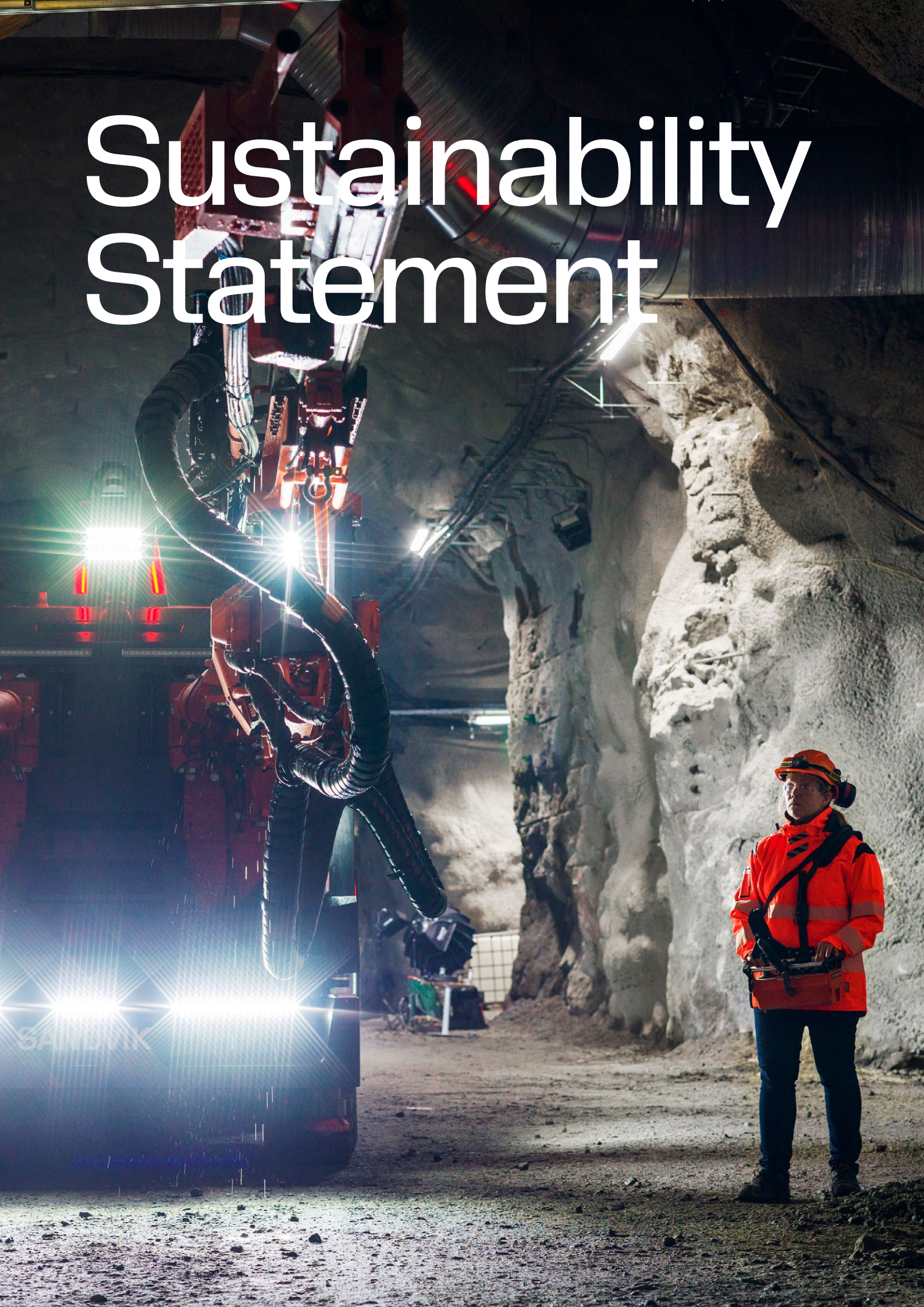


# Sustainability Statement



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# General information

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## BP-1 General basis for preparation of the sustainability statement and BP-2 Disclosures in relation to specific circumstances

The sustainability statement within the administration report constitutes Sandvik statutory sustainability statement in accordance with the Annual Accounts Act (ÅRL). The report has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and includes the disclosures required by the EU Taxonomy Regulation.

This is the first year of reporting according to the Corporate Sustainability Reporting Directive (CSRD). As additional guidance on interpretation continues to develop practices on implementation of the European Sustainability Reporting Standards (ESRS) will become more established. We will continue to monitor these developments to apply and strengthen our sustainability statement. We have updated our sustainability reporting to align with the ESRS. This has resulted in some changes in how we measure certain metrics compared to previous years mainly under S1 Own workforce due to use of headcount. Information on how each metric is prepared can be found in the reporting principles of each disclosure requirement. The sustainability statement is prepared at a consolidated level for Sandvik Group, and the scope of reporting is consistent with the financial statement. See note P11 for a list of entities included in the figures unless otherwise specified. The figures presented are accumulated for the 2025 fiscal year for all legal entities, unless stated otherwise. Sandvik applies the following definitions for time horizons: short-term equals the reporting year, medium-term one to five years, and long-term more than five years.

The sustainability statement covers the material aspects identified in the double materiality assessment (DMA) for the areas of environment, social, and governance, and includes own operations, upstream, and downstream value chains.

An independent assurance provider has undertaken a limited assurance of the Sandvik Annual Report 2025.

We have not omitted any disclosures due to ongoing negotiations, nor have we omitted any information due to reasons of intellectual property.

Metrics subject to measurement uncertainty	E1-6 scope 3, S1-16 pay gap
Phase in provisions	E1-9, E5-6, S1-7, S1-14 Value chain entity specific metrics for E3, E4, S2 downstream, and S3
Entity specific metrics	E1-6, S1-5, S1-16, S2-5

### Incorporated by reference index

Disclosure requirement	Section	Paragraph	Page
GOV-1 The role of the administrative, management, and supervisory bodies	Corporate governance	The Sandvik Way, Nomination Committee for 2026 AGM, 4. Board of directors - Composition and competence, Board of Directors, Independence, 5. Audit Committee	38-41, 44-45
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies	Corporate governance	Corporate governance model, Board proceedings during 2025, 5. Audit Committee	39, 40-41
GOV-5 Risk management and internal controls over sustainability reporting	Corporate governance	5. Audit Committee, Internal control over financial reporting	41, 43
IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities	Risk management	Risk management	48-50

## GOV-1 The role of the administrative, management and supervisory bodies

The Board is responsible for setting the business focus, business portfolio, and overall short and long-term operational objectives, and for adopting key policies to ensure the long-term sustainability of the business. The Board identifies how sustainability issues impact risks and business opportunities, and approves the company's strategic plans for long-term sustainability goals, based on an assessment of actual and potential impacts, risks, and opportunities. Guidelines for risk management, which include actual and potential sustainability risks, are reviewed and adopted regularly.

The Board ensures that Sandvik has routines to safeguard that principles for financial and sustainability reporting, and related internal controls, are applied. It also oversees that sustainability reports are produced in accordance with legislation, accounting and reporting standards, and other requirements for listed companies.

The Audit Committee, appointed by the Board, prepares matters for the Board concerning sustainability reporting, compliance and risk management, internal controls, internal and external audits, and Sandvik financial and sustainability information. The Committee also reviews and discusses any Group policies that are to be adopted by the Board. It assists the Board in these matters, reporting observations and, if and when necessary, making recommendations and proposals for actions and resolutions.

The Audit Committee examines accounting principles to ensure alignment with accepted sustainability reporting practices. It also oversees the company's compliance with applicable laws and regulations governing sustainability reporting and makes recommendations to ensure the reliability of the reporting.

Group Executive Management is responsible for the Sandvik overall strategy, including sustainability. Implementation and follow-up is managed by the Group functions, business areas and divisions. Each business area assesses and manages sustainability risks within its operations, while Group Sustainability coordinates the sustainability agenda together with the business areas and Group functions.

Strategic objectives are adopted by the President & CEO and the Group Executive Management, to ensure delivery of the strategy, and selected objectives are approved by the Board. Key results are consolidated and reported to track objectives at both Group and business area levels. Performance is assessed quarterly, and targets and actions are set for the upcoming year.

Although Sandvik's operational structure is decentralized, all parts of the Sandvik Group adhere to a set of mandatory joint requirements in our governance framework, The Sandvik Way, to ensure performance management, legal responsibilities, and compliance with relevant rules and regulations throughout the organization. Sustainability governance at Sandvik is grounded in the company's business strategy, business model, and international frameworks. Relevant goals are set to address material areas and effectively manage associated impacts, risks, and opportunities.

Policies and management systems have been implemented to ensure financial, environmental, and social compliance. The Group Executive Management has the overall accountability for the implementation of our policies. Each policy owner is responsible for reviewing and updating the policies, taking into account expectations from relevant external stakeholders such as regulators, customers, investors, and Non-Governmental Organizations (NGOs).

Further details on Sandvik governance structure related to business conduct can be found under *Incorporated by reference index*. Data related to the composition of the Board is found under *S1-9*.

## GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Board oversees the company's control mechanisms for assessment of the impact that Sandvik has on the economy, environment, and people, as outlined in the Board's Procedural Guidelines and relevant policies in The Sandvik Way. The Board also ensures that the company has effective management of all sustainability impacts, risks, and opportunities.

The Audit Committee monitors CSRD reporting, including the Group's double materiality assessment which is adopted annually by the Board. The Committee receives regular updates from the sustainability function.

Relevant key results are tracked and reported to the Board and Group Executive Management quarterly, through interim reports and objectives and key results tracking.

Stakeholder engagement is managed through the operational structure, see *SBM-2* for further details.

## GOV-3 Integration of sustainability-related performance in incentive schemes

Sustainability is integrated in the business strategy. The financial targets are linked, among other things, to delivering on sustainability performance. Therefore, Sandvik does not apply separate sustainability-related performance in the incentive schemes.

## GOV-4 Statement on due diligence

Due diligence at Sandvik consists of several different processes to manage the impact Sandvik has on the economy, environment and people. Our due diligence is managed through policies and procedures in The Sandvik Way. Components of due diligence are under regular development and improvement, and is reviewed yearly. The table below maps where to find information about our due diligence process in our sustainability statement.

Core elements of Due Diligence	Paragraphs in the sustainability statement
a) Embedding due diligence in governance, strategy, and business model	GOV-2, GOV-3, SBM-3, E1-2, E2-1, E3-1, E4-2, E5-1, S1-1, S2-1, S3-1, G1-1, G1-2, G1-3
b) Engaging with affected stakeholders in all key steps of the due diligence	SBM-2, IRO-1, S1-2, S2-2
c) Identifying and assessing adverse impacts	IRO-1, S1-3, S2-3, G1-2
d) Taking actions to address those adverse impacts	E1-3, E2-2, E3-2, E4-3, E5-2, S1-4, S2-4, S3-4, G1-3
e) Tracking the effectiveness of these efforts and communicating	E1-4, E1-5, E1-6, E2-3, E2-4, E3-3, E4-4, E5-3, E5-5, S1-5, S1-6, S1-9, S1-14, S1-16, S1-17, S2-5, S3-5

## GOV-5 Risk management and internal controls over sustainability reporting

Sandvik has an internal control procedure as a part of our sustainability reporting framework, in The Sandvik Way. The purpose of the procedure is to establish a systematic and integrated approach to internal controls for sustainability reporting. It is structured to identify, evaluate, and manage potential risks to ensure that the sustainability statement complies with the qualitative characteristics in ESRS 1. The internal control system aligns with the conceptual framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO), which is based on five key components that provide an effective framework for describing and designing the internal control system implemented in the organization.

Sandvik has adopted a risk-based approach when setting the scope of internal controls for sustainability reporting. We conducted an analysis to identify material risks related to reported metrics and prioritized based on the level of importance for Sandvik. In the risk assessment, we identified risks related to completeness and accuracy of environmental, social and governance (ESG) data that could impact the sustainability statement. These risks are taken into consideration to ensure that adequate controls exist to mitigate these risks. In 2026, we will conduct risk assessments specifically targeting the ESG metrics and related processes to identify any risks and reassess existing ones. Our aim is to enhance our approach to risk evaluation and the related prioritization methodology in subsequent reports, thereby fostering ongoing improvements within our sustainability reporting framework. More information about our risk management and internal controls are available in the incorporated reference index within BP-2.

## SBM-1 Strategy, business model and value chain

Sandvik is a global, industrial technology group providing solutions that enhance productivity, profitability and sustainability for the mining, manufacturing, and infrastructure industries. We have approximately 43,000 employees and sales in more than 150 countries. Further details about our employees are found under S1-6. Our purpose “Advancing the world through engineering” has been adopted by the Group Executive Management and approved by the Board, and forms the basis for who we are. The purpose is supported by our core values, which together with the Code of Conduct, guides us in our daily business decisions and forms the basis of our strategy.

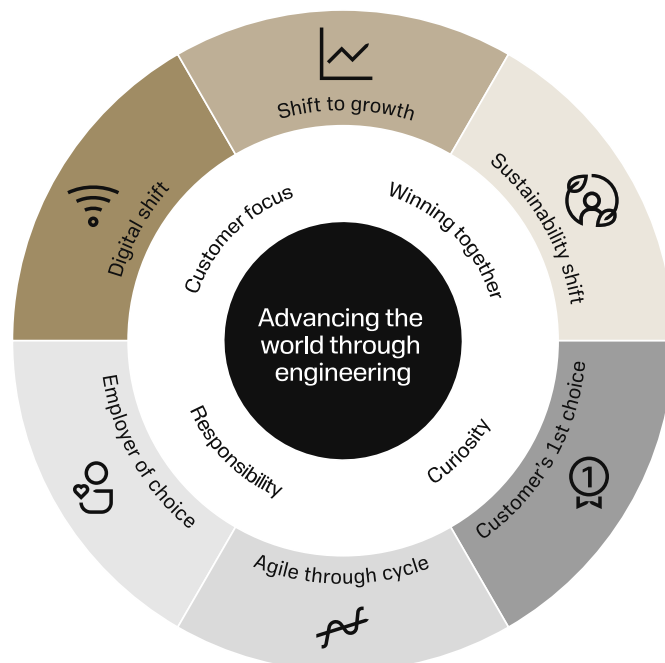
Our strategy aims to create benefits for all our stakeholders – customers, employees and communities, ultimately leading to shareholder value. It rests on our core values, explicit target setting, and a decentralized way of working. Business area, divisional, and function strategies are all guided by the Sandvik Group strategy, but adapted to fit the specific characteristics, opportunities and challenges for each individual part of the business. The strategy includes six strategic objectives for which Sandvik has defined 2025 targets and key results.

The strategic objective includes Digital shift, Shift to growth, Sustainability shift, Employer of choice, Agile through cycle, and Customer's 1st choice. Elements of sustainability are integrated in all of these areas. Sustainability is a major business opportunity

for Sandvik, and our solutions help our customers improve productivity, safety, and resource efficiency in their operations. Sandvik aims to be the employer of choice within our industries and attract, retain, and develop diverse talents to drive our strategy.

The ambition with the Sustainability shift is to fully integrate sustainability into business. We have five focus areas within sustainability that support our strategy and long-term sustainability ambitions. Our focus areas include Sustainable solutions, Net Zero, Circularity, People and communities, and Responsible business. Sustainable solutions aims to lead industry innovation through solutions that are clearly differentiated on sustainability, driving value, and creating substantial sustainability gains for our customers and society. About 65 percent of the emissions in our value chain derive from the use of our products. The largest contribution we can make is to help our customers undergo a sustainable transition in mining, manufacturing, and infrastructure through the solutions we provide. Our focus on net zero includes our validated SBTi net zero targets to 2050. We develop products and solutions that strengthen customer efficiency and improve environmental impact related to water, pollution, and greenhouse gas emissions. In our operations we drive efficiency improvements, and we engage our key suppliers in their transition. For people and communities we focus on our safety-first culture working to protect and advance people in our business. We work to respect human rights in our value chain and support resilient communities around us. Responsible business highlights Sandvik commitment to maintaining high standards of business conduct and responsibility built into our operations and throughout our value chain, enabled by transparency and due diligence.

An overview of our value chain and material impacts, risks, and opportunities is found under SBM-3. 2025 is the final year for the current strategy period. As of 2026, the updated five-year strategy, Advancing to 2030, will be implemented.



# Business model

## Inputs – what we use to create value

### Employees

Sandvik utilizes the expertise and experience from our employees, together with insights from close collaboration with customers and suppliers, to develop innovative products and solutions.

### Innovation

Sandvik has research and development, and product development at its core, which we use to drive sustainable innovations. We always strive for technology leadership and successful partnerships.

### Resources

Energy, raw materials, and components are essential for Sandvik production, and we continuously focus on resource efficiency to minimize the environmental footprint and drive productivity.

### Social

We actively engage in the communities where we operate, benefiting our employees and society.



## Business activities – how we operate

### Operations

Sustainability integrated into operations lead to resource efficiency, cost saving, and improved risk management.

- Lean manufacturing, waste minimization, and energy efficiency improve operational performance and reduce environmental impact, while supporting a circular economy.
- Leveraging technology and digitalization for improved transparency and data driven decision making.
- Our governance framework, The Sandvik Way, and our Code of Conduct enables responsible business of sustainability topics in the value chain.



## Outputs – what we deliver and how we create value

**Sandvik develops world-leading products and solutions designed for improved productivity, efficiency, and sustainability.**

We deliver equipment, such as drill rigs, rock drilling tools and systems, load and haul machines, tunneling equipment, continuous mining and mechanical cutting equipment, crushing and screening equipment, parts and services, mine planning software, and ground support for the mining and infrastructure industries.

Sandvik is a leader in electric and autonomous mining equipment. Electric mining equipment reduces CO<sub>2</sub> emissions, heat and noise. Autonomous mining equipment enables remote fleet control which removes operators from hazardous areas and increases their safety.

Eco-efficient rock processing equipment reduces the energy used per ton of material crushed at the customer site and extends service intervals. The grinding phase is very energy consuming. By working close to customers to optimize comminution circuits, Sandvik can reduce the material size from the crushing plant. Replacing grinding by fine crushing is up to ten times more energy efficient compared to conventional grinding.

Sandvik offers leading solutions for the component manufacturing industry, with engineering, automotive and aerospace as its major customer segments. Our tools and tooling systems for metal cutting and our manufacturing software make component manufacturing more productive, energy efficient and less resource intensive. We aim to optimize, automate and connect the component manufacturing value chain, from design and planning to preparation, production and verification. Circularity includes all parts of the product lifecycle, from design and sourcing to use, and resource recovery.

**We create economic value for society through revenues, taxes and wages. Community engagement projects contribute to local economies and communities.**



## SBM-2 Interests and views of stakeholders

Sandvik has identified a range of stakeholders who are likely to be impacted by the company or have the potential to influence Sandvik. Stakeholder interests are taken into consideration in the strategic planning. We engage with stakeholders to gain insights into their relationships with Sandvik and also to support in

identifying potential impacts, risks, and opportunities as part of our materiality assessment. Where dialogues have had an impact on strategy and business model, this is further described in the stakeholder table. Stakeholder engagement is managed through the operational structure.

Sustainability is an integrated part of the reports submitted to the Audit Committee on a regular basis.

