greenhouse gas-intensive energy sources in production, operations and transportation, and explore how we can reduce climate impact through emerging technologies. In Nynäshamn the switch from oil and electricity to biofuel and waste heat recovery has resulted in annual reductions at Nynas of 35,000–60,000 tons of CO₂. Additionally, in a long-term collaboration with local energy supplier Adven, residual heat is recovered from the manufacturing site and used for the region’s district heating network. The residual heat is equivalent to 35 GWh and sufficient to heat 1,750 houses a year.

Metrics and targets

Targets

- The following targets have been set:
- **Scope 1 and 2:** reduce emissions by 50% by 2030 (in absolute terms versus 2017 baseline, neutrality by 2050)
 - **Scope 3 reduction:** Set near term reduction targets in absolute terms during 2025.
 - Energy use reduction, and renewable energy use (%): set a mid-term target during 2025.

Metrics

Energy consumption
Total energy consumption (production sites, depots, excl. shipping): 1,134,088 (MWh)

Gross scopes 1,2,3 and total GHG emissions *

GHG emissions (kt CO ₂ e)	2017	2023	2024	Annual% 2024 vs. Base year
Scope 1	414	196	199	-52%
Scope 2	99	22	19	-81%
Scope 3	Calculation ongoing	TBC	TBC	TBC
Total	TBC	TBC	TBC	TBC

* Established according to the GHG Protocol Corporate Standard, and they constitute the complete Scope 1 and 2 GHG emissions accounted under Nynas operational control.

Pollution

Pollution control is part of our license to operate. We manage emissions to continuously reduce our negative impact on the environment and human health. This means we must continually control our emissions and make sure we always operate within local legislation. Most significant sources of emissions are NO_x, SO_x (production sites), Non-Methane Volatile Organic Compounds (NMVOC) and CO₂ resulting from the distillation and hydrotreatment processes in our production sites (Nynäshamn and Gothenburg). Our environmental permits define the threshold limits and testing requirements for our emissions to air.

We stay in close contact with stakeholders near our production sites and cooperate with local authorities to make sure we always meet their expectations.

Our analysis indicates that the probability of our activities directly affecting air, water and soil under current conditions is notably low. This conclusion is based on risk assessments and environmental monitoring.

Handling of chemicals

Nynas is committed to handling hazardous materials in a safe way, compliant with applicable laws and regulations. For chemicals used in Nynas' production units as well as depots, and laboratories, there are thorough processes in place for risk assessment and categorisation of chemicals based on their hazard. Nynas aims to substitute the most hazardous chemicals, including those meeting the criteria for substances of concern.

Product stewardship

We manage risks holistically to protect people and the environment. Our system for managing product stewardship covers all stages, from raw material to use of the product. We identify and communicate potential hazards and risks in line with international standards and regulations such as the UN Global Harmonised System (GHS), the European chemical legislations REACH and CLP as well as

national regulations. We engage with peers directly and through industry associations and promote the safe use of our products.

Impacts, risks and opportunities

Impacts, risks and opportunities related to pollution are identified as part of the double materiality assessment described on pages 23-27.

Governance and accountability follow the general guidelines described in pages 20-21.

Policies and commitments

Our commitment to control and reduce pollution is built into how we operate through our targets and policies.

Our processes are safe and controlled with no unintended release to the environment and we are committed to minimising emissions to air, water and soil.

To achieve this, we operate a fully integrated and certified management system (Nynas Management System, NMS) which meets the requirements of ISO 9001 and for our technical and operational sites also meets the requirements of ISO 14001 and ISO 45001. In addition, for applicable sites we meet the demands of STEMFS (Swedish: Statens energimyndighets föreskrifter) 2014:2.

While we acknowledge that the consequences of any impact could be significant, our sustainability strategy prioritises addressing primary risks that have an immediate and tangible impact on the environment and local communities. By focusing our resources on areas where our operations have a direct influence, we can effectively manage risks and drive meaningful sustainability outcomes.

Where operations are subject to environmental permits, we comply with those.

Matters related to pollution are managed by the Health, Safety, Security and Environment (HSSE) network which constitutes the sustainability task forces described on page 20.

Local HSSE experts handle site specific matters as part of the respective permits.

Topics of a groupwide nature are then managed within the HSSE network which consists of representatives of all functions within the company. The purpose of this net-



work is to maintain alignment and consistency, to share knowledge and learnings as well as to foster cooperation on activities, issues or campaigns related to HSSE and Quality.

→ **Pollution**

Actions and resources

Nynas maintains a rigorous concept of process safety measures to minimise the risk of a loss of primary containment. We have well-kept production facilities with waste management and treatment operations, and a response organisation and measures to prevent escalation. Despite the low likelihood of impact, we remain committed to proactive measures to prevent potential harm. This includes implementing stringent operational controls, adhering to regulatory requirements, and leveraging best practices to minimise any unintended consequences.



‘Within our own operations we also take corrective actions on legacy issues, such as the remediation of contaminated soil and water (remediation activities).’