Stakeholder group	Type of engagement	Connection to strategy and business model
Customers	Dialogues with customers focused on key areas such as product development for enhanced safety, increased energy efficiency, and electrification.	Customers inform our product development and offering. Customer feedback is directly linked to sustainable solutions in our strategy.
Employees and employee representatives	Continuous communication with employees is ensured through regular meetings, employee surveys and performance dialogues. Sustainability-related perspectives are integrated into Sandvik employee surveys. Sandvik maintains regular interactions and discussions with unions regarding the sustainability agenda. In the Double Materiality Assessment (DMA) Sandvik included diverse perspectives and experience on social topics from internal experts, and outcomes from employee surveys, Speak Up, and other relevant internal processes.	Employees and employee representatives provide valuable input to ESG programs and shape actions and improvement plans to address any issues. Learnings from engagement activities are analyzed and integrated where appropriate into our people strategy.
Shareholders	Sandvik actively engages with shareholders to discuss the implementation of strategic initiatives, the impact of sustainability goals on Sandvik business, specific targets and outcomes, and our contributions to the UN Sustainable Development Goals (UNSDG).	The Board of Directors and Group Executive Management uses this information in the strategic planning for the Group and updated the guidance to management as appropriate, considering the overall balance of different interests.
Suppliers and workers in the value chain	Sandvik actively participates in industry forums to advocate for responsible sourcing of minerals and has collaborated in the development of common industry tools and standards to amplify impact. This engagement includes conflict-affected and high-risk areas, either directly or through subsidiaries. Our involvement includes memberships in the Responsible Minerals Initiative, Cobalt Institute, and the Tungsten Conflict Minerals council. Within the DMA we included different internal perspectives and experiences, and considered external reports, legislation, and frameworks. External sources included reports on working conditions and impacts in relevant industries, supplier risk screenings, and supplier audits.	Supports the understanding and effectiveness of our supplier practices and commitment. Engagement provides learnings of market-specific conditions and challenges and possible improvements to our supply chain programs.
Policymakers, regulators and authorities	We engage with governments indirectly on ESG issues through industry associations. Relevant legislations and frameworks that had the potential to influence the assessment were reflected in the DMA.	Ensure we adhere to regulations. Through continual engagement and dialogue with key policymakers and regulators, we increase our alignment with their objectives, refining our internal policies and business strategies.
NGOs and sustainability experts	Sandvik is a signatory of the UN Global Compact (UNGC) and is active in various industry associations such as Jernkontoret, Svemin, the International Council of Swedish industry (NIR), the Cobalt Institute, the International Tungsten Industry Association, the Responsible minerals initiative, and the Tungsten industry conflict minerals council. In the DMA we have considered reports and views from these organizations.	Access to valuable insights, expertise and best practices which help us identify potential Impacts, Risks, and Opportunities (IROs). Supports in developing relevant ambitions and actions. This may then be integrated into our ESG policies, targets and actions.
Affected communities and nature	We strive to be an engaged partner in the communities in which we operate. Affected communities and nature as a silent stakeholder are taken into consideration in the DMA assessment through reports on environmental and social impact, and engagement with community representatives and employees through internal experts as well as scientific studies.	Informs decisions on community engagement programs and actions on environmental issues.

## SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

Sustainability is integrated in our strategy and represents a major business opportunity for Sandvik. Our solutions help our customers improve productivity, safety, and resource efficiency in their operations. Through our technology leadership and innovation capabilities in areas such as automation, digitalization, and electrification, we have a unique opportunity to drive sustainability in our customers' industries.

We have a clear strategy for driving long-term growth and resilience. Sandvik has a strong platform to leverage on, with global market leading positions, a decentralized operating model, a strong corporate culture, and financial strength. We continuously look at means of improving ways of working, optimizing organizational structure, and strengthen our operational efficiency. Strengthening and reviewing the resilience of our strategy and business model is integrated in our strategy development. To effectively identify and manage risk is an important element of business success for all parts of Sandvik. Sandvik has an Enterprise Risk Management (ERM) program to support the day-to-day risk management within operations. It covers all business areas, divisions, and functions within the Group. Impacts are managed throughout the business with activities to mitigate negative impacts and strengthen positive ones.

Sandvik aims to be a positive force in shaping the industries of the future, using our expertise and skills to support a sustainable future. In each of our businesses and value chains, we have the opportunity to enable the transformation through innovative sustainable solutions, collaboration with our customers and suppliers, and incorporating responsibility and transparency at every level.

Sandvik has set a clear goal to reduce its greenhouse gas impact across the entire value chain. Our largest impact is through the use of our products and solutions, and we continuously strive to increase productivity and minimize the environmental impact. We aim to increase circularity by using more secondary material in our production and circular business models.

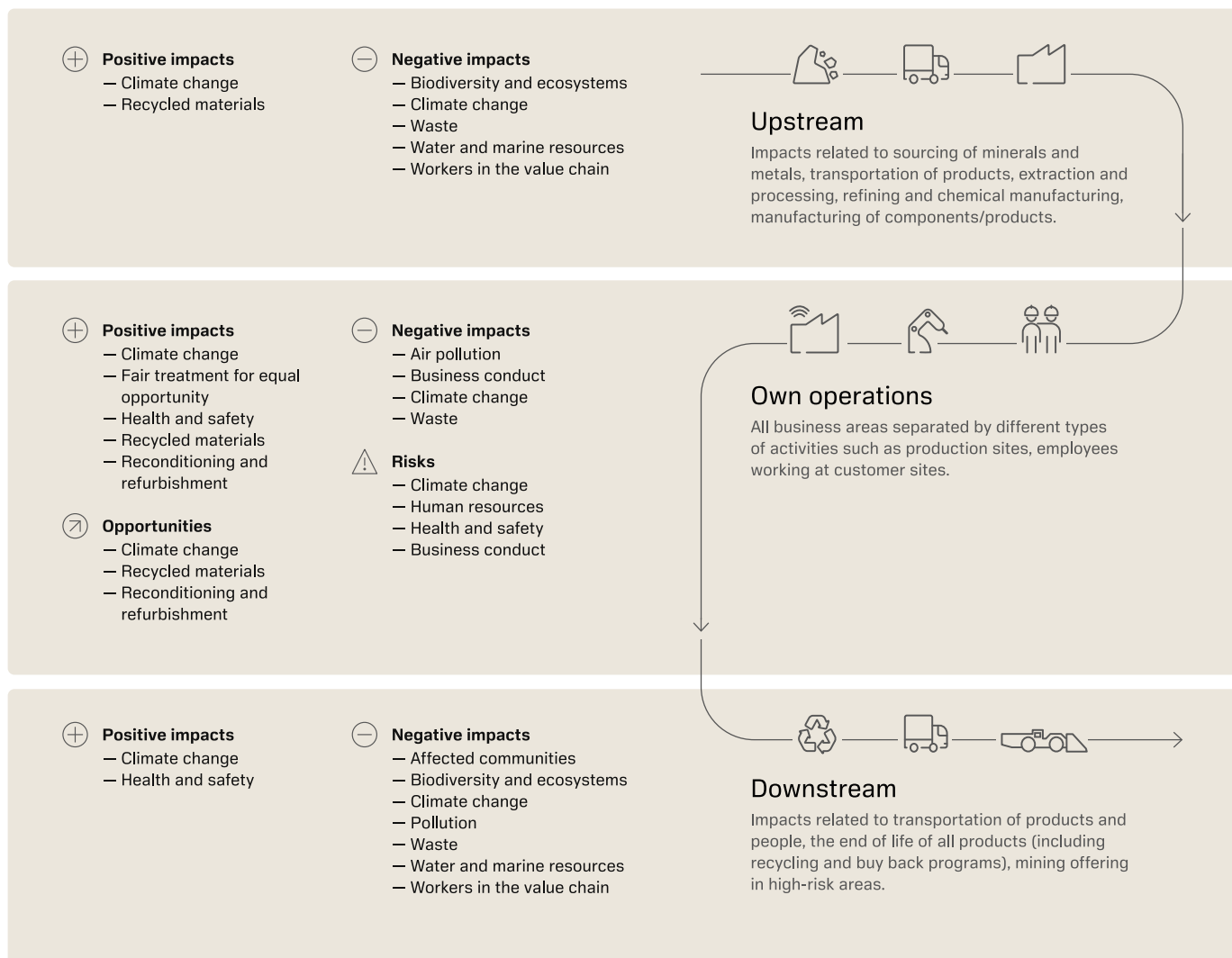
Sandvik has performed a double materiality assessment (DMA) to identify material topics. This assessment was supported by topics included in the Corporate Sustainability Reporting Directive (CSRD) and considered dependencies on natural, social, and human resources. The assessment resulted in material impacts, risks, and opportunities, and forms the basis of this year's CSRD reporting.

Our DMA identified material Impacts, Risks, and Opportunities (IRO) across nine topical standards. The illustration and table on the following pages provides a consolidated list of all our material IROs identified in the 2025 DMA throughout our value chain. A more detailed overview of material IROs specific to each topic is shown under each topical standard. Among our material topics, we have identified four financial risks and four financial opportunities, described in the relevant sections of this report. The illustration includes the value chains that have been assessed in the DMA as likely to generate material impacts, risks, and opportunities. Sandvik is connected to the impacts in our value chain through our business relationships. Our IROs have been assessed over the short, medium, and long-term time horizons.

At the end of the reporting year, we have not identified any material risks and opportunities for which there is a significant risk of material adjustment to the carrying amounts of assets and liabilities in the next annual reporting period.

Sandvik comprises 23 divisions, grouped into three business areas within mining, infrastructure, and manufacturing industries. These are world-leading businesses that share a common purpose and business models to help our customers become more efficient, productive, and sustainable. Sandvik strives to be an enabler in our customers' shifts through a strong focus on innovation and a leading offering in new technologies, digitalization, automation, and sustainable solutions. Sustainability is integrated into our strategy, and our business areas integrate the sustainability shift into their business, through products and services, and activities in their own operations. To fulfill global climate targets, the electrification of society is required, and there is an increasing demand for minerals and fossil fuel-free energy sources. Sandvik is world-leading in electric mining equipment, and supplies tools and tooling systems for the energy industry, including renewable energy. Our largest impact is through our products, and we continuously strive to increase productivity and minimize environmental impact. We aim to increase circularity by using more secondary material in production. We repurchase customers' used cemented carbide inserts, drill bits, and rock tools, and use them to manufacture new tools. We also provide refurbishment of equipment in mining, crushing, and screens. For sustainable solutions we have developed a framework that will serve as the basis for a common way of working and target-setting. We have introduced numerous innovations with a focus on automation, digitalization, and electrification. These improve efficiency and productivity while reducing emissions and waste.

# Sandvik impacts, risks and opportunities across the value chain



The table below provides a consolidated list of all our material impacts, risks, and opportunities, identified in our DMA 2025, and whether the IRO is connected to our strategy, focus areas, and business model. The list is structured according to the ESRS and does not reflect significance of the impact, risk, and opportunity.

Impacts, risks, and opportunities		Value chain	Description
Climate change	⊕	Upstream, own operations, downstream	Potential impact and contribution to limiting the effects of climate change by enabling the transition to net zero through our product development.
Climate change	⊖	Upstream, own operations, downstream	All greenhouse gas emissions contribute to global warming that affects both people and the environment and is considered an actual impact.
Climate change	↻	Own operations	With the transition to a low-carbon economy Sandvik has the opportunity to supply customers with electrified mining equipment, low carbon cutting tools, and energy efficient products.
Climate change	⚠	Own operations	Climate risk includes different aspects that may affect the total risk. Factors considered included entities at climate risk, insured value and possible lost business, costs for climate adaptation activities, supply chain and customer disruptions, legal requirements and external expectations, and physical climate impacts that can generate effects throughout our value chain.
Air pollution	⊖	Own operations	Actual consumption of fossil fuels in our operations, both transport and production activities releases nitrogen oxides (NO <sub>x</sub> ) and sulfur oxides (SO <sub>x</sub> ). Air emissions cause eutrophication and acidification of water and soil that affects the environment and people.
Pollution	⊖	Downstream	Pollution to air, water, and soil is interlinked to several topics, such as water, biodiversity, and affected communities, and have an actual negative impact that can affect both people and environment.
Water and marine resources	⊖	Upstream, downstream	Actual impacts for water quality and access to water are related to the extraction and processing of minerals and metals. Poor water quality may have a negative effect on health and wellbeing for people and wildlife.
Biodiversity and ecosystems	⊖	Upstream, downstream	Potential disruptions in ecosystems and decreasing biodiversity affect all living beings, both people and the environment negatively, and is considered an actual impact.
Recycled materials	⊕	Upstream, own operations	Increased use of recycled material contributes to the transition towards a circular economy and generates potential positive effects both for people and the environment.
Reconditioning and refurbishment	⊕	Own operations	Prolonging our products' lifespan contributes to a circular economy with a potential positive impact.
Waste	⊖	Upstream, own operations, downstream	Waste that is not recycled or reused has an actual negative impact on people and the environment. If not handled properly, it may increase pollution to air, water, and soil.
Recycled materials	↻	Own operations	Our offering related to circularity and recycled material, such as use of recycled materials in products and buyback and recycling programs.
Reconditioning and refurbishment	↻	Own operations	Our business offering related to reconditioning and refurbishment, regrinding of tools, remanufacturing and redesign, parts and services that support reconditioning of products.
Fair treatment for equal opportunity	⊕	Own operations	Local and global initiatives with an actual positive impact on our own workforce related to non-discrimination and equal opportunities.
Health and safety	⊕	Own operations, downstream	Extensive health and safety programs have an actual positive impact on our own workforce. The safety of our products as well as safety checks and improvement plans suggested to customers when Sandvik has employees at a customer site have a potential positive impact downstream.
Human resources	⚠	Own operations	Not having the right competence and engagement from our employees can affect our ability to deliver on our strategy and financial results.
Health and Safety	⚠	Own operations	The risk is related to the financial effect if we do not deliver on our health and safety standards.
Workers in the value chain	⊖	Upstream, downstream	Potential and actual impacts include poor working environment that could result in impacts on health and safety. Serious impacts related to forced or child labor affects the individuals' human rights and overall living conditions, resulting in serious impacts for the individual.
Affected communities	⊖	Downstream	Local environmental impacts may negatively influence a community's livelihood and the access to a clean and healthy environment. Mining operations may affect the rights of local communities and indigenous people and, if not managed properly, may result in infringement of rights. Considered an actual impact when not mitigated.
Business conduct	⊖	Own operations	Weak business conduct or violation of anti-bribery and anti-corruption laws and principles can potentially have indirect negative environmental consequences. It may negatively impact company culture and societies where we operate.
Business conduct	⚠	Own operations	Business conduct as a risk may generate a financial effect in different ways, such as influence on our financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium, or long-term.

All the material impacts, risks, and opportunities are connected to our strategy, sustainability focus areas, and business model.

⊕ Positive impacts   ⊖ Negative impacts   ↻ Opportunities   ⚠ Risks

## IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities

In the Double Materiality Assessment (DMA), Sandvik considered the topics included in the Corporate Sustainability Reporting Directive (CSRD) and dependencies on natural, social, and human resources. The Sandvik risk management process, Enterprise Risk Management (ERM), risk profile, and existing due diligence processes were used as an input to the assessment. Further information on how sustainability is integrated in our processes is found under *GOV-1* and *GOV-2*.

The impact materiality considered all time horizons, however the scoring was mainly done in the short-term perspective. The medium and long-term perspectives were discussed and, when deemed likely to affect the outcome of the materiality analysis, included in the assessment. Some topics, such as climate change, were considered to have an increasingly negative environmental impact long-term. Since the medium and long-term perspectives are based on assumptions, it was however decided to focus on the short-term perspective. Adjusting the outcome of the DMA for environmental impacts based on the long-term was not deemed necessary since these impacts already were considered material in the shorter time horizons.

The impact assessment evaluated positive, negative, actual, and potential impacts. The assessment started in the value chains where impacts are likely to occur. In line with the Organization for Economic Cooperation and Development (OECD) due diligence framework, this allows for prioritization and focus on value chains where impacts are likely to materialize. Initially, all value chains were considered, of which some were deemed less likely to have material impacts than others. This conclusion was based on stakeholder engagement, both internal expertise and the use of proxies. Upstream value chain included transportation of products and sourcing of minerals and metals from high-risk countries, as well as sourcing of conflict minerals and cobalt. Downstream, the focus was on transportation of products and people, mining sites in high-risk areas, and end-of-life of all our business areas' products.

The process started with reviewing the CSRD list of topics on a sub-sub level where available, and mapping these against the identified scoping of the value chains. Impacts were evaluated using scale, scope, and irremediable character, determining the severity of an impact as well as likelihood for potential impacts.

The evaluation relied on internal expertise from various areas, such as supplier management, environment, human resources, health and safety, community involvement and legal. Participants from different business areas, functions, and geographies within Sandvik brought diverse perspectives and experience on Environmental, Social, and Governance (ESG) topics in the value chain. The assessment also considered external reports, legislation, and frameworks. These sources included the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, the OECD Due Diligence Guidance for Responsible Mineral Supply Chains, as well as supplier risk screening through EcoVadis and supplier audits, and were used when engaging directly with affected stakeholders was not possible or not appropriate.

In the financial materiality assessment, risks and opportunities were assessed by the magnitude of the financial consequence as well as likelihood. The financial materiality assessment considered the short-term perspective, which highlighted the most urgent topics, as well as the medium and long-term perspectives that highlight risks and opportunities that may materialize in the longer term. It was concluded that most risks and opportunities were very unlikely to materialize within the

short to medium-term. Based on the input collected, a threshold for the topics was defined, above which the topics were deemed material and as such a basis for our reporting.

### Climate change

When conducting our DMA, we considered several input sources such as energy and greenhouse gas (GHG) data, environmental permits, audits, insurance data, ISO certificates, and local significant environmental aspects. For the mapping and understanding of Impacts, Risks, and Opportunities (IROs) we used credible proxies and relevant reports, frameworks and media. Engagement with local community is first and foremost managed locally and occurs when applicable to meet laws and regulations.

Based on our GHG inventory of scope 1, 2, and 3 we have screened our activities to assess where our emissions are most significant, both current and potential future emissions. Scope 1 and 2 emissions from our own operations are not a significant part of our total emissions, however material since all emissions contribute to global warming and need to be considered as contributing to climate change. Our scope 1 and 2 emissions mainly relate to fossil energy consumption. Sandvik is actively working to ensure that each division has an action plan in place to enhance energy efficiency and reduce GHG emissions.

Since 2023, our GHG reduction targets have been validated by the Science Based Targets initiative (SBTi), confirming their alignment with the latest climate science and adherence to the objectives of the Paris Climate Agreement. We have committed to reaching net-zero greenhouse gas (GHG) emissions by 2050 at the latest, reducing absolute emissions from our own operations (scope 1 and 2) by 50 percent by 2030 and 90 percent by 2040. We will also reduce absolute emissions from customers, suppliers, and transport (scope 3) by 30 percent by 2030. We have not identified activities or assets that poses a significant risk for us not to reach our GHG emission reduction targets as outlined under locked-in emissions. Further details on our transition plan and targets are found under disclosure requirement *E1-1*.

### Climate-related physical risks

The assessment of climate-related physical risks for our own operations involved assessing climate-related hazards on our 130 most important sites based on total insured value. The analysis was performed during 2025. A software tool that uses the geo-coordinates of the sites was utilized to assess their exposure levels to both acute and chronic climate-related physical risks. The assessment tool addressed several climate hazard perils, including flood, precipitation, heatwave, drought, cold wave, hail, sea level rise, wildfire, wind and tornado. The Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathway SSP5-8.5 was applied for the scenario analysis, representing a fossil-fueled development and high-emission scenario. It predicts global warming of 3.3-5.7°C at the end of the 21st century, therefore plausibly reflecting the maximum expected risk exposure in terms of severity and likelihood. The time horizons used were 2030 and 2060. The goal with the assessment was to provide an overview of the physical climate risks facing the portfolio of sites at different time horizons and under different climate change scenarios, and to establish a ranking of locations from high to low climate risk based on climate data and insured values. The assessment is used to support the identification and prioritization of management actions within the loss prevention program, which may include in-depth assessments of sites and investments in resilience measures, as upcoming steps in the Sandvik climate resilience journey.

As a response to the physical risks to our assets, all major locations are part of Sandvik loss prevention program, entailing an assessment of climate change related exposure. In addition, we conduct risk engineering reports for selected exposed assets that inform mitigation actions at site level.

#### Transition risks

Possible climate-related transition risks were identified and assessed through scenario analysis, considering a pathway aligned with limiting global warming to 1.5°C, with no or limited overshoot. This scenario is suitable for estimating the maximum intensity and speed of transition events, as well as the highest risk exposure. The analysis considered IPCC's low emissions scenario, Shared Socioeconomic Pathways 1 (SSP1), that assumes a future characterized by high electrification rates across sectors, high technology advancement in biofuels, stricter regulations on emitting GHGs, and increased costs associated with fossil fuel consumption.