Quality management and continuous improvement

Relevant action plans are formulated, and suitable control procedures are established to ensure that individual and departmental HSSE&Q objectives, targets, and action plans align with the Group’s. Audits and management reviews are conducted at planned intervals to ensure compliance with our Quality Management System, identify improvements, and meet regulatory and internal requirements. Transparency and the reporting of incidents are encouraged through a “no blame” approach. Employees are trained in investigation techniques to capture root causes and define corrective actions. Corrective and preventive actions are taken without undue delay to eliminate detected deviations and their causes, driving continuous improvement. Near-miss reporting is promoted, and all incidents are investigated to find causes, develop and implement actions, and avoid recurrence. Employees are actively involved in issuing and revising comprehensive quality management processes, procedures, and working instructions. Emergency preparedness plans are developed and maintained.

Guidance, information, and training are provided both internally and externally to ensure that our products are produced, stored, transported, and used safely. Continuous efforts are made to improve HSSE&Q performance by minimising the risk of major and minor accidents, protecting people’s health and the environment, and optimising the efficiency of our activities and use of resources, including energy.

We intend to achieve this by:

- Assessing the health, safety and environmental impacts before starting a new activity or project and before decommissioning or leaving a site.
- Increasing use of risk assessments in planning as well as in daily activities to avoid unacceptable risks and to direct risk mitigating actions to where they will have the best effect.
- Reviewing the HSSE&Q performance of contractors, haulers and other key suppliers at selection and at appropriate intervals
- Ensuring that contractors (companies and individuals) working for Nynas are informed of and follow all applicable requirements in our Quality Management System.
- Minimising emissions to air, water and soil.
- Supporting research on the health, safety and environmental impacts of raw materials, products and processes associated with Nynas activities.

Remediation activities

Within our own operations we also take corrective actions on legacy issues, such as the remediation of contaminated soil and water. Remediation activities related to soil and water issues around our manufacturing sites are under way and/or being planned around next turnarounds, such as the capping of contaminated sediments on the seabed outside the Nynäshamn manufacturing site. The contamination likely originated from a fire at the manufacturing site in 1956, affecting a total area of approximately 80 000 m². Remediation of the contaminated area is ongoing in line with a decision by the Land and Environment Court in 2018. At our Harburg manufacturing site, where operations were closed in 2023, we reached an agreement with the local authorities on a decontamination/groundwater

cleaning project of PFAS, which was included in firefighting foams in the past. Since December 2023, we have been running a pilot unit to determine the optimal activated coal and necessary pre-treatment of groundwater for achieving the most effective cleaning results. The installation of permanent units is scheduled for completion in 2025. The site remains mothballed, tanks and pipelines have been emptied from hydrocarbons and cleaned. Soil remediation activities are to be initiated in 2025.

Communication and reporting to local authorities

We maintain an open dialogue with local authorities and report on all parameters set in our respective environmental permits at the requested frequency for our production sites (Nynäshamn and Gothenburg). We also provide interim reports. We communicate proactively in case of any significant event.

Metrics and targets

Our emissions to air, water and soil are controlled by the requirements defined in our environmental permits. Our target is to meet these requirements with no environmental permit nonconformity. The effectiveness of our policies and actions is tracked periodically by the Executive Committee

Emissions to air (production sites: Nynäshamn, Gothenburg, Harburg)

- Sulphur oxides (SO_x, SO₂): _____ 199.2 mt
- Nitrogen oxides (NO_x, NO₂): _____ 86.7 mt
- Non-Methane Volatile Organic Compounds (NMVOC): _____ 528 mt

Emissions to water (production sites and all bitumen depots under direct operational control)

- Oil to water: _____ 0.581 mt

No non-conformity with environmental permits were recorded in 2024.

Resource use and circular economy

Most of our raw material streams are virgin finite resources whose future availability and cost remain subject to some level of uncertainty. To support a transition to a more circular business model we aim to include more circular materials such as used transformer oils into our raw material base, while also increasing the reuse and recycling of our products. We also see reuse and recycling as a business opportunity.

Circularity is embedded in our operations where we aim to continuously reduce waste and resource consumption. We explore new solutions like increasing the share of recycled material in our raw materials.

Regarding waste management, we evaluate waste of all fractions for reuse within our production. We manage waste responsibly with all required precautions and permits.

Impacts, risks and opportunities

Impacts, risks and opportunities related to resource use and the circular economy are identified as part of the double materiality assessment described on pages 23-27. Governance and accountability follow the general guidelines described on pages 20–21.

Policies and commitments

Our commitment related to resource use and the circular economy is built into how we operate through our targets and policies.

Our policies and commitments aim to minimise our energy consumption, waste generation and the use of raw materials, ensure we dispose of waste safely and responsibly and support research on the health, safety and environmental impacts of raw materials, products and processes associated with Nynas activities. We also

aim to provide our customers with high quality products that help them reduce their climate impact and energy consumption.