We have assessed transition events within the categories policy and regulation, technology, market and reputation, where policy and regulation was most prominent from a transition risk perspective. Transition aligned with the Paris Agreement carries minimal risk if implemented globally in a structured manner where long-term clarity and consistent policies are essential for a successful transition. A structured transition becomes an opportunity as Sandvik is well-positioned with solutions for a low carbon economy. In the short to medium-term, rising demand and limited availability of fossil-free energy is expected to increase overall energy costs. Availability of fossil-free electricity will be critical in minimizing the magnitude and duration of associated transition risks.

At present, transition risks have not been identified as a material financial risk for Sandvik. We have adopted net zero targets which are integrated into our strategy and product development processes. Emerging transition risks are incorporated into our Enterprise Risk Management process, where they are monitored as the landscape continues to evolve.

#### Pollution

We have screened our assets and activities in order to identify the actual and potential pollution-related Impacts, Risks, and Opportunities (IROs) in own operations, upstream and downstream value chain. In our DMA, we considered several input sources such as energy and pollution data, environmental permits, audits, insurance data, ISO certificates and local significant environmental aspects. For the mapping and understanding of IROs we focus on the use of credible proxies and relevant reports, frameworks and media. Engagement with the local community is primarily managed at the local level and occurs mainly in connection with environmental permit processes.

Sandvik has identified material impacts related to pollution throughout our value chain. In our own operation, emissions of nitrogen oxides (NO<sub>x</sub>) and sulfur oxides (SO<sub>x</sub>) from consumption of fossil fuels related to the transport of products and people have been assessed as material. The release of NO<sub>x</sub> and SO<sub>x</sub> are interlinked to our climate targets and actions. Downstream, the potential pollution of air, water, and soil from mining activities is material, which we are linked to through our business relationships.

#### Water

We have screened our assets and activities in order to identify actual and potential water and marine resources-related Impacts, Risks, and Opportunities (IROs) in our value chain. For the

mapping and understanding of IROs, Sandvik focuses on the use of credible proxies and relevant reports, frameworks and media. In our Double Materiality Assessment (DMA), we considered several input sources such as water data, environmental permits, audits, insurance data, ISO certificates and local significant environmental aspects. Engagement with the local community is primarily managed at the local level and occurs mainly in connection with environmental permit processes.

#### Biodiversity and Ecosystems

In the DMA related to biodiversity and ecosystems, we considered all our global assets and operations — and their associated dependencies, impacts, risks, and opportunities.

We have screened our assets and activities in order to identify the actual and potential biodiversity and ecosystems-related impacts, risks, and opportunities in our value chain. For the mapping and understanding of IROs, Sandvik focuses on the use of credible proxies and relevant reports, frameworks and media is considered. We have not engaged in consultations directly with affected communities regarding biodiversity and ecosystems. Negative impacts on biodiversity and ecosystems were identified in our upstream and downstream value chain, mainly related to mining activities and their effect on land use change, pollution and GHG emissions. Disruptions in ecosystems and decreasing biodiversity affect all living beings, both people and environment negatively.

While we acknowledge the significance of biodiversity and ecosystems, our direct dependency on ecosystem services and conversion of natural ecosystems remains limited within our own operations. Investigations on the site's localization, including ecosystems-related aspects, are generally part of the environmental impact assessment when applying for permits. Our sites are predominantly situated in urban industrial areas, minimizing the impact on biodiversity-sensitive areas. Our own mining operation in Austria is located adjacent to an area protected by the Salzburg Nature Conservation Act. The operation has been assessed as having no direct negative impact on biodiversity. We have not identified any sites in our own operations that have activities negatively affecting biodiversity sensitive areas or that affect threatened species. We have not identified material negative impacts with regard to land degradation, desertification or soil sealing.

#### Resource use and circular economy

Sandvik has identified several impacts related to resource and circular economy where we have an actual or potential material impact on people and environment, either from our own operations or other parts of the value chain. We have also identified opportunities linked to circularity that may have a significant impact on the financial position. Circularity is an integrated part of the Sandvik strategy. In each of our businesses and value chains, we have the opportunity to enable the transformation to a circular economy through innovative sustainable solutions and collaboration with our customers and suppliers.

When conducting our Double Materiality Assessment we considered several input sources such as waste data, environmental permits, audits, ISO certificates and local significant environmental aspects. For the mapping and understanding of impacts, risks, and opportunities we focus on the use of credible proxies and relevant reports, frameworks and media. Engagement with the local community is primarily managed at the local level and occurs mainly in connection with environmental permit processes.

**Business conduct**

Sandvik operates in countries and industries with elevated corruption and sanctions risks, both directly and indirectly through business relationships. Business conduct as a risk may generate a financial effect in different ways, such as influence on our financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long-term. Risks include increased regulatory requirements, third-party risks, stricter financing requirements and trade sanctions.

**IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement**

List of included disclosure requirements can be found under Sustainability appendix.

# Environmental information

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## E1 Climate change

### ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

Sandvik has identified several impacts related to climate change where we have an actual or potential material impact on people and environment, either from own operations or other parts of the value chain. We have also identified climate-related risks and opportunities that may impact the financial position.

The effects of climate change and the need to transition to a low-carbon economy places increasing demands on societies and companies to adapt and innovate. As a result of climate-related physical risks, Sandvik has identified a potential financial risk. The risk assessment for climate considered several different aspects that may affect the total risk. Factors considered included entities at climate risk, insured value and possible lost business, costs for climate adaptation activities, supply chain and customer disruptions, legal requirements, external expectations and physical climate impacts that can generate effects throughout our value chain. Further details on resilience and climate scenario analysis is found under *IRO-1* in the chapter *General information*.

One major consequence of the transition to a low-carbon economy is the rapid electrification of society, which is driving demand for critical minerals and fossil-free energy sources.

Sandvik is a global leader in electric mining equipment and supplies advanced tools and tooling systems for the energy sector, including solutions for renewables. The growing market for battery-electric vehicles presents significant opportunities for our mining operations.

Climate action is embedded in the Sandvik strategy. We aim to be a key enabler of our customers' transitions through a strong focus on innovation and a leading offering in new technologies, digitalization, automation, and sustainable solutions. About 4 percent of our annual revenues are spent on Research and Development (R&D) to ensure a leading product offering. Across all our businesses and value chains, we have opportunities to enable the transformation into a low-carbon economy through innovative, sustainable solutions and close collaboration with customers and suppliers. By focusing on improving customers' productivity and sustainability we secure market-leading positions. Our global reach, local presence and decentralized business model allow us to be flexible and adapt to changing conditions. All our business areas have action plans in place to manage changes in market conditions. As the world transitions to a low-carbon economy, we have opportunities to expand our offering of, for instance, electrified mining equipment, low-carbon cutting tools, and energy-efficient products.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Scope 1 emissions	Own operations	Direct GHG emissions from fossil fuel and gas consumption.	All emissions contribute to global warming that affects both people and the environment, and are considered as actual impacts.
Scope 2 emissions	Own operations	Consumption of electricity and heating generating GHG emissions.	
Scope 3 emissions upstream	Upstream	Sourcing of minerals and metals cause substantial GHG emissions in our upstream value chain, from extraction and refining to transportation and component manufacturing.	
Scope 3 emissions downstream	Downstream	The use of sold mining and rock processing equipment generates significant GHG emissions in our downstream value chain. In the double materiality assessment, we also considered emissions generated from other mining activities, such as energy usage for ventilation.	
Reduction of GHG impacts	Upstream, own operations, downstream	The possibility for us to reduce GHG emissions is present throughout the value chain. Our main contribution is the potential to enable the transition through electrification and climate efficient technologies downstream. We work with research and development in our own operations to continue to develop sustainable solutions that supports climate transition.	Potential contribution to limiting the effects of climate change.
Climate change	Upstream, own operations, downstream	The risk assessment for climate considered several different aspects that may affect the total risk. Factors considered included entities at climate risk, insured value and possible lost business, costs for climate adaptation activities, supply chain and customer disruptions, legal requirements and external expectations and physical climate impacts that can generate effects throughout the Sandvik value chain.	
Climate change	Own operations	Climate opportunities exist within all Sandvik business areas, both in product development and offering. Some examples are electrification, low carbon products and service offering. With the transition to a low-carbon economy, Sandvik has the opportunity to supply customers with electrified mining equipment, low carbon cutting tools and energy efficient products.	

⊕ Positive impacts   ⊖ Negative impacts   ↻ Opportunities   ⚠ Risks

## E1-1 Transition plan for climate change mitigation

Sandvik has made a long-term commitment to address climate change by setting science-based targets consistent with the Science Based Targets initiative (SBTi).

### GHG reduction targets and decarbonization levers

Our transition plan for climate change mitigation outlines our key levers to reach our GHG emission reduction targets. Our GHG emission reduction targets and their compatibility with the limiting of global warming to 1.5°C in line with the Paris Agreement are further disclosed within *E1-4*.

For own operations, we see efficiency measures and usage of fossil-free energy as key enablers for reducing GHG emissions. We approach our scope 1 and 2 emissions through the lens of transportation, production processes, and electricity usage. Our waterfall diagram on scope 1 and 2 reduction is based on these decarbonization levers.

About 65 percent of our value chain emissions are tied to the usage of our sold mining and rock processing products. Reducing

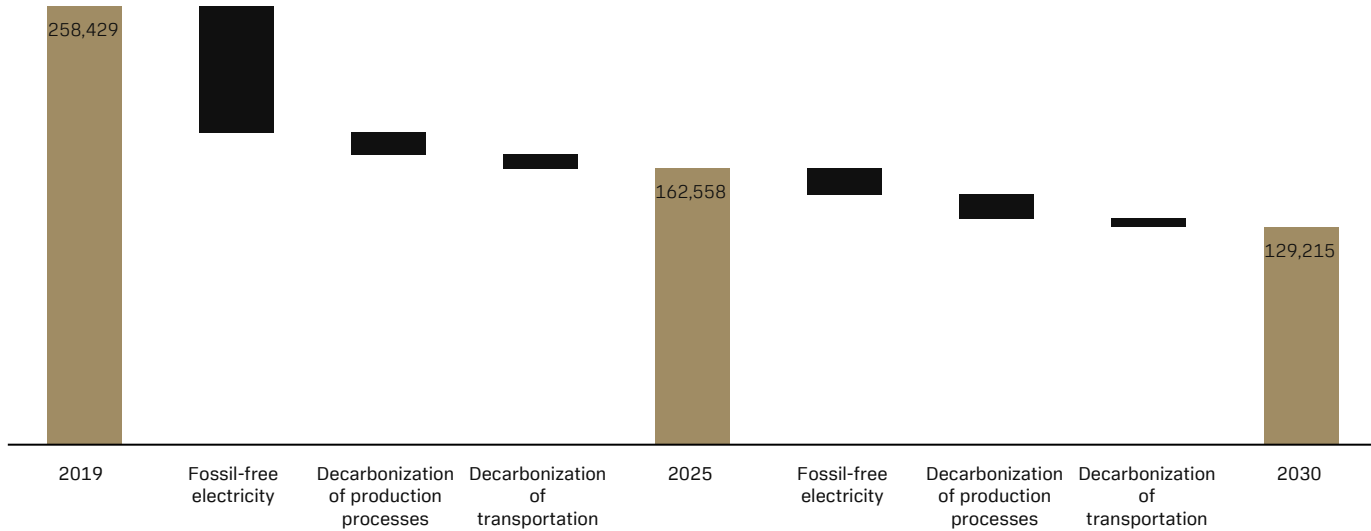
these downstream emissions by developing solutions that reduce tailpipe emissions is a key priority. Applicable solutions include, for example, efficiency measures, and engines running on renewable fuels and electrification. In the upstream value chain, initiatives targeting resource efficiency, circularity, and purchasing goods with less embedded GHG emissions are key enablers for reducing GHG emissions. Uncertainties remain however, particularly regarding further developments in the fuel and electricity market, and customer preferences. These external factors are critical for achieving our long-term climate targets. The high degree of dependencies surrounding upstream and downstream emissions makes the mapping of a robust reduction pathway complex. However, we know our emissions hotspots and our focus lies on collaborating with suppliers and customers to reduce emissions. By developing and offering electrified mining and rock processing equipment that enhances customer productivity and profitability, we provide products that enable net zero within the industries that we serve.

The following table discloses our decarbonization levers and how GHG reduction is enabled.

Scope	Decarbonization lever	GHG reduction enabled by
Scope 1	Decarbonization of transportation	Efficiency measures, renewable fuels, electrification
Scope 1	Decarbonization of production processes	Efficiency measures, renewable fuels, electrification
Scope 2	Fossil-free electricity	Efficiency measures, fossil free-electricity
Scope 3	Supply chain decarbonization	Efficiency measures, recycled materials, increased circularity, low-carbon materials, new materials
Scope 3	Decarbonization of transportation and distribution	Efficiency measures, renewable fuels, electrification
Scope 3	Decarbonization of product use phase	Efficiency and productivity measures, R&D, electrification, renewable fuels, electric grid decarbonization

The waterfall diagram below indicates how we aim to reduce our scope 1 and 2 emissions to 2030 and reach our related reduction targets.

#### Scope 1 and 2 roadmap to 2030, ton CO<sub>2</sub>eq (Market based)



#### Progress in implementing the transition plan

By the end of 2025, we achieved a -37 percent reduction of scope 1 and 2 GHG emissions, demonstrating that we are ahead of our SBTi approved targets for scope 1 and 2. This was achieved through efficiency measures, switching to renewable fuels, and using more fossil-free electricity. Within scope 3, our focus is on supplier engagement to reduce emissions from the supply chain and product development to reduce emissions from the use of sold products. Our scope 3 emissions in 2025 were stable compared to the 2019 baseline. More information about our progress is found within *E1-4*.

#### Alignment with business strategy and financial planning

Achieving our climate targets is central to our strategy and integrated into our annual business and financial planning. Consequently, the necessary Capital and Operational Expenditures (CAPEX and OPEX) to meet our climate targets and transition plan are included within the business strategy and financial planning for the relevant business segments.

Our ambition to achieve net zero emissions by 2050 and our 2030 GHG emissions targets are approved by the Group Executive Management team and the Board of Directors. Each business area and division contributes to the delivery of the targets, along with specific roadmaps on how to reach the targets.

#### Assessment of locked-in GHG emissions

Sandvik has conducted a qualitative assessment of potential locked-in GHG emissions from its key assets and products, as well as from the company's value chain. The assessment indicates that our locked-in GHG emissions stem from the use of sold mining and rock-processing products. When calculating the impact from the use of our sold products, we account for the full

anticipated lifespan of the products and take a conservative approach by assuming our non-electric vehicles are run on diesel, thereby assuming that the emissions are locked-in. However, all our combustion engine mining vehicles are equipped with engines that are compatible with renewable fuels/biofuels such as Hydrotreated Vegetable Oil (HVO). For certain product categories, such as rotary blast hole drills, we provide customers with the option to convert diesel-powered units to fully electrified versions in the field. By offering these alternatives, emissions from our products can be reduced during the product lifetime which reduces transition risks.

For electric equipment, the GHG emissions are closely linked to the electric grid mix of the country the product is sold to. Sales of electric equipment to countries with a higher share of fossil free electricity result in lower GHG emissions and less locked-in emissions.

We do not consider the locked-in emissions to pose a risk to achieving our GHG emission reduction targets. We are committed to reaching our net-zero target and provide solutions to our customers that have zero tailpipe emissions, such as our electric equipment. As a leading supplier of battery-electric vehicles (BEVs) we are committed to providing our customers with sustainable solutions that reduce their environmental footprint while also increasing efficiency and productivity.

#### EU taxonomy alignment and EU Paris-aligned benchmarks

Sandvik has minimal economic activity that falls under the scope of the EU taxonomy. As a result, we have not pursued plans for EU taxonomy alignment.

Sandvik is included in the EU Paris-aligned benchmarks.

## E1-2 Policies related to climate change mitigation and adaptation

Sandvik has adopted several policies and procedures to manage our material impacts, risks, and opportunities related to climate change mitigation and adaptation.

All climate-related policies and procedures are part of our group governance framework, The Sandvik Way, and accessible

on our global intranet. More information on our policy governance is found under *GOV-1*. Our Code of Conduct, Supplier Code of Conduct, Business Partner Code of Conduct, Risk management policy and a short version of the Environment, Health and Safety (EHS) policy are accessible on our external website [home.sandvik](http://home.sandvik).

Impacts, risks, and opportunities	Policy	Scope	Policy owner	Key content
Reduction of GHG impacts, climate change	Sustainability policy	Upstream, own operations, downstream	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>– Commitment to reduce scope 1, 2, and 3 GHG emissions to reach net zero in our value chain by 2050.</li> <li>– Development of products that enhance customers' environmental performance.</li> </ul>
Climate change	Risk management policy and procedures	Upstream, own operations, downstream	General Counsel	<ul style="list-style-type: none"> <li>– Identification and evaluation of material strategic, business, and financial risks.</li> <li>– Property loss prevention.</li> <li>– Business continuity management.</li> <li>– Insurance.</li> </ul>
Reduction of GHG impacts	Supplier Code of Conduct	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	<ul style="list-style-type: none"> <li>– Requirements to calculate, document, and plan the mitigation of GHG emissions.</li> <li>– Encouragement on setting GHG emission reduction targets in line with the Paris Agreement.</li> </ul>
Reduction of GHG impacts	Code of Conduct	Own operations	General Counsel	<ul style="list-style-type: none"> <li>– Commitment to environmental responsibility when operating our business and providing products and services.</li> </ul>
Reduction of GHG impacts	EHS policy	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Commitment to protect the environment.</li> <li>– Commitment to reduce scope 1 and 2 GHG emissions, to support our net zero transition.</li> <li>– ISO 14001 requirement for major locations.</li> </ul>
Reduction of GHG impacts	Energy efficiency and sourcing guideline	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Application of energy efficient technology.</li> <li>– Renewable energy deployment and sourcing of fossil-free energy.</li> </ul>
Reduction of GHG impacts	Business Partner Code of Conduct	Downstream	General Counsel	<ul style="list-style-type: none"> <li>– Requirements to calculate, document, and plan the mitigation of GHG emissions.</li> <li>– Encouragement to set GHG emission reduction targets in line with the Paris Agreement.</li> </ul>

## E1-3 Actions and resources in relation to climate change policies

Our climate-related policies, along with group objectives and targets, guide our climate-related actions. Each business area develops plans to meet the Group objectives, with annual targets set to drive performance at all organizational levels. Our decentralized way of working empowers sites, divisions, and sales areas to implement mitigation actions that are relevant in their respective context or market. Common focus areas, ways of working, and best practices are shared and decided upon within the business areas and the Sandvik Group councils. The councils also appoint working groups to address specific topics on climate change, such as energy efficiency and sourcing.

As stated within *E1-2*, we require that all major sites (non-administrative Sandvik sites with more than 25 individuals) attain external ISO 14001 certification. At the end of 2025, about 75 percent of the established sites had achieved this certification (recently commenced and acquired sites excluded).

Through our community involvement and sponsorship activities, we have the opportunity to contribute to addressing climate-related challenges in the areas where we operate. For example, this may include supporting local communities with solutions to help mitigate the impacts of climate change.

The necessary Capital and Operational Expenditures (CAPEX and OPEX) to meet our climate targets and transition plan are embedded within the business strategy and financial planning for the relevant business segments. There were no significant monetary amounts of CAPEX and OPEX identified to implement the transition plan for 2025, and the years up to 2030.

In the following table, our climate-related implemented key actions in 2025 are disclosed and linked to our decarbonization levers. The actual GHG reductions resulting from the implemented key actions are included in our GHG calculations, disclosed in *E1-6*. Expected reductions from future actions are incorporated into our transition plan which is disclosed in *E1-1*.