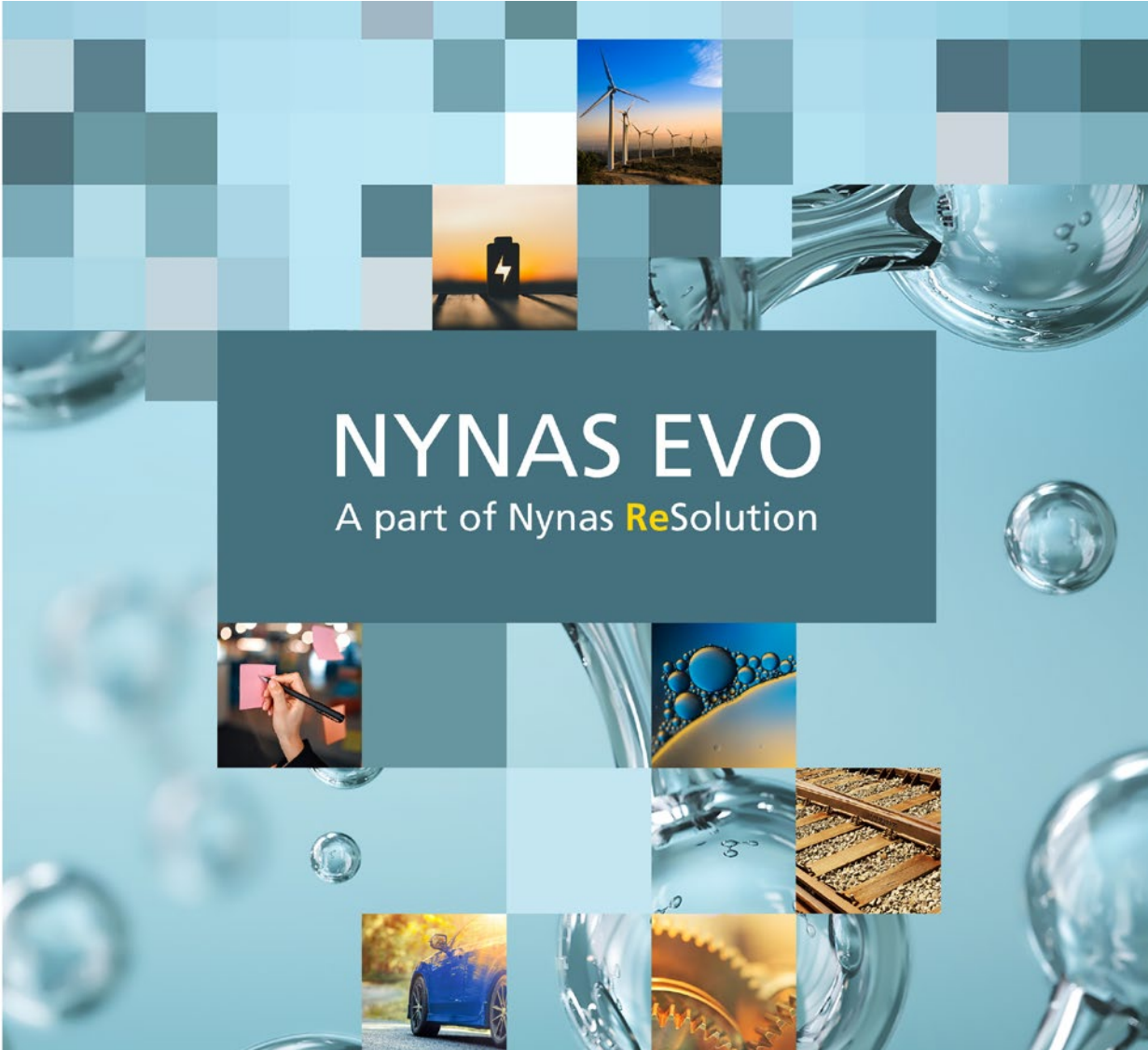
Actions and resources

At our depot in Drammen, we changed an automatic frequency control pump to a new one with lower energy consumption and equipment wear and tear. We also upgraded our blending and storage equipment to allow for higher consumption and blending of biogenic material into our bitumen binders.

In the UK, at our Eastham depot, a new Polymer Modified Bitumen (PMB) facility was inaugurated for the 2024 season to support the growth of PMB sales. The use of PMB increases pavement durability, which together with lifetime are key features when it comes to bitumen sustainability. We made electrical upgrades (Variable Speed Drives to reduce both energy consumption for heating and reduce equipment wear and tear.

ReSolution is the Nynas framework to highlight products that can contribute to our customers' sustainability efforts. Originally introduced for Nynas' bitumen products to convey sustainable performance, the framework has now been expanded to also cover concerned specialty oils and applications. It was derived after an assessment of our products from the extraction/production of the raw materials they are made of all the way to their use phase and end of life. This concept aligns well with the principles of scope 3 emission mapping. In several key applications for Nynas products the downstream scope 3 GHG emissions, or the use phase, has been identified as where the main impact is found. For example, for power transformers the electrical losses during use contribute strongly. For tyres, it is the effect they have on vehicle rolling resistance and fuel economy, see page 32.

To mitigate emissions in the use phase of fuels and energy products, improvements may be best achieved with a change in raw material or energy source. But with specialty products such as Nynas specialty oils and bitumen, it is more complex. When it comes to products that have a long useful life, the most positive effects are likely achieved by properties such as quality, performance, lifetime and the possibility for circular product flow rather than just looking at the raw material. To qualify as a ReSolution grade, products need to bring proven and



'Several new products were introduced during the year, including the EVO range where Nynas customers can get the naphthenic product they are used to but with a significantly lower product carbon footprint.'

→ Resource use and circular economy

quantifiable benefits in one or more of the following dimensions:

■ Reduce — energy, emissions, temperature and other raw material

The different types of reductions in the product use translates into benefits such as reduced CO² emissions and less use of energy, electricity, fuels, other raw materials or/and exposure to health and environmentally hazardous components.

■ Reinforce — durability, performance and lifetime

Reinforced durability, performance or lifetime results in benefits such as more efficient use of materials and longer product life cycles – essentially, getting more from less.

■ Recirculate — material

Reusing and recycling products to new life after their primary (earlier) lifecycles brings benefits such as reduced use of virgin material and reductions in net CO² emissions over the product lifecycle.

■ Renew — material

Using renewable raw material helps avoid the depletion of non-renewable resources and brings reductions in net lifecycle CO² emissions through the CO² sequestration of biogenic material.

On the bitumen side the ReSolution product sales doubled during the past two years, with significant growth of products in the Reinforce and Reduce categories, which support durability, lifetime and reduced energy in the preparation and making of asphalt.

Several new products were introduced during the year, including the EVO range where Nynas customers can get the naphthenic products they are used to but with a significantly lower product carbon footprint. This is achieved by using biogenic energy and material in the processing of the products. In Norway extensive collaboration with customers led to the introduction of several new bitumen binder products with biogenic content.

Many projects were run in collaboration with customers and/or as consortium projects with a focus on sustainability performance along the entire value chain. Some of these were also presented as joint papers at some of the leading sector conferences during the year.

Examples include joint studies of cradle-to-gate effects in lubricating greases using different oil and thickener systems (studies with Eldons and Brugarolas respectively); use phase benefits of lower operating temperature in transformers (e.g. reduced energy losses, reduced ageing) provided by the use of NYTRO BIO 300X (joint paper with SGB-SMIT); the benefit of using lower impact raw materials for transformers (joint presentation with SGB-SMIT and Thyssen Krupp electrical steel); and the clear differences in quality between reclaimed and re-refined transformer oil (joint paper with EDP). Nynas also supported an industrial marketing student thesis from Linköping University on a study investigated the factors and interactions in the adoption of sustainable materials with a specific focus on the electricity transmission and distribution value chain.

On the bitumen side, Nyfoam RE (a binder which includes biogenic components) was successfully used for coldmix asphalt in the UK (with customer Aggregate Industries), allowing a reduction in production and application temperatures compared to ‘standard’ hot mix asphalt. A project in collaboration with Skanska evaluated the performance of Nypol RE, a PMB incorporating biogenic material. The in-use performance of the first trial section is ongoing in Malmö.

The research team took part in several consortia:

- In the electrical industry studying dielectric effects from fluids in transformer operation..
- Investigating different sustainability scenarios in bitumen and asphalt, for example through PMB and reclaimed asphalt and different biogenic components in binders for sustainable infrastructure.

Nynas also contributed to several research papers published in 2024 showcasing sustainability efforts:

- “Durability study of bitumen containing a biogenic component” presented at the Eurasphalt & Eurobitume (E&E) conference in Budapest, June 2024.
- “Durability assessment of bio-extended bituminous binders by rheological characterisation after long-term ageing”, a joint paper with Skanska and VTI, presented at the E&E conference.
- “Comparing laboratory ageing with long-term field ageing of bitumen in the hot-mix and warm-mix asphalt pavements” together with the University of Nottingham, presented at the E&E conference.
- “Chemical and rheological analysis of unaged and aged bio-extended binders containing lignin (2023)” at Transportforum in Linköping.

Metrics and targets

Targets

Identifying and securing additional circular and renewable raw materials are crucial to deliver on our 2035 strategy. One of our goals is that by 2035, 25% of the raw materials used to produce our naphthenic specialty products will be from circular and/or sustainable renewable flows.

In 2025 we will work towards setting targets related to waste, energy reduction and the increased use of renewable energy.

The following targets have been set for 2025

- Share of ReSolution products as part of total sales _____ 13%
- Share of R&D projects with sustainability as key driver (**) _____ 60%

Metrics

In the meantime, we used the following metrics to measure our impact in 2024.

■ Resource inflows

- Total weight of processed feedstock: 1,962,136 MT
- Percentage of renewable/circular (Nynäshamn): _____ 0.03%

- Water (all production sites and all bitumen depots under direct operational control)
- Water consumption _____ 9,707,771 m³
- Water processed through wastewater treatment plant (Nynäshamn, Gothenburg, Harburg) _____ 1,737,948 m³

■ Waste generation (production sites and all bitumen depots under direct operational control)

- Non-hazardous waste _____ 3,036 mt
- Hazardous waste(*) _____ 13,262 mt
- Recovered waste _____ 13,670 mt

■ Share of ReSolution

products as part of total sales _____ 12%

■ Share of R&D projects with sustainability as the key driver (**) _____ 62%

(*) includes waste from ongoing special remediation activities
(**) These drivers include
1. Utilisation of circular feedstocks in production
2. Utilisation of renewable feedstocks in production
3. Reduced production/yield of non-upgraded side streams
4. Improved raw material utilisation efficiency by:
— Increased production yield (raw material -> product)
— Reduced shift/miss volumes
5. Improved energy efficiency in processing through:
— Higher throughput
— Reduced hydrogen consumption
— Improved catalyst activity
6. Safety driven projects

Own workforce

Nynas places a high priority on the well-being and development of its employees, as well as on fostering a culture of respect and inclusion. Our goal is to be recognised for having a strong employer brand and culture with excellent leadership. Everyone should return home at the end of the day as safe and sound as when they arrived at work.