IRO/ Decarbonization lever	Description	Scope	Key actions	Time horizon
Decarbonization of transportation (scope 1)	Actions to reduce emissions from transportation and mobile equipment include efficiency measures, fuel switching to renewable fuels, as well as electrifying transportation.	Own operations globally	— Expansion of battery electric, HVO and hybrid car fleet in, for instance, sales area northern Europe, south-east Asia, and USA.	2025
			— Fossil-fuel powered forklifts replaced with electric ones at several sites, including Ballygawley (Northern Ireland), Changzhou (China), and Elko (USA).	2025
			— Sites in Tampere and Turku (Finland) changed to HVO in test-running of mining products.	2025
Decarbonization of production processes (scope 1)	Actions to reduce emissions from production processes and stationary equipment include efficiency measures, fuel switching to renewable fuels, as well as electrifying processes.	Own operations globally	— Energy-efficiency measures implemented at sites across Sandvik.	2025
			— Installation of new carburization furnace at our site in Sankt Martin im Sulmtal (Austria), which improves energy efficiency and reduces electricity and hydrogen consumption.	2025
			— Energy savings via Powder Line Gas Reduction project continued in Ballygawley (Northern Ireland), reducing usage of liquefied petroleum gas.	2025
Fossil-free electricity (scope 2)	Actions to reduce emissions from electricity include efficiency measures and utilizing fossil-free electricity.	Own operations globally	— Energy-efficiency measures implemented at sites across Sandvik. — Expanded usage of own produced renewable electricity.	2025 2025
Supply chain decarbonization (scope 3, category 1)	Sourcing of low-carbon materials and circularity/ecodesign initiatives are integral parts of reducing emissions from purchased input materials. We create circular business models to keep valuable materials in circulation, for instance by running buyback/recycling programs for our used tools and carbide drill bits. Our Bergla® tungsten carbide powder is made entirely of recycled material. We run reconditioning programs for our solid round tools and refurbishment programs to prolong the life of our mining and rock processing equipment.	Upstream globally	— The Seco division changing to packaging made of 98-100% recycled plastic. The change will result in an estimated reduction of 131 tons of CO <sub>2</sub> eq emissions annually.	2025
			— Divisions Rock Tools and Ground Support increased their scrap-based steel supply, engaging with suppliers that use Electric Arc Furnace (EAF) in their steelmaking process. — Sandvik is the first supplier in the industry to be certified for circularity in the production of key crushing components. Through a validated process in our foundry in Svedala (Sweden), worn-out steel parts are collected, recycled, and reintroduced into the melting process to form new genuine parts like mantles and concaves. As a result, more than 90% recycled steel is used in production, saving large amounts of virgin raw material, and up to 16,000 tons of CO <sub>2</sub> eq emissions annually.	2025 The closed-loop approach has been in place for more than 15 years.
Decarbonization of transportation and distribution (scope 3, category 4 and 9)	Initiatives that reduce GHG emissions in scope 3 category 4 and 9, on upstream and downstream transportation and distribution. For instance, efficiency measures, changing mode of transport, fuel switching and electrification.	Upstream and downstream distribution globally	— Division Rock Tools, together with long-standing logistics partner Expressservice, launched a biogas-powered truck for deliveries of rock tools from our warehouse in Sandviken (Sweden). The new truck reduces emissions by up to 65 tons of CO <sub>2</sub> eq per year.	2025
Decarbonization of product use phase (scope 3, category 11)	The largest contribution we can make is to help our customers undergo a sustainable transition in mining, manufacturing, and infrastructure through the solutions we provide. Our electric mining and rock processing equipment increases our customers' productivity, while reducing their environmental impact, and helping them to reach their sustainability targets.	Downstream globally	— We received our largest BEV order to date as South32 selected Sandvik to supply 22 battery-electric vehicles for its greenfield Hermosa critical minerals project in Arizona (USA).	2025
			— A joint initiative from Vericut and Seco Tools that boosts sustainability received the 2025 <i>Sandvik Sustainability Award in Memory of Sigrid Göransson</i> . By optimizing numerical control (NC) programs using Vericut® Optimizer software, manufacturers can reduce cycle times, energy consumption, and tool wear.	2025
			— We launched the first battery-electric cable bolter on the market and thereby expanded our industry-leading battery-electric underground drill offering. Sandvik DS422iE uses lithium-iron phosphate (LFP) battery power instead of a diesel engine and offers zero emissions tramming, drilling, bolting and grouting. The LFP battery chemistry provides maximum safety underground while delivering the highest level of productivity and utilization of the equipment.	2025
			— We launched electric versions of the entire range of the next generation's intelligent rotary blast hole drills. In addition, we offer customers the ability to convert a diesel-powered unit to a fully electrified version in the field.	2025
			— We started providing product-specific GHG emission calculations to help customers better understand the carbon footprints of our mining equipment. The methodology takes a lifecycle perspective and is third-party verified. By providing verified emissions data, we not only enhance transparency but also support our customers in achieving their sustainability goals.	2025
Climate adaptation	We work to reduce the physical risks posed by climate change and strengthen resilience across our operations.	Own operations globally	— We conducted an updated scenario analysis to assess climate-related physical risks at our own sites, helping us better understand potential risks, and inform resilience planning.	2025
			— We completed 15 climate-related recommendations from our property insurance partner to mitigate climate-related physical risks and exposure at our locations.	2025

## E1-4 Targets related to climate change mitigation and adaptation

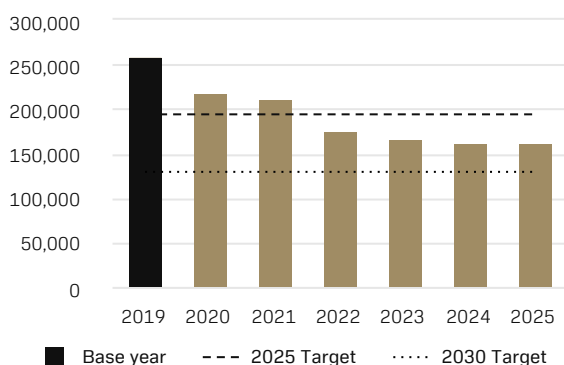
### Climate change mitigation

In 2023, our targets to reduce GHG emissions were validated by the Science Based Targets initiative (SBTi). We are committed to:

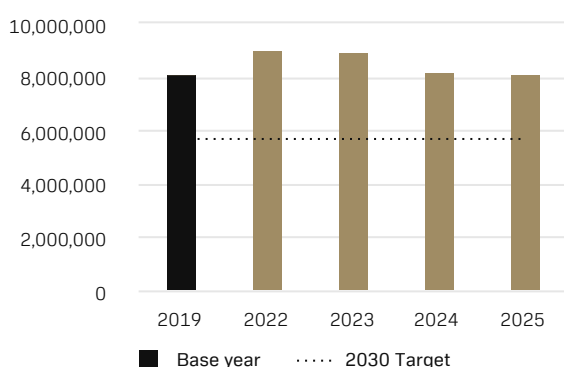
- Reduce absolute scope 1 and 2 GHG emissions by 50% by 2030, with 2019 as the baseline.
- Reduce absolute scope 3 emissions by 30% by 2030, with 2019 as the baseline.
- Reduce absolute scope 1 and 2 GHG emissions by 90% by 2040, with 2019 as the baseline.
- Reach net-zero GHG emissions across the value chain by 2050 at the latest.

In 2025, we reached a scope 1 and 2 reduction of -37 percent (-37), compared to the 2019 baseline. Our scope 3 emissions in 2025 were stable compared to the 2019 baseline. Progress on our 2030 targets is disclosed below.

#### Scope 1 and 2, ton CO<sub>2</sub>eq (market-based)



#### Scope 3, ton CO<sub>2</sub>eq



We have not adopted any group-wide targets related to renewable energy deployment, energy efficiency, and transitional risk mitigation. As a highly decentralized, global and diverse company, targets on, for instance, energy efficiency are implemented at division and site level. We track the effectiveness of our policies through several monitoring processes, where each policy outlines how compliance is monitored. The monitoring includes internal control, employee surveys, and internal and external audits.

To achieve our GHG emission reduction targets, we consult with employees, customers, and suppliers to determine new technologies to, for instance, advance our product offering and optimize production processes within our operations. The integration of these technologies is important for meeting our targets. Sandvik is a global, industrial technology group providing solutions that enhance productivity, profitability, and sustainability for the mining, manufacturing, and infrastructure industries, adopting and developing new technologies is at the core of our business. “Accelerate digital” is one of our strategic objectives. We see a growing opportunity to develop our customer offering through digital solutions, to support our customers to become more efficient, productive, and automated. Digitalization is a tool for us to stay competitive and develop sustainable solutions.

Baseline	Baseline value, ton CO <sub>2</sub> eq
Scope 1 and 2, 2019	258,429
Scope 3, 2019	8,107,000

The International Energy Agency (IEA) climate scenario Net Zero Emissions by 2050 Scenario (NZE) served as our underlying policy and climate scenario when we set the targets. The scenario describes what is needed for the global energy sector to achieve net-zero CO<sub>2</sub>eq emissions by 2050. The targets have not been derived using a sectoral decarbonization pathway, as no relevant pathway is available for our type of sector.

We monitor and review the scope 1 and 2 target progress at all levels within the organization on a quarterly basis. The data collection is based on the quarterly energy and GHG reporting that takes place on location level. More information about our reporting principles is found within *E1-5* Energy consumption and mix and *E1-6* Gross scopes 1, 2, 3, and total GHG emissions. We are on track towards reaching our 2030 scope 1 and 2 target.

We monitor and review the scope 3 target progress on a divisional, business area and Group level annually. The data collection is based on our scope 3 inventory. More information about our reporting principles is found within *E1-6* Gross scopes 1, 2, 3, and total GHG emissions. The current progress pace is lagging behind the linear target progress for the near-term scope 3 target.

Our decarbonization levers and their overall contributions to achieve the GHG emissions reduction targets are described in the following table.

Scope	Decarbonization lever	Description	Overall quantitative contributions to achieve the GHG emission reduction targets
Scope 1	Decarbonization of transportation	Actions to reduce emissions from transport and mobile equipment include efficiency measures, fuel switching to renewable fuels, as well as electrifying transport.	Approximately 1%
Scope 1	Decarbonization of production processes	Actions to reduce emissions from production processes and stationary equipment include efficiency measures, fuel switching to renewable fuels, as well as electrifying processes.	
Scope 2	Fossil-free electricity	Actions to reduce emissions from electricity include efficiency measures and utilizing fossil-free electricity.	Approximately 1%
Scope 3	Decarbonization of product use phase	Initiatives that reduce our scope 3 category 11 emissions. For instance, more energy-efficient products, electric products, and eco-efficient rock processing.	Approximately 65%
Scope 3	Supply chain decarbonization	Initiatives that reduce our scope 3 category 1 emissions. For instance, changing input materials to ones with less embedded GHG emissions, circularity efforts to close the loop, resource efficiency measures.	Approximately 25%
Scope 3	Decarbonization of transportation and distribution	Initiatives that reduce GHG emissions in scope 3, category 4 and 9, on upstream and downstream transportation, and distribution. For instance, efficiency measures, changing mode of transport, fuel switching, and electrification.	Approximately 5%
Other Scope 3 initiatives	Other scope 3 initiatives	Initiatives that reduce our scope 3 emissions within other categories than the ones mentioned above.	Approximately 3%

### § Reporting principles

All greenhouse gases, facilities, activities, geographies, operations, and scope 3 categories are included in our GHG reduction targets. We employ the operational control approach, as outlined in the GHG Protocol Corporate Standard. We include all our subsidiaries' emissions under operational control in the target boundary, which aligns with our GHG inventory boundaries. We do not have any significant joint ventures.

Our targets are gross targets, meaning that we do not include GHG removals, carbon credits or avoided emissions as a means of achieving the GHG emission reduction targets. Scope 1 and 2 relates to approximately 1 percent of our total GHG emissions each, whereas scope 3 relates to approximately 98 percent. For scope 2, the targets refer to market-based GHG emissions.

Our baseline and baseline values are disclosed in the baseline table. 2019 was selected as the base year since it was considered to be the most recent representative year prior to the COVID-19 pandemic.

### Climate change adaptation

Sandvik has not adopted any specific targets on climate adaptation on a Group level. Sandvik recognizes the importance of addressing climate change adaptation in relation to physical risks. This aspect is addressed in our Enterprise Risk Management (ERM) process, business contingency plans, and our insurance-focused site visits. We track the effectiveness of our policies through several monitoring processes, where each policy outlines how compliance is monitored.

## E1-5 Energy consumption and mix

Energy consumption and mix, MWh	2023	2024	2025
<b>Fossil energy consumption</b>			
Fuel consumption from coal and coal products	0	0	0
Fuel consumption from crude oil and petroleum products	174,124	169,541	153,842
Fuel consumption of diesel for backup power	106	1,128	3,291
Fuel consumption from natural gas	187,287	192,814	195,842
Fuel consumption from other fossil sources	0	0	0
Consumption of purchased or acquired electricity, heat, steam, or cooling from fossil sources	223,243	214,074	210,415
Total fossil energy consumption	584,759	577,557	563,390
Share of fossil sources in total energy consumption, %	51.9	51.0	51.1
<b>Nuclear energy consumption</b>			
Total consumption from nuclear sources	159,732	276,586	374,495
Share of consumption from nuclear sources in total energy consumption, %	14.2	24.4	34.0
<b>Renewable energy consumption</b>			
Fuel consumption from renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin), biofuels, biogas, hydrogen from renewable sources	9,102	9,572	10,152
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	365,364	256,550	141,144
Consumption of self-generated non-fuel renewable energy	8,334	11,586	13,427
Total renewable energy consumption	382,800	277,708	164,722
Share of renewable sources in total energy consumption, %	34.0	24.5	14.9
<b>Total energy consumption</b>	<b>1,127,291</b>	<b>1,131,851</b>	<b>1,102,607</b>

Energy intensity per net revenue, MWh/MSEK	2024	2025	Yearly change, %
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	9.2	9.1	-1

### § Reporting principles

The energy data is sourced from our Environment, Health and Safety (EHS) reporting system, with reporting occurring quarterly at the entity level. The collection of energy data primarily relies on information provided by suppliers and electricity meter readings. A minimal share of the energy data is estimated by using external statistics and industry averages.

The energy data is offset by one month, allowing time for data collection, quality control, and consolidation. The energy data is gathered for the period January to November, the December data is estimated based on the previous year's December data. All energy data refers to continuing operations. The historical data has been updated to include acquisitions and to reflect our organizational structure as of 2025, to get a comparable dataset.

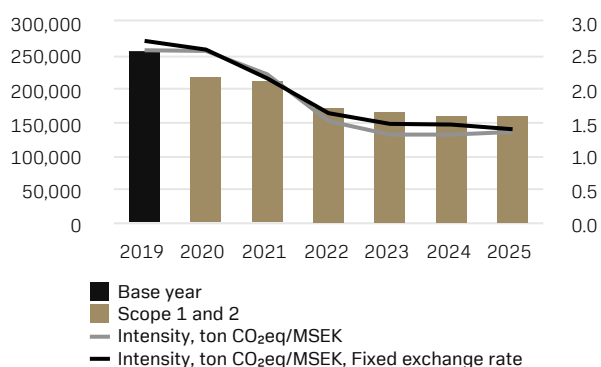
Data on grid electricity consumption from nuclear and renewable sources are accounted for based on Energy Attribute Certificates (EACs). Grid electricity consumption not covered by EACs are accounted as electricity from fossil sources. District heating consumption with a CO<sub>2</sub>eq emission factor above zero is accounted as heat produced from fossil sources. District heating consumption with a CO<sub>2</sub>eq emission factor of zero is accounted as heat produced from renewable sources.

Net revenue is based on the Group's total revenue in the income statement. All Sandvik activities are defined as "high climate impact sectors". Our activities are included as manufacturing in the NACE sector C.

## E1-6 Gross Scopes 1, 2, 3, and Total GHG emissions

Scope, ton CO <sub>2</sub> eq	Retrospective				Targets		Annual % target / Base year
	Baseline 2019	2024	2025	Yearly change, %	2030	2050	
<b>Scope 1</b>							
Gross scope 1 GHG emissions	99,979	81,458	78,326	-4	Reduce scope 1 and 2 with 50%	Net zero	-3%
Percentage of scope 1 GHG emissions from regulated emission trading schemes, %	0	0	0	0	N/A	N/A	N/A
<b>Scope 2</b>							
Gross location-based scope 2 GHG emissions	215,054	216,042	217,754	1	N/A	N/A	N/A
Gross market-based scope 2 GHG emissions	158,450	80,938	84,232	4	Reduce scope 1 and 2 with 50%	Net zero	-3%
<b>Scope 3</b>							
Total gross indirect (scope 3) GHG emissions	8,107,000	8,211,000	8,145,000	-1	Reduce with 30%	Net zero	-3%
Category 1: Purchased goods and services	1,768,000	2,184,000	2,046,000	-6	N/A	N/A	N/A
Category 2: Capital goods	62,000	41,000	47,000	15	N/A	N/A	N/A
Category 3: Fuel and energy related actions	52,000	80,000	76,000	-5	N/A	N/A	N/A
Category 4: Upstream transportation and distribution	321,000	271,000	376,000	39	N/A	N/A	N/A
Category 5: Waste generated in operation	26,000	22,000	22,000	0	N/A	N/A	N/A
Category 6: Business travel	79,000	55,000	58,000	5	N/A	N/A	N/A
Category 7: Employee commuting	57,000	55,000	57,000	4	N/A	N/A	N/A
Category 8: Upstream leased assets	8,000	6,000	6,000	0	N/A	N/A	N/A
Category 9: Downstream transportation and distribution	11,000	2,000	2,000	0	N/A	N/A	N/A
Category 10: Processing of sold goods	6,000	1,000	1,000	0	N/A	N/A	N/A
Category 11: Use of sold products	5,709,000	5,489,000	5,449,000	-1	N/A	N/A	N/A
Category 12: End-of-life treatment of sold products	7,000	5,000	5,000	0	N/A	N/A	N/A
Category 13: Downstream leased assets	0	0	0	0	N/A	N/A	N/A
Category 14: Franchises	0	0	0	0	N/A	N/A	N/A
Category 15: Investments	0	0	0	0	N/A	N/A	N/A
<b>Total GHG emissions</b>							
Total GHG emissions, location-based	8,422,033	8,508,500	8,441,080	-1	N/A	N/A	N/A
Total GHG emissions, market-based	8,365,429	8,373,396	8,307,558	-1	N/A	N/A	N/A

Biogenic emissions, ton CO <sub>2</sub> eq	2023	2024	2025	GHG intensity per net revenue, ton CO <sub>2</sub> eq/MSEK	2024	2025	Yearly change, %
Scope 1	2,094	2,117	2,364	Total GHG emissions (location-based) per net revenue	69	70	1
Scope 3	16,000	14,000	14,000	Total GHG emissions (market-based) per net revenue	68	69	1

**Scope 1 and 2 intensity (ton/MSEK) – entity specific metric****§ Reporting principles**

Scope 1 and 3 calculations encompasses carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>). The scope 2 calculations are limited to CO<sub>2</sub> emissions since it is the only emission that energy companies are obligated to report. Thus the emission factors are also limited to CO<sub>2</sub>. This exclusion is estimated to represent less than 1 percent of total emissions.

Emission factors sourced from the UK Department for Environment, Food & Rural Affairs, Ecoinvent, IEA, US EPA Power Profiler, Canada's National Inventory Report, and Exiobase, are utilized along with supplier-specific data. Emission factors represent Global Warming Potential values based on a 100-year time horizon (GWP100).

Scope 1 and 2 calculations are based on energy consumption data, reported on a quarterly basis by our entities in our EHS reporting system. For details, see *E1-5* reporting principles.

Reporting of biogenic emissions are limited to scope 1 and 3. Scope 1 biogenic emissions relate to the use of biofuels, such as ethanol, biogas, and bio-based fractions of gasoline and diesel, within our own operations. We account for a reduction in fossil GHG scope 1 emissions following our purchase of biogas, which takes place through contractual instruments. Location-based and market-based emission factors for scope 2 do not separate the percentage of biomass or biogenic CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O, and therefore scope 2 biogenic emissions are not reported. Biogenic

scope 3 emissions are related to the bio-based fraction of diesel within use of sold products.

Within scope 2, we monitor both location-based and market-based GHG emissions, where the difference is due to the purchase of renewable or fossil-free energy certificates. In 2025, about 75 percent of the grid electricity was covered by renewable and nuclear energy certificates.

Scope 3 emissions are calculated on an annual basis and consolidated to Sandvik Group level. In our scope 3 calculations, we employ a hybrid approach combining both screening and inventory-based methodologies. It is important to apply caution when analyzing scope 3 data, as it represents a complex methodology and includes data uncertainty. Spend-based emission factors, including the influence of inflation and currency fluctuation, causes data uncertainty, and we aim to move away from spend-based data to enhance data reliability.