Line management is responsible for promoting a strong health and safety culture, while all employees and contractors are responsible for contributing to health and safety in their work activities. Health and safety awareness programmes and training, along with Nynas policies, support these efforts. Our management system provides a framework for establishing and reviewing HSSE objectives and targets and to continuously evaluate and improve the effectiveness of the management system.

We offer competitive salaries, career opportunities, international work experience and training, along with an open-minded culture. A strong emphasis is placed on employee engagement, leadership development through leadership programmes and individual coaching, and talent acquisition. An inclusive culture is fundamental at Nynas. Continuous efforts are made to strive for a diverse workforce. We are committed to further improving all dimensions of Diversity, Equality and Inclusion (DEI).

Impacts, risks and opportunities

A positive working environment is an opportunity and crucial to the resilience of our business model as well as our ability to meet stakeholders' interests. Safety has a very clear financial impact as does a high employee turnover. Employer branding and employee retention are therefore key aspects of our strategy.

Impacts, risks and opportunities related to own workforce are identified as part of the double materiality assessment described on pages 23-27.

Governance and accountability of our own workforce-related processes fall under the CEO with some policies subject to Board approval, see Governance section on pages 20-21.

In particular, the following topics are highly material:

- Working conditions (secure employment, working time, adequate wages, social dialogue, freedom of association, consultation and participation rights of workers, collective bargaining, work-life balance, health and safety)
- Equal treatment and opportunities for all (gender equality and equal pay for work of equal value, training and skills development, measures against violence and harassment in the workplace, diversity)
- Other work-related rights (child labour, forced labour, privacy)

Policies and commitments

Our commitment related to own workforce is built into our targets and how we operate through our policies.

Nynas has the firm ambition to perform better than the industry on safety, and we are in the progress of implementing actions to ensure consistency in achieving this. Nynas has implemented several Group Minimum Requirements on Health and Safety, and we continue to update and expand the scope of these.

Nynas is an equal opportunity employer and has a strict policy against harassment at the workplace (People and Human Rights Policy). The company shall ensure that no basic human rights are abused or set aside, and that employment terms and practices are not in breach of local legislation. It is the responsibility of all to live up to and enforce this policy. Nynas partners, including suppliers, consultants, agents, contract parties or distributors, are also required to adhere to this policy. Nynas endorses the principles set out in the International Bill of Human Rights to comply with relevant and applicable basic rules for human rights. All employees are granted freedom of thought and expression and have the right to participate in political activity by expressing themselves, protesting or participating in a political cause they support.

All Nynas employees have the right to an adequate wage and working conditions that respect their health, safety and dignity and the right to limitation of maximum



working hours, daily and weekly rest periods, and an annual entitlement of paid holidays.

The employment of children (child labour) is prohibited. The minimum age of admission to employment may not be lower than the minimum school-leaving age or local rules more favourable to young people. Young people admitted to work must have working conditions appropriate to their age and be protected against economic exploitation and any work likely to harm their safety, health and physical, mental, moral or social development or to interfere with their education. Nynas will never knowingly tolerate slavery or forced labour. No one shall be required to perform forced or compulsory labour for or on behalf of Nynas or its partners.

Actions and resources

By investing in people and nurturing an environment where everyone can thrive, Nynas aims to build a strong, committed workforce that can drive the company forward. We aim to attract technically skilled employees and enhance our industry's appeal. In 2024, we focused on health and safety, employee engagement, leadership development, and talent acquisition, with an emphasis on in-house recruitment and social media visibility.

Health and Safety

When it comes to safety, we place high demands on all levels within the organisation and believe that everyone has the right to a safe and healthy workplace and an

→ Own workforce

obligation to contribute to it. Line management is responsible for promoting a strong health and safety culture, while all employees and contractors are responsible for contributing to health and safety in their work activities. Health and safety awareness programmes and training, along with Nynas policies, support these efforts.

It is compulsory for all employees and contractors to participate in the Observe, Think and Act programme, which focuses on safe behaviour, being observant of potential risks and knowing how to mitigate them. The programme includes many efforts such as cascaded Health, Safety, Security, Environment (HSSE) meetings at all levels, safety workshops and newsletters translated into local languages.

We encourage transparency and the reporting of incidents through a “no blame” approach. We are eager to learn from all incidents and train many employees in thorough investigation techniques to be able to capture root causes and define corrective actions. This contributes not only to safety improvements but also fosters a culture of learning and knowledge sharing.

During 2024 a companywide assessment of health and safety was conducted, and a roadmap was created to steer towards a culture change within safety and reach our ambition to perform better than the industry on safety.

Nynas monitors safety performance monthly with metrics in three main areas – Personal Safety and Health, Process Safety and Transport Safety.

All incidents are reported and followed up within our continuous improvement system.

By focusing on risk awareness, safety capability and safety leadership during 2025, we aim to make a step change in safety and safety culture within Nynas. The initiative is expected to be a catalyst for increased safety awareness and performance and refocuses on already implemented initiatives such as Observe, Think and Act, Take Two and the Nynas Code of Safe Conduct.

Employee relations and employee engagement

Nynas employees are represented by local trade union associations for both blue collar and white-collar employees.

The company and the trade unions meet on a quarterly basis to discuss company activities. There are also nego-

tiations with the trade unions before important decisions are taken concerning reorganisations, salary reviews, appointment to managements positions and more. Representatives from our local trade unions are also part of the safety meeting to discuss the organisational and social work environment and wellbeing initiatives.

Nynas conducts an annual employee survey as well as shorter pulse surveys on the Engagement and Leadership Index. Results and findings from the annual survey are cascaded from top management to each team in workshops leading to action plans. A KPI is set on the completion of the action plans. Our Engagement Index increased from 75 in 2023 to 79 in 2024 and our Leadership Index increased from 78 in 2023 to 81 in 2024. The response rate was 88%.

Our performance management process plays a key role in our efforts to gather feedback, set goals, and create development plans for employees. Performance appraisals are conducted annually between managers and employees, serving as an opportunity to align individual aspirations with organisational goals. Managers and employees collaborate to identify strengths, address areas for improvement, set training plans and outline pathways for career advancement.

In 2024, monthly Townhall meetings were held giving senior management an opportunity to update the workforce on results and important activities (including HSSE, sustainability and strategy). Ahead of the meetings, employees are given the opportunity to send in questions anonymously for senior management to answer; an additional channel for employees to voice their interests.

Last year, we reintroduced our highly appreciated Group Induction Event, which is now held annually. This event is designed for all new employees who joined Nynas in 2023. Over the course of two days, participants are immersed in Nynas culture, values, strategy, product knowledge, and much more. A key highlight of the Group Induction Event is the networking opportunities it provides, allowing attendees to socialise and connect with colleagues from various parts of the business. 40 new employees took part in the Group Induction Programme.

Leadership

Strong leadership is crucial for our success. We offer long-standing leadership programmes, individual coaching, and forums to develop our managers’ skills.

In 2024 Nynas recruited two new members to the

Executive Committee. Lars Rosenlöv is the new Vice President for Manufacturing and Natalia Martinez is the new Vice President Supply Chain.

Talent acquisition

In 2024, we successfully transitioned to an in-house recruitment model, replacing the majority of externally supported hiring processes. This initiative has not only significantly reduced recruitment costs but has also strengthened our employer branding efforts. By managing recruitment internally, we have enhanced our ability to communicate our values, culture, and commitment to sustainability, positioning our company as a great place to work. This strategic shift has been instrumental in attracting top talent while fostering a more sustainable and efficient approach to recruitment.

Diversity and Inclusion

Nynas values an inclusive culture. Managers and employees share the responsibility to respect each other’s differences. We strive for workforce diversity and more female management representation. In 2024, women comprised 31% of our workforce and 30% of our managers, up from 29% and 28%, respectively, in 2023. Nynas now has three women and four men in the Executive Committee.

Adequate wages

All positions are evaluated and given a position index based on a job description, a competence profile, and on a discussion with the direct manager and the manager at the level above.

The process is to ensure that adequate wages are paid is as follows:

- (1) The responsible HR manager sets up a proposal.
- (2) The proposal is checked by the Group Compensation & Benefits function and discussed with the Human Resources Director.
- (3) The proposal is cross checked and calibrated within the relevant business or function, between the other business areas and functions, and with third party salary benchmarking expertise factoring in the local cost of living conditions and local minimum wage where applicable.

To have a consistent and wider evaluation or check of the position index, levels, there will be one annual calibration meeting within the HR team. This meeting will be done before the start of the annual salary review process. The result of these calibration meetings will be presented to the Executive Committee before being implemented. The Human Resources Director can decide if an additional calibration meeting is required during the year.

Actual wages are paid based on this position index and individual performance. Annual salary reviews are implemented.

Programmes and Career Development

We offer events like The Leader Forums, Safety Days, and Nynas Manager Training to uphold excellence. Programmes include a specialist career path for engineers, technical development for operators, and leadership programmes. Annual performance appraisals set development plans for employees.

Nynas offers the NyEx trainee programme for newly graduated engineers to promote employee growth and secure skilled professionals. In 2024, five participants joined the programme, which includes rotations across various departments to gain insights into the company’s operations and culture. This approach supports rapid development and adaptation. The programme strengthens employee loyalty and engagement while building a skilled workforce for the future. NyEx is a clear example of our commitment to developing talent and supporting long-term career growth at Nynas.

We have also initiated the implementation of a new Learning Management System (LMS) to enhance employee learning and development programmes. By moving existing training to this new platform, we aim to offer employees a cohesive and comprehensive learning experience aligned with our business goals. Thanks to this investment, all our employees will have access to skills training and education in 2025.

Corporate Citizenship

Nynas aims to be a responsible member of the community. At our production sites in Nynäshamn and Gothenburg, we strive to be recognised as a partner in the local community. We work towards this by maintaining high HSSE standards, ensuring transparency, engaging in proactive communication, and fostering community involvement.

→ **Own workforce**

In Nynäshamn, where we have operated since 1928, Nynas is the largest private employer. It is important for us to inform the local community about site developments and regularly publish information in the local newspaper as well as on our Facebook page.

We offer university students and graduates internships through collaborations with universities such as the KTH Royal Institute of Technology in Stockholm and Chalmers University of Technology in Gothenburg. Additionally, Nynas partners with Campus Nynäshamn, which offers vocational training programmes.