Our primary scope 3 categories are "1: Purchased goods and services" and "11: Use of sold products". The "Purchased goods and services" category is primarily influenced by the procurement of steel and cemented carbide. The "11: Use of sold products" category relates to fuel consumption, including diesel, and electricity in our sold mining and rock processing equipment. The data is based on sales volumes and the anticipated lifespan of these products. Collaborating closely with quality assurance, services, and repair teams allows us to extend the operational lifespan of our products. These activities will, however, increase the category 11 emissions as the emissions account for the entire life expectancy of the product. For sold products equipped with combustion engines, we take a conservative approach and assume the equipment is run on diesel. For electric equipment, GHG emissions are closely linked to the electric grid mix in the country the product is sold to. Sales of electric equipment to countries with a high share of fossil free electricity in their grid result in lower GHG emissions.

For the entity specific metric of scope 1 and 2 intensity, two separate intensity metrics are disclosed, both revenues at fixed exchange rates and revenues according to the income statement has been used.

**E1-8 Internal carbon pricing**

Sandvik Group has not implemented an internal carbon pricing procedure.

# E2 Pollution

Pollution, including air, water, and soil pollution, were identified as material in our double materiality assessment.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Nitrogen oxides and sulfur oxides (NO <sub>x</sub> and SO <sub>x</sub> )	⊖ Own operations	Actual consumption of fossil fuels in our operations, both within transport and production activities.	Emissions cause eutrophication and acidification of water and soil that have negative effects on the environment and people's health.
Pollution	⊖ Downstream	Impact related to mining operations that may cause pollution related to air, water, and soil.	Pollution is interlinked to several topics, such as water, biodiversity, and affected communities, pollution may have a negative impact on all these topics that can affect both people and environment.

⊕ Positive impacts   ⊖ Negative impacts   ↗ Opportunities   ⚠ Risks

## E2-1 Policies related to pollution

Sandvik has several policies and procedures to manage our material impacts related to pollution. All pollution-related policies and procedures are part of our Group governance framework, The Sandvik Way, and are accessible on our Group intranet. More

information on our policy governance is found under *GOV-1*. Our Code of Conduct, Sandvik Business Partner Code of Conduct and a short version of the EHS policy is accessible on our external website [home.sandvik](http://home.sandvik).

IRO	Policy	Scope	Policy owner	Key contents
Nitrogen oxides and sulfur oxides (NO <sub>x</sub> and SO <sub>x</sub> )	Code of Conduct	NO <sub>x</sub> and SO <sub>x</sub> within own operations	General Counsel	– Commitment to environmental responsibility when operating our business and providing products and services.
Nitrogen oxides and sulfur oxides (NO <sub>x</sub> and SO <sub>x</sub> )	EHS policy	NO <sub>x</sub> and SO <sub>x</sub> within own operations	Head of Human Resources	– Commitment to protecting the environment. – Commitment to reducing scope 1 and 2 GHG emissions.
Pollution	Sustainability policy	Downstream	Head of Group Communications and Sustainability	– Development of products that enhance customers' environmental performance (sustainable solutions).
Pollution	Business Partner Code of Conduct	Downstream	President business area Rock Processing and sponsor of Procurement Council in the Group Executive Management	– Implement and maintain a risk-based approach to reduce or minimize any negative environmental impact from activities, products and services. – Control, measure, document, and plan work to minimize the environmental impact. – Actively work to replace hazardous chemicals with safer alternatives.

## E2-2 Actions and resources related to pollution

Our pollution-related policies, along with Group objectives and targets, guide our pollution-related actions. Each business area develops plans to meet the Group objectives, with annual targets set to drive performance at all organizational levels. Our decentralized way of working empowers sites, divisions, and sales areas to implement mitigation actions that are relevant in

their respective context or market. Common focus areas, ways of working, and best practices are shared and decided upon within the business areas and the Sandvik Group councils.

The downstream impact is related to the mining sector and potential negative impact on air, water, and soil. We are linked to this impact and have not developed any specific actions targeting the downstream value chain.

In the following table, our pollution-related implemented key actions in 2025 are disclosed.

IRO	Description	Scope	Key actions	Time horizon
Nitrogen oxides and sulfur oxides (NO <sub>x</sub> and SO <sub>x</sub> )	Pollution of NO <sub>x</sub> and SO <sub>x</sub> generated as a result of fossil fuel consumption is managed through our commitment to reducing GHG emissions. As we decarbonize our operations, the emissions of NO <sub>x</sub> and SO <sub>x</sub> decreases.	Own operations	– Expansion of battery electric, HVO and hybrid car fleet in, for instance, sales area northern Europe, south-east Asia, and USA.	2025
			– Fossil-fuel powered forklifts replaced with electric ones at several sites, including Ballygawley (Northern Ireland), Changzhou (China), and Elko (USA).	2025
			– Sites in Tampere and Turku (Finland) changed to HVO in test-running of products.	2025

## E2-3 Targets related to pollution

NO<sub>x</sub> and SO<sub>x</sub> pollution occurs as a result of fossil fuel consumption in our own operations. We have not adopted any specific pollution targets. However, our ambition to reduce pollution of NO<sub>x</sub> and SO<sub>x</sub> is incorporated in our targets to reduce GHG emissions. As we decarbonize our operations and work to meet our GHG reduction targets for scope 1 and 2, the emissions of NO<sub>x</sub> and SO<sub>x</sub> will also decrease. Our targets are to reduce scope 1 and 2 emissions by 50 percent by 2030, and by 90 percent by 2040, compared to the 2019 baseline.

We have not adopted any group-wide targets related to our material pollution-related topics within the downstream value chain. We track the effectiveness of our policies through several monitoring processes, where each policy outlines how compliance is monitored.

## E2-4 Pollution of air, water, and soil

Pollution of air, ton	2023	2024	2025
NO <sub>x</sub>	125.0	113.0	113.0
SO <sub>x</sub>	0.7	0.7	0.6

### § Reporting principles

The data is calculated based on data on fossil fuel consumption and by applying emission factors from the Swedish Environmental Protection Agency. Data on fossil fuel consumption is reported on a quarterly basis by the entities in our EHS reporting system. The fossil fuel consumption data primarily relies on information provided by suppliers. A minimal share of the data is estimated by using external statistics and industry averages.




The fossil fuel consumption data is offset by one month, allowing time for data collection, quality control, and consolidation. The data is gathered for the period January to November, and the December data is estimated based on the previous year's December data. All data refers to continuing operations. The historical data has been updated to include acquisitions and to reflect our organizational structure as of 2025, to get a comparable dataset.





We do not perform any direct measurements of NO<sub>x</sub> and SO<sub>x</sub> as we consider the current calculation methodology to be adequate.

# E3 Water and marine resources

Negative impacts on water and marine resources were identified in our upstream and downstream value chain, mainly related to mining activities and their impact on water quality and access. For our own operations, the impact on water was assessed not to be significant enough to meet the threshold of materiality, neither the risk, opportunities or dependencies on water. We manage the withdrawal and discharge processes in adherence to local

permits. All wastewater from production processes undergoes appropriate treatment, either within our facilities or through third-party operations, before being released back to recipients, or is recirculated and reused. We utilize the World Wildlife Fund's (WWF's) Water Scarcity Risk Map to identify sites located in water-stressed areas.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Water quality 	Upstream	Water quality impacts are related to the extraction and processing of minerals and metals. The extraction can affect water quality negatively through tailings and pollution. Further up in the value chain impacts on water may be associated with the use of chemicals in refining processes.	Poor water quality has a negative affect on health and wellbeing for people and wildlife. Potential negative effects on nature include decreased biodiversity.
Water quality and marine ecosystems 	Downstream	Impacts on water from mining activities, such as tailings or pollution to water. The use of water and mining activities can affect groundwater quality.	
Access to water 	Downstream	The use of water in mining operations may affect the access to water for people and nature.	Water is crucial for life, both for people and nature.

 Positive impacts    Negative impacts    Opportunities    Risks

## E3-1 Policies related to water and marine resources

We have not developed specific policies covering our material topics on water and marine resources. The area is however integrated in our Code of Conduct, Supplier Code of Conduct, Business Partner Code of Conduct, and Sustainability policy. Our community involvement projects are steered by the Community involvement, sponsorship and donations procedure. We recognize water as a shared resource and put requirements on suppliers and business partners to measure, document, and plan their work to minimize their environmental impact from water consumption. The effectiveness of policies addressing water and marine resources is followed up through monitoring of compliance within respective policy.

Remediation is a part of our due diligence process. Suspected breaches or concerns related to regulations or our policies can be reported through our global whistleblowing mechanism Speak Up, including impacts related to water and marine resources.

## E3-2 Actions and resources related to water and marine resources and E3-3 Targets related to water and marine resources

We have not developed specific actions, targets, and metrics related to the material topics on water and marine resources. We are linked to water impacts through our business relationships in the upstream and downstream value chain. Therefore, we apply phase in provisions for the development of entity specific metrics.

Through our community involvement and sponsorship activities, we have the opportunity to contribute to addressing water-related challenges in the areas where we operate. For example, this may involve supporting local communities in implementing clean water solutions.

When evaluating strategic suppliers, we assess their environmental impact to minimize the impact of the materials we source. Through our approach to develop and offer sustainable solutions for our customers, we take action which indirectly reduces negative impacts on water. We develop water-efficient mining and rock processing solutions that reduce our customers' water use. Developing and providing our customers with sustainable solutions is integrated into our strategy and business model.

## E4 Biodiversity and ecosystems

Negative impacts on biodiversity and ecosystems were identified in our upstream and downstream value chain, mainly related to mining activities and their effect on land use change, pollution, and GHG emissions. Disruptions in ecosystems and decreasing biodiversity affect all living beings, both people and environment negatively. We recognize that people, biodiversity, and ecosystems are linked, and that nature supports human health and wellbeing.

Biodiversity and ecosystems are not considered material topics within our own operations and do not generate direct effects on our strategy and business model. Based on our assessment, we have identified no direct material impact or associated risks related to the topic of biodiversity and ecosystems. Consequently, we have not developed a transition plan for this topic.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Impacts on biodiversity and ecosystems	Upstream	Potential impacts related mainly to mining activities in terms of change of land use, pollution, and GHG emissions. Effects throughout the value chain of minerals and metals that may affect biodiversity and ecosystems were considered.	Disruptions in ecosystems and decreasing biodiversity affect all living beings, both people and environment negatively.
Impacts on biodiversity and ecosystems	Downstream		

⊕ Positive impacts   ⊖ Negative impacts   ↗ Opportunities   ⚠ Risks

### E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model

Sandvik has not assessed any risks in terms of resilience related to our strategy and business model in relation to biodiversity and ecosystems.

### ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

Biodiversity and ecosystems have not been assessed as material topics within our own operations. We have not identified any sites in our own operations that have activities negatively affecting biodiversity-sensitive areas or that affect threatened species. We have not identified material negative impacts with regard to land degradation, desertification or soil sealing.

### E4-2 Policies related to biodiversity and ecosystems

We have not developed specific policies for the area of biodiversity and ecosystems. The area is however integrated into our Code of Conduct, Supplier Code of Conduct, Business Partner Code of Conduct, and Sustainability policy. Our community involvement projects are steered by the Community involvement, sponsorship and donations procedure. We recognize that people, biodiversity, and ecosystems are linked, and that nature fundamentally supports human health, wellbeing, and economic prosperity. Biodiversity and ecosystem impact is complex and faces multiple pressures, including direct factors like land use changes and overexploitation of natural resources, as well as indirect factors such as GHG emissions and pollution. The effectiveness of policies addressing biodiversity and ecosystems is measured within the framework of Sandvik Group's management system.

Remediation is a part of our due diligence process. Suspected breaches or concerns related to regulations or our policies can be reported through our global whistleblowing mechanism Speak Up, including impacts related to biodiversity and ecosystems.

### E4-3 Actions and resources related to biodiversity and ecosystems and E4-4 Targets related to biodiversity and ecosystems

We have not developed specific actions, targets and metrics related to biodiversity and ecosystems. We are linked to these impacts through our business relationships in the upstream and downstream value chain. We therefore apply phase-in provisions for the development of entity specific metrics.

Through our community involvement and sponsorship activities, we have the opportunity to contribute to addressing ecosystem-related challenges in the areas where we operate.

When evaluating strategic suppliers, we assess their environmental impact to minimize the impact of the materials we source. Through our approach to develop and offer sustainable solutions for our customers, we take action which indirectly reduces negative impacts within the area of ecosystems. This includes transitioning to circular business models to optimize resource utilization, shifting to electric-powered equipment to minimize tailpipe emissions, and developing water-efficient solutions that reduce our customers' water use. Developing and providing our customers with sustainable solutions is integrated into our strategy and business model.

# E5 Resource use and circular economy

We are committed to playing our part in building a global economy based on circular business models. By minimizing waste and finding new ways to capture sustainable materials and products within closed loops, we can bring environmental benefits for air, land, and water. Circularity is integrated in our strategy and our business model, and is one of our sustainability focus areas and an important aspect of our sustainable solutions. We actively work with prolonging the lifecycle of our products and increase resource recovery. We aim to increase recycled content

in our products, we run buyback programs to reuse materials and offer reconditioning and refurbishment of our products. Recycled materials and remanufacturing/reconditioning are material within circularity as potential and actual positive impacts. It is also assessed as an opportunity. Waste-related negative impacts are present throughout the complete value chain. We have considered the implications of waste not being recycled or correctly handled, such as pollution to air, water, and soil.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Recycled materials	⊕ Upstream, own operations	Buyback programs and recycled content in products in all business areas.	Increased use of recycled material contributes to the transition towards a circular economy and generates potential positive effects both for people and environment.
Reconditioning and refurbishment	⊕ Own operations	Reconditioning and refurbishment performed in all business areas.	Prolonging our products' lifespan contributes to a circular economy with a potential positive impact.
Waste generation and waste impacts	⊖ Upstream	Waste through the minerals and metals value chain. Refining raw materials goes through many steps of refining and processing and all these steps generate waste.	Waste that is not recycled or reused has a potential negative impact on people and the environment. If not handled properly, it may increase pollution to air, water, and soil. Tailings related to mining operations are difficult to recirculate and can generate significant pollution.
Waste	⊖ Own operations	Non-circular waste.	
Waste generation	⊖ Downstream	Mining waste.	
Recycled materials	⤴ Own operations	Offering related to circularity and recycled material, such as use of recycled materials in products, and buyback and recycling programs.	
Reconditioning and refurbishment	⤴ Own operations	Our business offering related to reconditioning and refurbishment, regrinding of tools, remanufacturing and redesign, parts and services that support reconditioning of products.	

⊕ Positive impacts   ⊖ Negative impacts   ⤴ Opportunities   ⚠ Risks

## E5-1 Policies related to resource use and circular economy

Sandvik has adopted several policies and procedures to manage our material impacts and opportunities related to resource use and circular economy.

Sandvik Group has not employed a policy commitment on transitioning away from the use of virgin resources, including relative increases in the use of secondary (recycled) resources.

Sustainable sourcing is governed through our Responsible sourcing of minerals and metals procedure and Supplier sustainability evaluation procedure, included in the Procurement policy. The Responsible sourcing of minerals and metals procedure applies to the sourcing of tin, tantalum, tungsten, gold, and cobalt used in our products. The purpose of the procedure is to ensure compliance with the OECD Due Diligence Guidance for

Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas and relevant legislations. The Supplier sustainability evaluation procedure outlines our work to identify, mitigate and account for adverse environmental, human rights, and governance impacts from our supply chain. It outlines rules for evaluating and approving a supplier as compliant with our Sandvik Supplier Code of Conduct. The procedure establishes the utilization of EcoVadis to screen suppliers for inherent risks based on country and industry-related risks.

All circularity-related policies and procedures are part of our Group governance framework, The Sandvik Way, and accessible on our global intranet. The Code of Conduct, Supplier Code of Conduct, Business Partner Code of Conduct, and a short version of the EHS policy is accessible on our external website [home.sandvik](http://home.sandvik).

IRO	Policy	Scope	Policy owner	Key contents
Waste	Supplier Code of Conduct	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	<ul style="list-style-type: none"> <li>Requirements on controlling, measuring, and documenting the work to minimize the environmental impact of waste.</li> <li>Guidance on minimizing waste to landfill, especially hazardous waste.</li> </ul>
Waste	Sustainability policy	Upstream	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>Commitment to promote resource efficiency throughout the value chain.</li> </ul>
Recycled materials	Supplier Code of Conduct	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	<ul style="list-style-type: none"> <li>Guidance on selecting materials and resources that can be reused and recycled.</li> <li>Guidance on participating in the transition from a linear to a circular economy and work towards conserving finite resources.</li> </ul>
Recycled materials	Sustainability policy	Upstream	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>Commitment to move to more circular business models.</li> <li>Commitment to promote circularity throughout the value chain.</li> </ul>
Waste and recycling	Code of Conduct	Own operations	General Counsel	<ul style="list-style-type: none"> <li>Commitment to follow local procedures on waste separation to minimize environmental harm.</li> <li>Commitment to reuse and recycle materials.</li> </ul>
Waste and recycling	EHS policy and procedures	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>Promotion of systems to minimize waste.</li> <li>Promotion of systems to reuse, recycle, and recover materials and follow the waste hierarchy.</li> </ul>
Waste and recycling	Sustainability policy	Own operations	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>Commitment to minimize waste.</li> <li>Commitment to recirculate products and materials.</li> </ul>
Reconditioning and refurbishment	Sustainability policy	Own operations	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>Commitment to provide reconditioning and refurbishment services for our products and equipment.</li> </ul>
Waste	Sustainability policy	Downstream	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>Commitment to move to more circular business models.</li> <li>Commitment to recirculate products and materials.</li> </ul>
Waste	Business Partner Code of Conduct	Downstream	General Counsel	<ul style="list-style-type: none"> <li>Requirements on controlling, measuring, and documenting the work to minimize the environmental impact of waste.</li> <li>Guidance on minimizing waste to landfill, especially hazardous waste.</li> </ul>

## E5-2 Actions and resources related to resource use and circular economy

Our circularity-related policies, along with Group objectives and targets, guide our circularity-related actions. Each business area develops plans to meet these objectives, with annual targets set to drive performance at all organizational levels. Through our decentralized way of working, sites, divisions, and sales areas can implement actions appropriate for their context and the markets

where they operate. Common focus areas, ways of working, and best practices are shared and decided upon in the business areas and Sandvik Group councils.

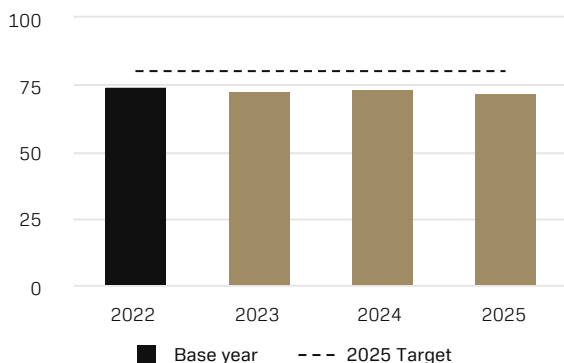
Through our community involvement and sponsorship activities, we have the opportunity to contribute to addressing waste-related challenges in the areas where we operate. For example, this may include supporting local communities to develop innovative ways to reuse or recycle waste materials.

IRO	Description	Scope	Key actions	Time horizon
Waste	Through our Supplier Code of Conduct, we set requirements on suppliers to control, measure and document the work to minimize the environmental impact of waste. We also provide guidance on minimizing waste to landfill, especially hazardous waste.	Upstream	<ul style="list-style-type: none"> <li>— No implementation of key actions targeting this IRO during 2025.</li> </ul>	
Recycled input materials	We aim to increase recycled content in our products. We run buyback programs where we repurchase customers' used cemented carbide inserts, drill bits and rock tools and use them to manufacture new tools. For instance, our tungsten carbide powder Bergla is made of 100% recycled tungsten raw material.	Upstream	<ul style="list-style-type: none"> <li>— Sandvik continuously works to increase the use of direct recycled materials to reduce the carbon footprint and increase the circularity of our cemented carbide products.</li> <li>— Business area Machining and Intelligent Manufacturing engages in RESQTOOL, an EU-funded project aimed at developing sustainable and energy-efficient solutions for recycling hard metals.</li> <li>— Divisions Rock Tools and Ground Support increased their scrap-based steel supply, engaging with suppliers that use an electric arc furnace in their steelmaking process.</li> <li>— Business area Machining and Intelligent Manufacturing is committed to increasing the use of recycled and recyclable plastics in its packaging solutions. For example, the Seco division introduced packaging made from 98–100% recycled plastic. Similarly, Sandvik Coromant's plastic tube packaging is now made of 98% recycled plastic materials.</li> <li>— Sandvik is the first supplier in the industry to be certified for circularity in the production of key crushing components. Through a validated process in our foundry in Svedala (Sweden), worn-out steel parts are collected, recycled, and reintroduced into the melting process to form new genuine parts – like mantles and concaves. As a result, more than 90% recycled steel is used in production, avoiding large amounts of virgin raw material, and saving over 16,000 tons of CO<sub>2</sub>eq emissions annually.</li> </ul>	<p>2025</p> <p>Ongoing since 2024.</p> <p>2025</p> <p>2025</p> <p>The closed-loop approach has been in place for more than 15 years. Circularity certification was received in 2025.</p>
Waste and recycling	We work according to the waste hierarchy. We systematically collect and categorize waste generated from our production to facilitate the reuse or recycling of the materials. Our commitment to sustainable waste management includes partnerships with external entities, such as waste service companies, with whom we collaborate to explore innovative recycling methods for our waste streams. Each of our sites are responsible for ensuring that third-party waste companies handle the waste in strict accordance with contractual and legislative obligations. Furthermore, all employees and contractors are responsible for accurate waste sorting and disposal.	Own operations	<ul style="list-style-type: none"> <li>— Implementation of a hydraulic oil filtering system at the Rock Processing site in Perth (Australia) which facilitates the reuse of hydraulic oil. The need for virgin hydraulic oil and the generation of hazardous waste are reduced.</li> <li>— Aluminum oxide recycling has been implemented in Münsingen (Germany) and Westminster (USA), each using a tailored approach. In Münsingen, the waste is sent to an external recycler, where it is processed for reuse in other industrial applications. In Westminster, the initiative was enabled through close collaboration with the supplier. The material is now returned to the supplier, who remelts and reprocesses it into new aluminum oxide blasting media. Both these initiatives divert waste from landfill, reduce the need for virgin raw materials and contribute to circular material flows.</li> </ul>	<p>2025</p> <p>2025</p>
Reconditioning and refurbishment	We prolong the product lifecycle through initiatives such as insert reconditioning and equipment refurbishment. With reconditioning and refurbishment, we can bring our products back to their original quality, several times.	Own operations	<ul style="list-style-type: none"> <li>— Division Sandvik Coromant completed a pilot study focusing on the remanufacturing of small vibration damped tools. In this initiative, used tools were retrieved from the customer, remanufactured, and returned with full performance, creating a circular loop with both environmental and economic benefits.</li> <li>— Business area Rock Processing continued the refurbishment program for used screens, feeders and excitors. At the Sandvik facility in Jandakot (Australia) this equipment is restored with a focus on reusing as many components as possible. Parts that cannot be reused are often recycled.</li> <li>— Business area Mining continued its life extension program. The program schedules strategic rebuilds of equipment throughout its operational lifetime.</li> </ul>	<p>2025</p> <p>Ongoing since 2011. Acquired by Sandvik in 2022.</p> <p>Ongoing since early 2000s.</p>
Waste	Our buyback programs and refurbishment programs reduce downstream waste generation.  We take full end-to-end responsibility for batteries in our mining equipment, including battery design and we provide battery recycling options in areas where our battery-electric vehicles (BEVs) operate.	Downstream	<ul style="list-style-type: none"> <li>— Business area Mining expanded the roll-out of its carbide drill bit recycling program. In all onboarded markets, every rock tool is automatically included in the program.</li> <li>— Business area Machining and Intelligent Manufacturing continued to introduce its digitalized customer recycling program for used carbide tools across additional markets. The new self-service portal offers a faster, more user-friendly experience with enhanced traceability.</li> <li>— Business area Mining continued the end-of-life recycling program for mining equipment in Australia and New Zealand.</li> </ul>	<p>Ongoing since 2023.</p> <p>Digitalized approach ongoing since 2024.</p> <p>Ongoing since 2023.</p>

## E5-3 Targets related to resource use and circular economy

We have a group-wide waste circularity target to reach a minimum of 80 percent waste circularity within our own operations by 2025. This target relates to preparing for reuse and recycling in the waste hierarchy. In 2025, we reached a waste circularity rate of 72 percent (74).

### Waste Circularity %



We did not reach the waste circularity target of 80 percent in 2025. A main challenge to improving waste circularity and reaching our waste circularity target is identifying and implementing viable solutions for waste types that are currently non-recyclable due to their characteristics. In geographical areas with limited recycling infrastructure, finding disposal alternatives to landfill remains a challenge.

Targets on increased circular product design, such as design for durability, dismantling, repairability, recyclability, and circular material use rates, are not available on a Group level, but exist on a divisional and business area level. We track the effectiveness of our policies through several monitoring processes, with each policy outlining how compliance is monitored.

### § Reporting principles

We define circular waste as waste being reused and recycled. In circularity rate reporting we exclude tailings, digestion sludge, foundry sand, and slag since we deem it unfeasible to prevent these materials from being sent to landfill in the foreseeable future. The waste circularity rate is calculated by dividing the weight of the circular waste with the weight of the total waste, excluding the excluded waste fractions. Ecological thresholds were not considered when setting the target. Legislation does not require Sandvik Group to employ a waste circularity target.

We monitor and review target progress at all levels within the organization on a quarterly basis. The data collection is based on the quarterly waste reporting that takes place on a location level. More information about our waste reporting principles is found within E5-5.

## E5-5 Resource outflows

### Products and materials

We are committed to playing our part in building a global economy based on circular business models. For Sandvik, a circular business model includes all parts of the product lifecycle, from design and sourcing, to use, prolonging the lifecycle, and resource recovery. We work strategically with strengthening circular business models and offerings across our business areas. Developing circular business models is a critical part of our sustainability focus areas.

Circularity begins at the design state, where we aim to design products for longer lifespans, refurbishment, reuse, and easy recyclability. We aim to increase recycled content in our products. We run buyback programs where we repurchase customers' used cemented tools, carbide inserts, and drill bits, and use them to manufacture new tools.

We prolong the product lifecycle through initiatives such as inserts reconditioning and equipment refurbishment that bring our products back to their original quality, several times. Our reconditioning centers extend the lifespan of solid round tools, such as carbide drills and end mills, restoring them to original quality and prolonging their total lifecycle. This process not only maximizes the utilization of raw materials in manufacturing but also reduces cutting tool costs for customers. Our refurbishment program brings new life into aging mining and rock processing equipment, offering a sustainable alternative to purchasing new machinery. By refurbishing and upgrading key components, the program not only extends the lifespan of equipment but also significantly reduces its environmental impact. This initiative supports the circular economy, cuts waste, and minimize the need for new raw materials.

We take full end-to-end responsibility for batteries in our mining equipment, including battery design, secondary applications and end-of-life management. Lithium-ion batteries are typically considered to be at end-of-life at 80 percent of their capacity. However, mining operations present unique opportunities to utilize the remaining capacity. Sandvik batteries from high-consumption vehicles, such as trucks, can be repurposed for equipment with lower energy requirements, such as loaders, or be integrated into stationary energy storage systems, supporting site infrastructure such as lighting and charging stations. When batteries reach the end of their operational life, we ensure responsible recycling through regional partnerships. While China currently dominates recycling capabilities, initiatives are underway to develop facilities in North America, Europe, and elsewhere, creating a more efficient network.

**Waste**

<b>Waste by type and disposal method, ton</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Total amount of waste generated	332,836	371,535	398,751
<b>Circular waste</b>			
Total amount of circular waste	49,128	51,897	46,649
Share of circular waste, %	14.8	14.0	11.7
<b>Hazardous waste</b>			
Preparation for reuse	123	117	151
Recycling	6,821	6,416	7,900
<b>Non-hazardous waste</b>			
Preparation for reuse	7,728	11,762	6,800
Recycling	34,456	33,602	31,798
<b>Non-circular waste</b>			
Total amount of non-circular waste	283,708	319,638	352,102
Share of non-circular waste, %	85.2	86.0	88.3
<b>Hazardous waste</b>			
Energy recovery	795	515	422
Incineration	981	1,146	933
Landfill	10,716	11,688	12,653
Unspecified treatment	811	637	560
<b>Non-hazardous waste</b>			
Energy recovery	3,826	3,293	3,007
Incineration	292	452	183
Landfill	265,615	300,435	333,111
Unspecified treatment	671	1,472	1,233
Radioactive waste	0	0	0

After mining tailings, our most significant waste fraction is various forms of metal raw materials as our products are refined products based on metal handling. A metal raw material can be melted down and used many times, without compromising quality, which creates favorable conditions for circular material handling. Within our own operations, metals have a close to 100 percent recycling rate.

**§ Reporting principles**

The waste data is sourced from our EHS reporting system, with reporting occurring quarterly at the entity level. The determination of the generated waste amounts and its disposal method primarily relies on information provided by waste disposal companies. A minimal share of the waste data is estimated by using external statistics and industry averages.

The waste data is offset by one month, allowing time for data collection, quality control, and consolidation. The data is gathered for the period of January to November. December data is estimated based on previous years December data. All waste data refers to continuing operations.

In our waste management framework, reportable waste disposal methods are defined based on the disposal codes outlined in the EU Regulation (EC) No 1013/2006 of the European Parliament and Council dated 14 June 2006 concerning shipments of waste. These definitions are applied by our reporting entities.

# EU Taxonomy

For the 2025 taxonomy reporting, Sandvik has chosen to apply the Commission Delegated Regulation (EU) 2026/73 of 4 July 2025. This means mainly that the presentation format has changed compared with previous years reporting.

The EU Taxonomy identifies specific activities in certain sectors that contribute significantly to at least one of the EU's environmental goals. These activities must also avoid causing significant harm to any of the other objectives and adhere to minimum social safeguards (Taxonomy-aligned). Sandvik has assessed its operations to determine applicable eligible activities, as outlined by the criteria in the EU delegated acts and supporting NACE code information. Sandvik is reporting details for CapEx for 7.7 acquisition and ownership of buildings. Compared to the previous year's reporting, activities considered immaterial have not been assessed for eligibility and alignment. This includes: manufacture of iron and steel and acquisition and ownership of buildings.

The Do No Significant Harm (DNSH) criteria presents certain limitations in the evaluation of alignment, which arise from the fact that European reporting standards are not applied globally, and unclarity remains in the interpretation of certain requirements. The Commission is conducting a review of all the DNSH criteria. The objective is to revise them to enhance simplicity, usability, and alignment with EU legislation. Due to this, we have opted to maintain a conservative compliance approach to the DNSH criteria, resulting in a reported zero percent

alignment across all KPIs. We monitor developments regarding the taxonomy and, as reporting practices and guidelines evolve, we may reassess our current stance. Sandvik has used the Platform on Sustainable Finance's Final report on Minimum Safeguards to assess compliance with the minimum safeguards laid down in Article 18 in Regulation (EU) 2020/852. There are processes in place to secure minimum safeguards relating to anti-corruption, fair competition and taxation, as well as following the OECD's six steps for due diligence of human rights. An overview of due diligence is found under GOV-4 in the sustainability statement. There have been no court convictions in any of these areas.

## § Reporting principles

Total turnover included in the denominator includes external reported revenue (line revenues).

Total CapEx included in the denominator includes additions through acquisitions and business combinations in property, plant and equipment (note G13), intangible assets, excluding goodwill (note G12) and right-of-use assets (note G14).

Total OpEx included in the denominator are R&D, short-term and low-value leases, maintenance and repairs and other direct expenditure relating to maintenance of buildings.

## Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities

Financial year (N)	2025														
KPI (1)	Total (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Breakdown by environmental objectives of Taxonomy aligned activities						Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non-material (14)	Taxonomy aligned activities in previous financial year (N-1) (15)	Proportion of Taxonomy aligned activities in previous financial year (N-1) (16)
					Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)					
	MSEK	%	MSEK	%	%	%	%	%	%	%	%	%	%	MSEK	%
<b>Turnover</b>	120,680	0													
<b>CapEx</b>	6,345	16.6													
<b>OpEx</b>	9,455	0													

## Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities

Reported KPI CapEx													
Financial year 2025													
Economic Activities (1)	Code (2)	Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover / CapEx / OpEx) (3)	Taxonomy aligned KPI (monetary value of Turnover / CapEx / OpEx) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover, CapEx, OpEx) (5)	Environmental objective of Taxonomy aligned activities						Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
					Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
		%	MSEK	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Acquisition and ownership of buildings	CCM 7.7	16.6											0
<b>Sum of alignment per objective</b>													
<b>Total KPI CapEx</b>		16.6											0

# Social information

S1	Own workforce	85
S2	Workers in the value chain	93
S3	Affected communities	97

## S1 Own workforce

### ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

Sandvik aims to be the employer of choice within our industries and attract, retain, and develop diverse talents to drive our strategy. This is one of our six strategic objectives. Access to future employees with necessary education and skill sets related to our business is essential for Sandvik. Not having the right competence and engagement from our employees can affect our ability to deliver on our strategy and financial results.

Sandvik has identified positive impacts related to our own workforce. In the assessment we have considered local and global initiatives and the proactive work we do in the areas of equal opportunities and health and safety. In the scope for the double materiality assessment all employees were considered. Health and safety for our own employees is considered to be a risk. The risk within health and safety is related to the financial effect if we do not deliver on the expectations for our health and safety standards. Own workforce and access to human capital is also considered a risk for Sandvik, related to the retention and attraction of talented employees.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Employee health and safety	⊕ Own operations	Extensive health and safety programs and a proactive health and safety culture have a positive impact on our own workforce. Sandvik offers health and wellbeing programs to all employees, including a diverse range of initiatives related to, for example, work-life balance, healthy eating, and stress management. Access to medical and healthcare services and employee assistance programs are tailored to local needs, ranging from on-site professional healthcare to external partnerships providing services like vaccinations and health checks for our employees. We work actively with occupational risk management. All Sandvik locations are required to incorporate occupational health risks, such as exposure to noise, dust, fumes, and other hazardous materials in their location risk assessments as an integral part of their EHS management systems. We consistently strive to substitute hazardous materials in our production with less harmful alternatives.	Our diverse range of programs related to health and safety improves working conditions, and aims to support personal health and wellbeing.
Fair treatment for equal opportunity	⊕ Own operations	Local and global initiatives have a positive impact on our own workforce related to non-discrimination and equal opportunities. Sandvik strives to create an equitable workplace with an inclusive culture, ensuring fair remuneration, and working terms that consider individual needs. This commitment is clear in our recruitment, people development, and retention efforts, with ongoing initiatives, and we regularly monitor our inclusion levels through our Your Voice surveys. All internal global leadership programs include training on creating an inclusive work environment and promoting diversity. Sandvik offers 14 weeks of gender-neutral paid parental leave to all our employees.	Different impacts across Sandvik, for example initiatives that enable female workers in a previously male-dominated workplace, and support equal opportunities locally. Proactive initiatives and integration in all processes supports all employees.
Health and safety	⚠ Own operations	The risk is related to the financial effect if we fail to deliver on our health and safety standards. This includes the working environment for our employees as well as the safety of our products and our products' contribution to the working environment at customer sites. There is also a financial risk if we do not meet our customers' expectations on health and safety. Financial effects could be triggered through reputational risk, lost business, and our ability to attract and retain employees.	
Human resources	⚠ Own operations	The retention and attraction of talented employees is material in the long-term. Sandvik aims to be the employer of choice within our industries and attract, retain and develop diverse talents to drive our strategy. Access to future employees with necessary education and skill sets related to our businesses is essential for Sandvik. Not having the right competence and engagement from our employees can affect our ability to deliver on our strategy and financial results.	

⊕ Positive impacts   ⊖ Negative impacts   ↻ Opportunities   ⚠ Risks

## S1-1 Policies related to own workforce

Sandvik has several policies and governing documents in place to manage material impacts and risks within our own workforce. Our Code of Conduct is a vital component that guides our actions as individual employees and as a company in our daily work. It establishes the ethical standards we adhere to. Key policies

include our People policy, which underscores our commitment to employees, outlining our approach to attracting, developing, and retaining staff. Our Environment, Health and Safety (EHS) policy establishes our systematic ways of working related to health and safety.

IRO	Policy	Scope	Policy owner	Key content
Fair treatment for equal opportunity	Code of Conduct	Own operations	General Counsel	<ul style="list-style-type: none"> <li>– Commitment to provide equal opportunities regardless of sex, gender identity or expression, sexual orientation, race, ethnicity, national origin, age, disability, religion or belief, marital or family status, or any other characteristic.</li> <li>– Commitment to zero tolerance for any form of intimidating or disrespectful behavior, bullying, harassment, unwanted sexual advances or unlawful discrimination, and the encouragement to speak up in case of any breaches.</li> <li>– Highlighting the importance of an inclusive culture where every person is committed to being open-minded, encouraging new ideas and learning from each other, encouraging the development of all individuals and diverse teams at all levels and in all functions, and promoting psychological safety and wellbeing for all our people.</li> <li>– Highlighting the importance of visible and proactive leadership to achieve inclusion.</li> </ul>
Fair treatment for equal opportunity	Human rights commitment	Own operations	General Counsel	<ul style="list-style-type: none"> <li>– Commitment to labor rights and fair working conditions, reject all forms of harassment or bullying, and a zero-tolerance policy against discrimination based on sex, gender identity or expression, sexual orientation, ethnicity, national origin, age, disability, belief, material status, social group, or any other characteristics.</li> <li>– Highlighting the importance to strengthened inclusion and an inclusive culture that promotes fair treatment for equal opportunity.</li> </ul>
Fair treatment for equal opportunity	Human Rights policy	Own operations	General Counsel	<ul style="list-style-type: none"> <li>– Description of the governance structure, due diligence process, and functional ownership.</li> <li>– Commitment to engaging with our own workforce.</li> </ul>
Fair treatment for equal opportunity	People policy	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Commitment to practices and programs that are fair, transparent and unbiased. Ensuring the right of all employees to have fair treatment to access equal opportunity for growth and development, as well as equitable remuneration practices.</li> <li>– Commitment to zero tolerance for discrimination due to factors such as sex, gender identity or expression, sexual orientation, ethnicity, national origin, age, disability, belief or religion, marital or family status, social group, racial origin, color, political opinion, national extraction, or any other characteristics.</li> <li>– Commitment to protect vulnerable groups, i.e. remove bias, barriers and to provide appropriate facilities to ensure fair treatment.</li> <li>– Sandvik dedication to engaging with our workforce.</li> </ul>
Fair treatment for equal opportunity	Reward procedure	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Commitment to pay principles and pay levels being decided independently of sex, gender identity or expression, sexual orientation, ethnicity, national origin, age, disability, belief or religion.</li> <li>– Commitment to comply with the local legislation, such as equality laws and possible collective bargaining agreements.</li> </ul>
Human resources	People policy	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Commitment to how we attract, develop, engage, and retain our employees.</li> </ul>
Human resources	Human resources procedure	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Commitment to provide equal opportunities regardless of sex, gender identity or expression, sexual orientation, ethnicity, national origin, age, disability, belief or religion, marital or family status, social group, racial origin, color, political opinion national extraction, or any other characteristic.</li> <li>– Attract, recruit and onboard: to be the employer of choice in selected markets, industries, and target groups.</li> <li>– Engage, develop and perform: Sandvik is committed to providing a safe and inclusive work environment where employees feel engaged.</li> <li>– Establishes accountability and a structured approach to assess gaps, define actions, and track progress.</li> </ul>
Health and safety	Code of Conduct	Own operations	General Counsel	<ul style="list-style-type: none"> <li>– Commitment to provide healthy and safe workplaces and our vision of zero harm.</li> <li>– Highlighting the importance of visible and proactive leadership to achieve healthy and safe workplaces.</li> <li>– Highlighting the importance of a culture where every person is committed to preventing injury and occupational illness, and where we actively promote psychological and physical health and wellbeing for all our people.</li> </ul>
Health and safety	EHS policy and procedures	Own operations	Head of Human Resources	<ul style="list-style-type: none"> <li>– Commitment to provide healthy and safe workplaces and our vision of zero harm.</li> <li>– ISO 45001 requirement for major locations. At the end of 2025, about 75 percent of the established sites had achieved certification (recently commenced and acquired sites excluded).</li> <li>– Highlighting the importance of visible and proactive leadership to achieve healthy and safe workplaces.</li> <li>– Establishment of systematic ways of working, e.g. risk analyses, hazards identification and management, training, health and wellbeing programs, and incident reporting and investigation.</li> </ul>

Sandvik Group Executive Management has the overall accountability for the implementation of our policies. More information on Sandvik policy governance is found under *GOV-1*.