Metrics and targets

Targets

The following targets have been set for 2025:

- Process Safety Accidents Tier 1 (number/million work hours) _____ 0
- Transport accidents _____ 4
- Total Recordable Incidents Frequency (no./mil work hrs) _____ 2,6
- Sick leave (%) UK and Sweden _____ 2,5
- Appraisal completion (%) _____ 90
- Engagement index _____ 79
- Employee turnover (%) _____ 6–8
- Training hours per employees _____ to be measured

In addition, in 2025, we will work on setting additional mid-term targets on

- Gender diversity (%)
- Gender diversity in management roles (%)
- Gender diversity blue collars (%)
- Gender diversity white collars (%)
- Pay gap

Metrics

Total number of incidents of discrimination, including harassment: 3 (investigation and corrective actions were duly implemented where necessary)

Total number of complaints: _____ 6

Total amount of fines, penalties and compensation for damages as a result of incidents and complaints: _____ 0

Number of severe human rights incidents: _____ 0

Total amount of fines related to the above: _____ 0

Characteristics of employees and diversity

Gender distribution TOTAL

Gender	Number of employees (headcount) ¹⁾	%
Male	466	71.6
Female	185	28.4
Total Employees	651	100

Gender distribution in management roles

Gender	Number of employees (headcount)	%
Male	105	70.5
Female	44	29.5
Total Employees	149	100

Gender distribution at top management (Executive Committee)

Gender	Number of employees (headcount)	%
Male	4	57
Female	3	43
Total Employees	7	100

Age distribution

Age bracket	Number of employees (headcount)	%
<30	46	7.1%
30-50	315	48.4%
>50	290	44.5%
Average age	47.2	

1) All headcount numbers include Harburg

Adequate wages

All employees are paid an adequate wage.

Social protection

All Nynas employees are offered some form of social protection either through public social security schemes where applicable and/or privately provided by Nynas. In regions with weaker social security systems (Latin America, India, South Africa) Nynas offers relevant benefits such as medical insurance, accident insurance and / or pension contributions.

Training and skills development

Percentage of employees that participated in yearly appraisal: 86%

The average number of training hours is currently not measured and work is under way.

Health and safety metrics

Metric	Target 2024	Actual 2024	Actual 2023
Process Safety Accidents Tier 1 (#/mil work hrs)	0	0	1.2
Transport accidents	5	5	8
Total Recordable Incidents Frequency (#/mil work hrs)	3.9	3.2	5.6
Sick leave (%) (UK and Sweden)	<2.5	4.01	3.4
Engagement index	75	79	75
Employee turnover	5	5.8	13

Over the past few years, Nynas has implemented several measures to improve its Total Recordable Injury Rate (TRIF) such as holding extra safety meetings, updating our minimum safety requirements and sharing best practices. In 2024, our performance was impacted by five TRI. This was an improvement of TRIFR compared to 2023 and Nynas landed on a TRIFR of 3,2. With focus and determination we are working to reduce our TRIs.

Unfortunately, at the end of the year, we suffered a fatality in our value chain, at one of our hauliers. The accident happened during a shift of trailers in a parking lot. The incident has been investigated, and further preventive measures have been implemented. Nynas is placing higher demands on and requires further follow up from our transport partners regarding HSSE. Including this fatality Nynas had five transport accidents during the year.

We had eight in the previous year and our target is a maximum four. We follow up on our transport incidents, take them very seriously, and strive to reduce their number year on year.

Work life balance

- Employees entitled to take family related leave (maternity, paternity, parental and carer): 100%
- Percentage of employees who took family related leave and breakdown by gender: 9,2%
- 50% male
- 50% female

Remuneration metrics

Gender pay gap: 5% (total unadjusted pay gap, based on base salary).

Business conduct

How we do business matters. Compliance, transparency and responsibility are of the utmost importance. Good governance practices with solid structures and business processes steer our actions to maintain the trust of our customers, owners, business partners, local communities, and other stakeholders. Our policies, procedures and regular monitoring in our quality management system, supported by frequent training activities, provide the foundations for an efficient and consistent performance when it comes to business conduct.

Impacts, risks and opportunities

Corporate culture greatly influences our operational integrity and stakeholder relationships. A positive corporate culture directly impacts our ability to achieve long term goals and manage risks effectively. Misalignment of corporate culture and ethical requirements poses a high financial risk. Breaches resulting in fines would have large consequences directly and indirectly.

Impacts, risks and opportunities related to business conduct are identified as part of the double materiality assessment described on pages 23-27.

Responsibility for governance and accountability fall under the CEO with some policies subject to Board approval, see Governance section on pages 20–21.

The following topics are highly material:

- Corporate culture and business ethics
- Protection of whistle-blowers
- Political engagement and lobbying activities
- Management of relationships with suppliers including payment practices
- Corruption and bribery (prevention and detection including training, incidents)

Business conduct policies and corporate culture

Our commitment related to Business Conduct is built into how we operate through our targets and policies.

Nynas complies with the laws and regulations in every jurisdiction where it operates, including the UK Bribery Act and the Foreign Corrupt Practices Act, EU and UK competition laws, and EU, UK and UN sanction regimes.

The Nynas Code of Conduct clearly establishes the rules of ethical business behaviour for all Nynas employees and partners covering areas such as anti-bribery, anti-corruption, competition and trade regulations. The Code of Conduct and the Trade Compliance Policy are due for revision in 2025. A fraud policy will also be implemented to further clarify the objectives of the Code of Conduct on this matter.