Business area presidents, division presidents, and heads of Group functions ensure that each policy is communicated and implemented across their respective areas. They allocate necessary resources and take appropriate actions when breaches occur.

The foundation of our Code of Conduct is, together with our core values, built on the International Bill of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption as outlined in the ten principles of the United Nations Global Compact, in which we participate. We are committed to adhering to the principles, to the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights. We believe that by doing so we are providing a solid foundation that supports a more sustainable future for Sandvik and for our stakeholders.

## S1-2 Processes for engaging with own workers and workers' representatives about impacts

### Process for engaging with own workers

Our engagement with employees involves continuous dialogue and action planning at multiple levels. Our employees participate in development conversations and team performance dialogues. Sandvik has a global process to engage with our workforce via a survey on the engagement insights platform, which offers all employees the opportunity to express their views regarding the workplace. The survey is performed monthly or quarterly, depending on role and entity. The platform collects insights on employee perceptions of workplace practices, which inform the development of strategies and actions centered around employee needs. The employee engagement results are reported in the Sandvik Group annual report, as well as internally in the quarterly business reviews, internal communication channels, and through the engagement insights platform to all employees.

Managers are responsible for their teams' engagement and organize regular team dialogues to determine and track progress of action plans. Human Resources functions utilize insights to inform the development and continuous improvement of processes, people policies, strategies, targets and actions. Management teams in the business areas develop actions aligned with global initiatives set by the Group. At Group level, an annual full analysis of employee feedback is performed and used as input to the strategy. In line with our decentralized organization, the business areas are accountable for setting, following up on, and reporting their targets and actions based on their business areas employee insights and business context. Progress on results and action implementation is reviewed quarterly as part of the business review process.

In our analysis of employee feedback, Sandvik uses demographic attributes such as gender, age, job classification, managerial level, and job family, alongside qualitative feedback, to gain insights into the perspectives of potentially vulnerable or marginalized groups, including women and people with disabilities. These findings are included in the global report and addressed through the established processes.

### Process for engaging with workers' representatives

Sandvik has established processes for engaging with workers' representatives. The processes are determined by legislation and agreements established at the Sandvik Group, European Union, and country levels. Interaction on all levels includes information and dialogue in areas such as business, operations, and sustainability performance.

Sandvik has Board Union representation in accordance with the Swedish Companies Act.

Sandvik has an agreement with the Sandvik European Works Council (EWC) according to the 2009/38 EWC Directive. The Head of Industrial Relations is responsible for the interaction and carries out monthly update meetings with the EWC Executive Committee. In addition to monthly meetings, Sandvik calls for formal consultation and information sessions regarding strategic topics or other areas of interest. The EWC has the right to ask for additional information sessions. All meetings are documented. Besides ongoing consultations and information sessions, the EWC meets with representatives from Executive Management every year for updates on strategic matters and to have a dialogue regarding topics of importance.

Union and works council consultation, information sessions and negotiations take place in accordance with local legislation throughout the entire organization. When appropriate and needed, meetings are documented and signed between the parties.

Sandvik believes that a sound and constructive dialogue with unions and works councils is important to safeguard compliance to local labor legislation. It also builds a relationship of trust where information can be shared openly, and Sandvik can obtain fact-based feedback from an employee/worker's representative perspective. This information improves our decision-making in matters that may impact our employees.

### Process for engaging with own workforce about health and safety

Health and safety are priorities within Sandvik and we have global processes for engaging with our employees and workers' representatives about actual and potential impacts. Through our decentralized organization, employees are enabled and empowered to influence their workplace.

The Sandvik Environment, Health, and Safety (EHS) council, comprising representatives from all business areas, serves as a key forum to facilitate collaboration across the company, share best practices and advance our progress towards our vision of zero harm. While health and safety activities are decentralized within the business areas, the EHS council identifies, reaches consensus on, and implements common initiatives and procedures.

Our health and safety management system, certified according to ISO 45001 at our major locations, highlights the importance of workers' participation and engagement. Across the organization, employee safety representatives are involved in occupational health and safety decisions and activities. Local health and safety committees are organized at various locations, including representatives from local management, employees and EHS professionals. In addition, each major location conducts an EHS culture survey every third year to assess their health and safety culture. The EHS culture survey collects insights from employees on how to improve the safety culture at each location.

Questions related to health and wellbeing are part of our surveys on the engagement insights platform to improve productivity and engagement and reduce absenteeism and work-related illness. The survey is measured monthly or quarterly depending on role and entity.

## S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

Employees and external parties who witness a violation of the Code of Conduct, laws, or our policies, can report the violation anonymously, through the global Speak Up whistleblowing tool. Each report is assigned to an investigator from the relevant business area, ensuring an independent and impartial investigation. The Ethics Office oversees the effectiveness of the Speak Up process. Reports, investigations and remediations are recorded, monitored, and included in reporting to the Audit Committee. Details of our Speak Up mechanism can be found under *G1-1*.

Employee grievance matters are handled locally within the legal entity where it is occurring and according to local processes and legislation. Practices differ between countries based upon local legislation and local processes.

In 2025, we implemented quarterly reporting of employee grievance cases. This applies to all legal entities globally. Sandvik has also developed an Employee grievance procedure, that is being implemented throughout the company during the year, in order to secure that all legal units are covered by mechanisms and processes to handle grievance cases.

As part of our health and safety management system, each employee is encouraged to identify, report, mitigate, and manage hazards within their workplace. All workers are trained to identify and control the risks arising from the tasks they are required to undertake. Audits, workplace inspections and safety walks are

other important tools to continuously improve our workplaces and capture the employee perspective.

In the event of an incident, we conduct incident investigations and root cause analyses in collaboration with employees to understand what happened, learn from it and prevent recurrence. Best practices and lessons are shared across the organization.

Any perceived negative impact or weakness related to health and safety can also be raised and, where relevant, remediated through our global whistleblowing process, Speak Up. Where possible, this process supports the identification of concerns and enables a dialogue with those individuals reporting issues.

## S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

Our human resources and health and safety policies, along with Group objectives and targets, guide our actions for our own workforce. Each business area develops plans to meet the Group objectives, with annual targets set to drive performance at all organizational levels. Due to our decentralized way of working, locations, divisions, and sales areas can implement mitigation actions that are relevant for their context and the markets where they operate. For more information on remediation see *S1-3*.

IRO	Description	Scope	Key actions	Time horizon
Fair treatment for equal opportunity	Fair opportunity was set by Sandvik Group Executive Management as a focus area for 2025.	Own operations	— Global implementation of Performance Development and Pay Transparency & Equity.	2024 and beyond.
			— Offer basic education to all employees to improve inclusion for all – regardless of gender, disability, nationality, class, and geographical location.	2023 and beyond.
			— Quarterly global awareness campaigns #SandvikTrueColor to instill a conversation beyond gender.	2024 and beyond.
Fair treatment for equal opportunity	Improving workers' work environment was a 2025 focus area selected by Sandvik Group Executive Management.	Own operations	— On a Group level, the global common action is to pilot global training for supervisors and line managers in manufacturing.	2025
			Health and safety	Through our vision of zero harm, we are committed to providing healthy and safe workplaces. Health and safety are fully integrated into our business conduct, operations, and activities. This is promoted by managers at all levels who demonstrate active, courageous, and visible leadership, fostering a strong culture for continuously improving our health and safety performance, and reducing associated risks.
Human resources	Talent attraction and retention	Own operations	— Implementation of the Talent Blueprint with the aim of creating uniform recruitment practices and limiting bias in the recruitment process.	Ongoing since 2024.

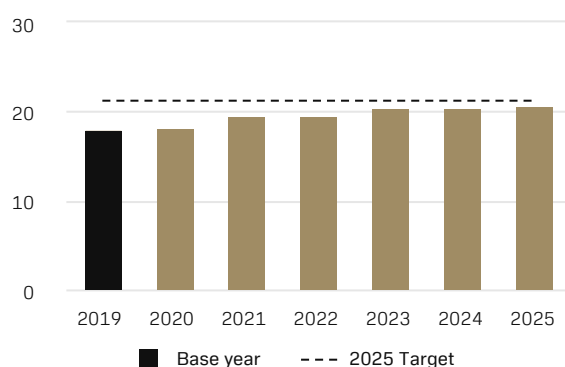
## S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The development of group-wide targets and performance towards targets is a part of the strategy process and is further described under GOV-1. Stakeholder interests are taken into consideration in the strategic planning. Further details on how the interests of employees and employee representatives are taken into account can be found under SBM-2.

### Percentage of female managers

Sandvik set a goal to have 21.2 female managers by the end of 2025 to ensure fair opportunity for equal treatment. The entity specific metric of share of female managers is used to follow up on target progress. In 2025, the percentage of female managers amounted to 20.8 (20.5).

### Female managers %



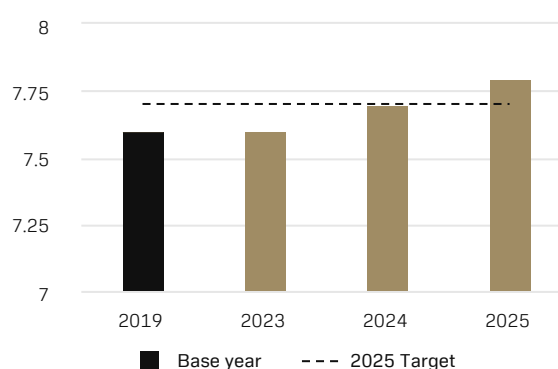
### § Reporting principles

The number of female managers compared to the total number of managers is captured from our Human Capital Management (HCM) system. The definition of a manager is a person that is a manager of an organization in the HCM system. Data covers approximately 94 percent of the total workforce. See note P11 for entities included in our HCM system.

### Engagement rate

To ensure effective talent attraction and retention and prevent risk, Sandvik has set a goal to exceed an employee engagement rate of 7.7. Employee engagement is the result of a strong, trust-based relationship between the organization and its employees. It is shaped by how well the organization fosters a sense of belonging, supports health and wellbeing, and provides a meaningful and supportive work environment. The engagement rate is an index calculated as an average based on the responses of three questions in the employee survey. The entity-specific metric of engagement rate is used to monitor progress towards the set target. In 2025, the engagement rate amounted to 7.8 (7.7).

### Engagement rate



### § Reporting principles

The result is the engagement score outcome in the employee survey, reported at the end of the year. In 2023, Sandvik changed the measuring method as we implemented a new engagement insights platform. The new scale ranges from 1 to 10. The 2019 baseline was translated into 7.6 in the new scale.

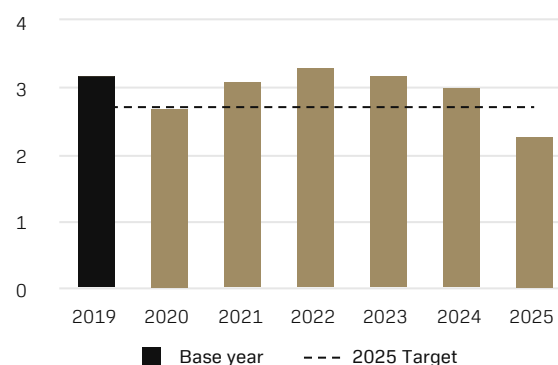
### Health and safety

We utilize a wide range of leading and lagging indicators to assess health and safety performance across Sandvik locations. Notable metrics include the Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR), both of which have exhibited positive long-term trends. Our target is to reduce TRIFR within our own operations to 2.7 by 2025. All our locations are included in the target, and it covers both employees and contractors.

In 2025, the TRIFR amounted to 2.3 (3.0). The performance is reviewed within site, division, and business area level on a monthly basis and at Group level on a quarterly basis. Engagement with our own workforce and workers' representatives is an important part of identifying lessons learned, best practices and improvements achieved.

We track the effectiveness of our policies through several monitoring processes where each policy outlines how compliance is monitored. Monitoring for instance includes internal control, employee surveys, internal and external audits, and our Speak Up global whistleblowing tool.

### Total Recordable Injury Frequency Rate



### § Reporting principles

The data collection is based on the monthly health and safety reporting that takes place on a location level. More information about our reporting principles is found in S1-14.

## S1-6 Characteristics of the undertaking's employees

### Total number of employees by headcount, and breakdowns by gender

Gender	2025
Male	34,060
Female	8,996
Other	1
Not reported	22
<b>Total employees</b>	<b>43,079</b>

### Total numbers of employees by headcount, representing at least 10 percent of total number of employees, and breakdown by country

Country	2025
Sweden	5,474

### Total number of employees by headcount by form of employment, and breakdowns by gender

	Female	Male	Other	Not disclosed	2025
<b>Number of employees</b>					
	8,996	34,060	1	22	43,079
<b>Number of permanent employees</b>					
	8,588	32,588	1	17	41,194
<b>Number of temporary employees</b>					
	407	1,455	0	5	1,867
<b>Number of non-guaranteed hours employees</b>					
	1	17	0	0	18

### Total number of employees by region

Number of employees by region	2025
Sweden	5,474
Rest of Europe	13,453
<b>Total Europe</b>	<b>18,927</b>
North America	6,313
South America	3,013
Africa, Middle East	3,368
Asia	9,057
Australia	2,401
<b>Total</b>	<b>43,079</b>

### Total number of employees who have left during the reporting period and the rate of employee turnover

	2025
Total amount of employees who have left	4,848
Turnover, %	11.3

The corresponding financial reconciliation for Full-Time Equivalent (FTE) figures can be found in the G4 note.

## § Reporting principles

The data sources for human resources (HR) data derives from our common Human Capital Management (HCM) system and other local HR systems. All employee figures are reported based on headcounts at the end of the reporting period.

Employment types include permanent employees, defined as employees with a permanent contract, temporary employees defined as employees with a temporary contract, or non-guaranteed hours employees who do not have a guarantee of a minimum or fixed number of working hours.

Gender is based on the gender stated by the employee in the HCM system.

Employee turnover covers all employees existing in the organization, including all employees who have left through voluntary resignations, dismissals, retirement, or death during the reporting year. The employee turnover rate is defined as the number of employees who have left the organization during the reporting period divided by the total number of employees at year-end.

## S1-9 Diversity metrics

Distribution of employees by age group, 2025	Under 30 years old	30-50 years old	Over 50 years old	Not reported	Total
Employees	5,680	26,323	11,070	6	43,079

Gender distribution at top management level, 2025	Male	%	Female	%	Total	%
Board of Directors	5	62.5	3	37.5	8	100
Group Executive Management	6	60.0	4	40.0	10	100

### § Reporting principles

The data sources for human resources (HR) data derives from our common Human Capital Management (HCM) system and other local HR systems. Employee age is reported at the end of the reporting period.

## S1-14 Health and safety metrics

Health and safety metrics	2023			2024			2025		
	Employees	Non-employees	Total	Employees	Non-employees	Total	Employees	Non-employees	Total
Percentage of people who are covered by Sandvik health and safety management system	100	100	100	100	100	100	100	100	100
Number of fatalities	1	0	1	0	0	0	0	0	0
Number of TRI	247	32	279	242	27	269	191	24	215
TRIFR	3.2	2.9	3.2	3.1	2.3	3.0	2.4	2.0	2.3
Number of LTI	93	8	101	99	10	109	76	5	81
LTIFR	1.2	0.7	1.2	1.3	0.8	1.2	1.0	0.4	0.9

### § Reporting principles

Data on the share of employees in our own workforce who are covered by our health and safety management systems corresponds to 100 percent, as our Environment, Health, and Safety (EHS) policy and procedures cover all employees, contractors, and visitors.

Other health and safety data is sourced from our EHS reporting system, with reporting occurring monthly at an entity level. We have internal controls in place to ensure data accuracy and completeness. The key figures compiled are based on information available at the date of the most recent year-end accounts, which may require that historical figures are adjusted. All health and safety data refers to continuing operations.

Total Recordable Injuries (TRI) summarize all Fatal Injuries, Lost Time Injuries, Restricted Work Injuries and Medical Treatment Injuries, as defined below:

- Fatal Injury: An injury resulting in the death of a worker.
- Lost Time Injury: An incident resulting in a full shift away from work.
- Restricted Work Injury: An injury where an individual can be at work but cannot perform all of their regular duties.
- Medical Treatment Injury: An injury requiring medical treatment but allowing the individual to perform all of their usual work tasks.

Other notable metrics include the Lost Time Injury Frequency Rate (LTIFR), which stands for LTIs per million hours worked, and the Total Recordable Injury Frequency Rate (TRIFR), which is the total number of recordable injuries per million hours worked.

Worked hours are defined as exposure hours, i.e. all hours exposed to risk by employees and contractors. Exposure hours are reported on location level, taking into account the worked hours and excluding vacation, sick leave, parental leave and other absence. Estimations occur in the exposure hour data; it is considered to have no material impact on the safety frequency data of TRIFR and LTIFR. In 2025, the exposure hours amounted to 92,045,010, including both employees and contractors.

## S1-16 Remuneration metrics (pay gap and total remuneration)

Remuneration metric	2025
Gender pay gap, global, %	5
Gender pay gap, Sweden, %	0
Total remuneration, ratio	60

Sandvik continues to operate according to the principle of equal pay for equal work and aims to achieve equal pay for work of equal value. Pay gap is influenced by the geographic and functional composition of the workforce. Therefore, we continue to monitor each market on a granular level. To enhance our efforts, we have developed an internal pay equity dashboard to monitor pay equity across businesses, functions, and job levels.

We aim to extend the coverage to the remaining countries in the coming years. The pay equity dashboard allows us to gather insights on any potential issues and supports us in creating mitigating action plans. This tool creates greater transparency in how our markets implement our global reward principles – including, but not limited to, ensuring gender equity. By leveraging this tool, we aim to uphold our commitment to fair reward practices and foster an inclusive workplace where all employees are valued equally.

### § Reporting principles

Pay gap and remuneration data includes our 10 largest countries, where we have approximately 70 percent of our employees, with a global geographical spread including Africa, Asia, Europe, and the Americas representing the company's global presence. For the remaining 30 percent of employees, the estimation is that it will not affect the outcome due to their geographical distribution.

The gender pay gap is determined by dividing the difference between average gross hourly pay for all male and all female employees by the average gross hourly pay of all males. Gross pay covers all taxable fixed and variable pay components of the employees' compensation. Average gross hourly pay is calculated by dividing total gross annual pay of all employees of each gender (male and female) by actual working hours of the respective gender.

Sandvik reports an entity specific metric for pay gap. Sweden is the only country that has more than 10 percent of our employees, and therefore we report separately on the pay gap, see S1-6. The outcome is based on actual data.

The annual total remuneration ratio is calculated by comparing the gross hourly pay of the highest paid employee in Sandvik with the gross hourly pay median of the rest of our own employees in Sandvik. Gross pay covers all taxable fixed and variable pay components of the employees' compensation.

The remuneration metrics are based on annual taxable pay and actual working hours. The data is gathered for the period from January to November, the December data is estimated based on November data.

## S1-17 Incidents, complaints and severe human rights impacts

Incidents, complaints, and severe human rights impacts	2025
Number of incidents of discrimination, including harassment	18
Number of complaints filed through channels for people in own workforce to raise concerns	118
Number of complaints filed to National Contact points for OECD Multinational Enterprises	0
Amount of fines, penalties and compensation as a result of incidents of discriminations, including harassment	0
Number of severe human rights issues and incidents connected to own workforce that are case of non respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0
Amount of fines, penalties and compensation as a result of human rights issues and incidents connected to own workforce	0

Incidents and complaints can be raised by individual employees, groups of employees or as collective claims. Local unions/works councils can also raise incidents and complaints, and are natural partners in mitigation in countries where applicable.