Nynas endorses the principles set out in the International Bill of Human Rights, to comply with relevant and applicable basic rules for human rights.

Nynas is dedicated to adhering to international norms such as those outlined in the United Nations Convention Against Corruption (UNCAC) and committed to complying with anti-bribery and anticorruption laws in all countries where it operates. Appropriate measures are taken to assure adherence such as pro-active training and proportional sanctions.

Whistleblowing mechanism

Nynas strives to have an open corporate culture where everyone can freely report justified suspicions or knowledge of misconduct or illegalities in relation to Nynas operations, employees, management, suppliers and the like. Nynas has established a whistleblowing system in accordance with the rules in the Act (SFS 2021:890) (the “Whistleblower Act”) including protection of whistleblowers. Non-compliance issues are handled through this system, which is available to all employees on the intranet and to third parties via our website.

Information about the whistleblowing mechanism has been included in the training to functions at risk and presented to all employees. Awareness campaigns were run in all locations supported by mandatory signposting. A question about the awareness of the mechanism was included in the annual employee satisfaction survey with a satisfactory outcome. Beyond the whistleblowing mechanisms, incidents may also be reported through line management, HR and the legal department.

Training on business conduct

The executive committee and employees exposed to customers, competitors, suppliers and other third parties are required to participate in reoccurring Compliance training and to sign a yearly compliance undertaking to ensure they are aware of policies within the compliance area.

Topics include sanctions, corruption and bribery, fraud and whistleblowing mechanisms.

An e-learning module on compliance is scheduled to be made available to all members of the workforce in 2025.

Know Your Client

Since 2024, Nynas uses a third party screening tool to assess compliance risks in our commercial relationship with customers as well as important/critical suppliers. This is part of our compliance, due diligence and risk management activities. It is a continuous process with real time notifications.

Management of relationships with suppliers

Suppliers need to be pre-qualified. In this phase Nynas investigates/checks the structure of the supplier and potential parent companies, insurances, management systems, certifications (quality, environment, health and safety, energy, etc.), the existence of a code of conduct covering HSSE, business ethics, human rights policies, safety performance in the last three years (TRI), the existence of supplier and subcontractors audits and mechanisms to ensure compliance with the suppliers’ policies). This includes desktop screening through a third-party database.

Critical suppliers need to be assessed for sustainability once a year while important suppliers need to be assessed at a risk-based frequency. The supplier assessment must cover the following topics:

- Environmental impact: Supplier’s efforts to minimise their environmental footprint.
- Labour practices and human rights: Supplier’s commitment to fair labour practices.
- Ethical sourcing / supply chain management: Policies related to ethical sourcing.
- Social responsibility: Initiatives to positively impact local communities and society.
- Governance and transparency: Supplier’s corporate governance structure.

Nynas’ standard payment terms as specified in our general terms and conditions (GTC) are 45 days. Payment terms are part of every commercial negotiation and in some cases Nynas will agree to shorter payment terms.

Our accounts payables procedures ensure that invoices are paid on the due date as stated on the invoice, provided it matches the agreed payment terms.

Prevention and detection of corruption and bribery

Our financial controls within accounting have mechanisms to detect fraud, corruption and bribery. They include segregation of roles, dual authorisation, and an updated manual of authorities (2024).

In addition, the mandate of the Audit Committee and of the Director of Internal Audit also covers ESG aspects (ethics policies, fraud audits and fraud investigations, sustainability reporting, etc.):

- The annual review of corporate governance, management processes (incl. effectiveness and reporting of any finding related to non-conformance) include business conduct and sustainability
- Any suspicion of unethical and/or fraudulent activity within Nynas is to be reported to Nynas Legal Function, which is responsible for ascertaining that these cases are investigated thoroughly and confidentially. The Nynas legal function will upon receiving information from whistleblowers immediately inform all non-conformances to the Internal Auditor who immediately will report all cases to the Executive Committee.

Metrics and targets

Incidents of corruption or bribery

- Confirmed incidents of corruption or bribery: number of convictions and number of fines, actions taken to address breaches: _____ 0

Supplier assessment for sustainability

The following outcome was reached in 2024

- Critical suppliers assessed for sustainability: _____ 100%
- Important suppliers assessed for sustainability: _____ 81%

→ Business conduct

Payment practices

■ Number of legal proceedings for late payments: ____ 0

Anti-corruption and anti-bribery training

The following target has been set:

Yearly signing of compliance undertaking
(functions at risk): _____ 100%

The outcome in 2024 was 100%.

Training sessions were held as follows

	At-risk functions
Training coverage	
Total	272
Total receiving training in 2024	177
Total receiving training over last 3 years	100%
Delivery method and duration	
Average duration 1 hour, classroom training	177
Frequency: training is required every 3 years	
Topics covered	
Definition of corruption	YES
Policy	YES
Procedures on suspicion/detection	YES
Sanctions	YES

The targets for 2025 have been updated as follows:

- Critical suppliers assessed for sustainability: ____ 100%
- Important suppliers assessed for sustainability: ____ 80%
- Supplier audits: _____ 20
- Average time to pay an invoice in days: measure and report
- Standard payment terms by main category of suppliers and percentage of payments aligned with standard terms: measure and report