### § Reporting principles

The reporting of incidents and complaints is managed through local reporting from all Sandvik legal entities and is consolidated on a country level by the Sandvik country HR coordinators and finally on a global level by Group HR. Incidents and complaints are managed locally either through locally established processes or in the absence of such processes, through the common Sandvik Employee grievance procedure. The reporting of incidents and complaints is standardized, using a global reporting template and traceability is secured through collection of specific data elements.

Human resources-related employee grievance cases not meeting the definition of being a Speak Up case, filed through the Speak Up process, are managed by closing the cases in the Speak Up process and assigning the case back to human resources in the legal unit where it was reported. The cases are managed locally and reported through the employee grievance process as described in the previous paragraph.

According to the Sandvik Human rights policy, severe human rights incidents are reported and managed through the Speak Up process and managed by the ethics offices on a business area/ Group functions level. The investigations are conducted according to the Remediation and investigation procedure. When deemed necessary, external investigators are used. Legal privilege and geographical location are the reasons for external investigators. Data is retrieved quarterly. Reporting and traceability are secured through the system application managing Speak Up cases within Sandvik.

## S2 Workers in the value chain

### ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

In our double materiality assessment we included workers in the value chain involved in the extraction of metals or minerals, in refining, manufacturing or other forms of processing and transportation, as a group that may be materially impacted. Impacts are associated with our upstream and downstream value chain through products or services, as well as through business relationships.

Based on reports related to sourcing of minerals and metals, and mining value chains, we have tried to develop an understanding of which groups might be more at risk of harm.

Sandvik manages its material impacts related to workers in the supply chain. We have developed and implemented our Double materiality assessment procedure to identify and assess our material topics, as outlined in the *General Information* section. Furthermore, impacts are identified in the external sustainability risk assessment tool, where our suppliers (91 percent addressable spend coverage) are screened for inherent risk, based on country, industry and size. We use the risk screening to segment our supply chain by labor & human rights risks in each country and industry. Further due diligence is conducted, with a risk-based approach.

The value chain workers covered in this report include primary sector producers, employees in supply chain factories and external warehouses, and local communities around raw material extraction and manufacturing sites. At Sandvik, we are committed to respecting human rights and promoting decent work across our own operations, suppliers, and business partners. Safeguarding human rights is integral to all our business functions and our operations.

Sandvik has an evolving management program for sustainability in the supply chain, including material issues related to workers in the value chain. We evaluate these issues by considering human rights violations or social non-compliance, including child labor, excessive overtime, forced labor, unsafe work environments, breaches of freedom of association, unsecured employment, lack of workers' representation, and insufficient training.

Sustainability and sustainable supplier management is integrated in our strategy. We are committed to sustainable procurement practices that prevent and mitigate our negative social and environmental impacts as well as support and improve the sustainability performance of our suppliers and manage risk in our supply chain. For more information see *G1-2*.

Impacts, risks, and opportunities		Value chain	Description	Impacts on people or environment
Forced or compulsory labor	⊖	Upstream and downstream	Potential and actual impacts related to primarily mining operations. Labor issues vary across the global sector and the picture is mixed. Concerns have been expressed about occupational health and safety (with the ILO estimating that about 8% of fatal accidents at work occur in the mining sector), working conditions and pay, discrimination, and restrictions on collective bargaining. However, many companies support trade unions, enable collective bargaining, and provide jobs with greater benefits and enhanced opportunities for minorities. The scoping of the DMA assessment includes high risk areas and countries where negative impacts of this type are more likely. Artisanal and Small-scale Mining (ASM) is particularly associated with child and forced labor, and hazardous working conditions.	Negative impacts on the working environment could result in impacts on health and safety, such as injuries and illnesses. Serious impacts related to forced or child labor affects the individuals' human rights and overall living conditions, resulting in serious impacts for the individual. The impacts of labor issues include financial aspects, that affect living standard, health and safety, integrity and basic rights, etc.
Child labor	⊖	Upstream and downstream		
Employee health & safety Work-related ill health Work-related injuries	⊖	Upstream and downstream		
Gender inequality	⊖	Upstream and downstream		
Collective bargaining and freedom of association	⊖	Upstream and downstream		
Working hours	⊖	Upstream and downstream		
Employee health & safety	⊕	Downstream	We make a positive impact through the safety of our products. Safety checks and improvement plans are suggested to customers when Sandvik has employees on a customer site to improve the site's working environment.	Safer working environment for people.

⊕ Positive impacts   ⊖ Negative impacts   ↗ Opportunities   ⚠ Risks

## S2-1 Policies related to value chain workers

Sandvik has a comprehensive set of policies and procedures to guide us in managing risk related to human rights and value chain workers.

Key in this regard is our Supplier Code of Conduct, which details the minimum requirements we expect suppliers to adhere to regarding labor conditions, human rights, environmental protection, and business ethics. It is aligned with international frameworks, including the International Labour Organization (ILO) Conventions, the UN Guiding Principles on Business and Human

Rights, the UN Global Compact, and the OECD Guidance for Responsible Business Conduct. The Code also outlines the expectation for our suppliers to implement the Code or similar requirements with their sub-suppliers. It is communicated through several internal channels and is publicly available on our external website [home.sandvik](http://home.sandvik). We monitor compliance with our Supplier Code. See more in section S2-5.

Sandvik has not developed specific policies related to downstream workers in the value chain.

Policies are approved annually by the Board of Directors and Group Executive Management.

IRO	Policy	Scope	Policy owner	Key content
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Procurement policy and procedure	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	<ul style="list-style-type: none"> <li>– Framework for Sandvik procurement practices.</li> <li>– Commitment to integrate quality, technology, innovation, service, cost, delivery, and sustainability considerations whenever purchasing goods or services in a manner consistent with common processes, including the requirements for the Sandvik Supplier Code of Conduct.</li> </ul>
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Supplier sustainability evaluation procedure	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	<ul style="list-style-type: none"> <li>– Outlines the rules for evaluating and approving a supplier as compliant with the Sandvik Supplier Code of Conduct, in order to qualify as a Sandvik supplier. This procedure supports us in our work to identify, prevent, mitigate, and account for adverse environmental, human rights, and governance impacts from our supply chain.</li> </ul>
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Human rights commitment and Human rights policy	Entire value chain	General Counsel	<ul style="list-style-type: none"> <li>– Commitment to respecting internationally recognized human rights and our due diligence as part of avoiding, causing or contributing to adverse human right impacts, wherever they may occur in our value chain. We place specific efforts on those rights that are at risk of being most severely impacted by our activities and business relationships.</li> </ul>
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Responsible sourcing of minerals and metals statement and procedure	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	<ul style="list-style-type: none"> <li>– Commitment to effective management of risks associated with tin, tantalum, tungsten, gold, and cobalt, and the condemnation of all activities in the raw material sector connected to illegal or unlawful exploitation of ores, that finance or benefit armed groups in conflict areas, or contribute to serious human rights violations, including child labor. Our procedure is drafted to ensure compliance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas.</li> </ul>
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Speak Up policy, and Investigation and remediation procedure	Entire value chain	General Counsel	<ul style="list-style-type: none"> <li>– The Speak Up policy outlines how employees and other stakeholders can raise concerns (speak up) about suspected breaches of Sandvik Code of Conduct, policies and the law without fear of retaliation. The Speak Up policy is supported by the Investigations and remediations procedure outlining how investigations of suspected breaches are to be managed, including remediation activities.</li> </ul>
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Sustainability policy	Entire value chain	Head of Group Communications and Sustainability	<ul style="list-style-type: none"> <li>– The policy defines the requirements for ensuring sustainable business in line with Sandvik sustainability targets and sets the direction towards how to reach our targets, contributing to improved sustainability for our customers and society. This policy, together with the associated policies and procedures, sets out our responsibilities related to sustainability, ensuring long-term sustainability targets and it sets forth minimum requirements for certain key sustainability areas.</li> </ul>
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Compliance third party management policy	Upstream and downstream	General Counsel	<ul style="list-style-type: none"> <li>– The Compliance third party management policy provides the framework and minimum requirements needed to prevent, identify and remediate compliance risks inherent to all dealings between Sandvik and any third party. It outlines a framework that enables efficient, coordinated, and proportionate compliance risk management in third party relationships, including suppliers.</li> </ul>

## S2-2 Processes for engaging with value chain workers about impacts

A strong partnership and close collaboration with suppliers are crucial for Sandvik.

We have not developed specific procedures for systematic direct engagement for workers in the value chain. Our current processes to engage directly with supply chain workers includes audits, supplier days, industry forums, and Non-Governmental Organizations (NGOs). Sandvik hosts events locally involving representatives of supplier workers. Market research on workers in supply chains is conducted by industry forums where Sandvik is represented, such as the Cobalt Institute. We also consider reports from relevant NGOs as proxy engagement with workers in the value chain as described under *SBM-2*.

Interviews with workers are conducted during the Supplier Code of Conduct audits by independent and certified third-party auditors. Supplier audits are based on a risk approach and cover human rights and health and safety topics. The Sandvik Procurement council is responsible for ensuring that engagement with supply chain workers occurs and that the results of this engagement inform our approach. Additionally, investigations are carried out by Sandvik quality auditors regarding the health and safety of workers in our suppliers' facilities.

## S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns

Sandvik encourages all stakeholders to report concerns about suspected breaches of Sandvik Supplier Code of Conduct, policies, and the law, without fear of retaliation.

Speak Up is available for workers in the value chain, both upstream and downstream, and information about that is provided in the Supplier Code of Conduct and on our external website [home.sandvik](http://home.sandvik). Speak Up is also available through country-specific telephone hotlines 24 hours a day, 7 days a week, and in all major countries where Sandvik has operations.

The Speak Up process follows all applicable whistleblowing and data privacy laws. More information about Speak Up is found under *G1-1*.

As outlined in our Speak Up policy, Sandvik does not tolerate any retaliation against representatives from a supplier, employee or business partner who, in good faith, voices their concern.

Currently, Sandvik procurement does not measure or assess the effectiveness of Speak Up specifically for workers in the value chain. We aim to have awareness-raising activities in relation to our Speak Up channel and track the number of cases from year to year.

## S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Based on the impacts identified within our supply chain and in support of Sandvik policies, we initiated a series of targeted actions in 2025. These measures aim to address key challenges and advance our commitment to sustainable practices and responsible sourcing. The table below outlines the specific actions underway to mitigate barriers and enhance performance across our priority areas.

No specific actions have been developed for downstream workers in the value chain.

IRO	Description	Scope	Key actions	Time horizon
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Sandvik performs supplier sustainability risk screenings. We use EcoVadis IQ Plus to screen and monitor sustainability risks across our supplier network. By embedding risk intelligence into our sourcing decisions, we enhance our ability to identify potential issues early and take preventive action.	Upstream globally	— 35,042 of our suppliers, representing 91 percent of our addressable supplier spend, underwent sustainability risk screening. Approximately 6 percent of our addressable supplier spend (4,002 suppliers) was identified as high risk, with most of it located in India, Brazil, South Africa, Mexico and China.	2025
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	For selected suppliers we carry out supplier sustainability in-depth assessments. We use EcoVadis ratings to monitor the progress of corrective actions and to evaluate the year-on-year performance of our supplier network. This enables us to track improvements in key areas such as labor & human rights, environmental practices, ethics, and sustainable procurement.	High-risk suppliers identified by EcoVadis risk screening tool	— By the end of 2025, 1,558 suppliers in the Sandvik network had completed an in-depth sustainability assessment. Of these, 87 percent achieved an overall score above 45 out of 100. For comparison, 60 percent of all companies assessed through EcoVadis scored above the same threshold.	2025
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Sandvik evaluates Supplier Code compliance for prioritized suppliers through audits. We assess the alignment of a supplier's practices with our sustainability principles through on-site audits conducted by independent third-party auditors. The supplier is responsible for improvements and corrective actions related to audit findings, while the responsible buyer and the audit coordinator manage and monitor non-compliance cases until they are resolved.	High-risk suppliers based on the findings of any of our due diligence processes	— 21 on-site audits were carried out. While issues may vary across the supply chain, depending on country and business, the majority of identified risks were related to labor rights, particularly working hours and compensation.  — 48 critical findings were identified. Remediation efforts are ongoing to close all findings and continuously improve supplier performance.	2025
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	We have partnered with the Responsible Minerals Initiative (RMI) to conduct our conflict minerals and cobalt due diligence exercise. Our annual exercise is based on the OECD's five-step approach to responsible sourcing of minerals and metals. It emphasizes risk assessment, mitigation, transparency, and independent audits throughout the mineral supply chain.	Direct suppliers of tin, tantalum, tungsten and gold (3TG) and cobalt products	— Our 3TG supply chain had 46 percent of smelters with conformant status, while our cobalt supply chain had 48 percent of smelters in conformant status. We continuously engage with suppliers to address the presence of smelters and refiners in our supply chain that may not meet responsible sourcing standards. Sandvik produces a separate due diligence report on an annual basis, which is available on our website.	2025
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	As part of our preventive approach to managing sustainability risks in the supply chain, we promote supplier participation in targeted training programs. Assessed suppliers have the opportunity to attend EcoVadis Academy courses focused on mitigating social and human rights impacts across the value chain.	Upstream globally	— In 2025, the training courses most frequently completed by our suppliers focused on key sustainability and labor topics, including: — Living wages — Social dialogue and collective bargaining — Diversity and inclusion — Employee health and safety — Other key topics covered were modern slavery, working conditions, child and forced labor prevention, and discrimination and harassment.	2025
Forced or compulsory labor, child labor, employee health & safety, work-related ill health, work-related injuries	Training our procurement team is a key initiative to enhance sustainability across our supply chain. Our efforts are particularly focused on supplier onboarding and ongoing engagement, ensuring that sustainability expectations are clearly communicated from the outset.	Procurement employees	— Throughout the year, our procurement team underwent internal training, enhancing their competence in our supplier sustainability requirements.	2025

## S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

We have not developed specific targets related to workers in the value chain. Sandvik measures the progress in achieving policy objectives for sustainable supplier management through Supplier Code of Conduct acceptance and compliance. These metrics are part of the policies monitoring of compliance.

To systematically embed sustainability into supplier management, Sandvik is committed to having all suppliers compliant with the Supplier Code of Conduct.

We distinguish between a supplier's acceptance to comply with the Supplier Code of Conduct and being assessed as complying with it. Acceptance refers to the supplier's formal acknowledgement and agreement to adhere to the Code, typically through signing it. This is a key metric used to ensure broad alignment with our expectations and has been measured over an extended period. Being assessed as complying with our Code is defined using a risk-based methodology. A supplier is considered compliant if they are identified as low risk through inherent risk screening, meet our scoring criteria following an in-depth sustainability assessment via EcoVadis, or have successfully passed a compliance audit. An in-depth sustainability assessment includes a comprehensive questionnaire, supporting documentation, expert analysis, and publicly available sources, such as media and stakeholder reports. The entity specific metric of Suppliers Code of Conduct acceptance and compliance is used to monitor progress.

Sandvik has not developed a specific target related to downstream workers in the value chain. We are linked to these impacts through our business relationships. We therefore apply phase in provisions for the development of entity specific metrics related to downstream workers in the value chain.

Supplier Code of Conduct acceptance – entity specific metrics	2025
Supplier Code of Conduct acceptance based on addressable spend, %	80
Total number of suppliers in addressable spend that have accepted our Supplier Code of Conduct	3,337
Supplier Code of Conduct acceptance based on number of suppliers in addressable spend, %	75

### § Reporting principles

The metrics are tracked on a rolling 12-month basis, calculated based on the total volume of addressable spend. The scope includes suppliers corresponding to a purchase value above SEK 1 million.

# S3 Affected communities

## ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model

Sandvik are linked to impacts related to affected communities through business relationships in our value chain. People and communities are one of our focus areas within the sustainability strategy and we aim to have a positive impact on society, including people and communities throughout our value chain. We participate in local communities through partnerships, education, and volunteering to bring our values to life. Sandvik engages in diverse community relation projects worldwide with three primary focus areas:

- 1) Sustainability Shift: Organizations, projects, and activities related to climate change, resources and waste management, or the clean and sustainable development of communities.
- 2) Digital Shift: Organizations, projects, and activities that build technical and digital skills, support innovations that contribute to global advancement, or introduce people to new technologies.
- 3) Societal Impact: Projects that support equality and inclusion, improve health and wellbeing, or contribute to positive development in the local communities where we operate.

Impacts, risks, and opportunities	Value chain	Description	How impact affects people or environment
Rights of indigenous communities	⊖ Downstream	Mining sites may have impacts on affected communities and indigenous people. Environmental impacts can arise from mining sites being situated in areas of biodiversity importance or mining operations large physical footprint. The land use impacts of mining are not confined to direct operations but also to the development infrastructure around the site contribute to environmental degradation in a larger area than the local footprint of a mine. Mining operations may also impact water, soil and air pollution. This can occur, for example, through acid rock drainage, through water pollution as a result of heavy metals leaking from waste storage facilities, from the leaking of mercury or cyanide, or from mine dust emissions. Large-scale mining is associated with complex human rights impacts and opportunities. Where not managed appropriately, this can cause disputes or disagreements over land and resource rights, forced or voluntary resettlement, and infringements on Indigenous Peoples' rights. Considered an actual impact if not mitigated.	Impacts in the local environment may negatively influence a community's livelihood and access to a clean and healthy environment. The mining operations may affect the rights of local communities and indigenous people and, if not managed, result in, for example, forced relocation or other infringement of rights.
Biodiversity loss affecting local communities	⊖ Downstream		
Conflict and disputes in local communities	⊖ Downstream		
Communities' civil and political rights, land and resource rights, and social and cultural rights	⊖ Downstream		
Human rights issues and incidents connected to affected communities	⊖ Downstream		

⊕ Positive impacts   ⊖ Negative impacts   ↗ Opportunities   ⚠ Risks

### S3-1 Policies related to affected communities

We have not developed specific policies for the area of affected communities, but the area is integrated in our Code of Conduct, Supplier Code of Conduct and Sponsorship and community involvement procedure. We have procedures for participating in local communities through partnerships, education, and volunteering to bring our values to life, and through this we engage with affected communities. The effectiveness of policies addressing affected communities is measured within the framework of Sandvik Group's management system.

The foundation of our Code of Conduct is, together with our core values, built on the International Bill of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption as outlined in the ten principles of the United Nations Global Compact, in which we participate. We are committed to adhering to these principles, to the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. We believe that by doing so we are providing a solid foundation that supports a more sustainable future for Sandvik and for our stakeholders. Sandvik is committed to respecting internationally recognized human rights and to play our part in avoiding causing or contributing to adverse human rights impacts, wherever they may occur in our value chain, as part of our Human rights commitment, including affected communities.

### S3-2 Processes for engaging with affected communities about impacts

Sandvik engages with local communities when setting up community engagement projects. This involvement helps inform our investment decisions and enables us to make meaningful contributions to the societies where we operate, as well as enhance our offering. For the mapping and understanding of impacts, risks, and opportunities we have used credible proxies and relevant reports, frameworks, and media.

### **S3-3 Processes to remediate negative impacts and channels for affected communities to raise concern**

Sandvik encourages all stakeholders to report concerns about suspected breaches of Sandvik Code of Conduct, policies, and the law, without fear of retaliation through our grievance mechanism, Speak Up. Speak Up is available externally and can be found on our website [home.sandvik](https://www.sandvik.com). Speak Up is also available through country-specific telephone hotlines 24 hours a day, 7 days a week, and in all major countries where Sandvik has operations.

Remediation is part of our human rights due diligence process and impacts related to affected communities can be reported through our Speak Up mechanism. Remediation occurs where relevant through our global whistleblowing process, Speak Up. More information about Speak Up is under G1-1.

### **S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions and S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities**

We have not developed specific actions, targets and metrics related to affected communities. The area is integrated in The Sandvik Way through different policies and procedures. We are linked to impacts related to affected communities through our business relationships and have therefore not developed entity specific metrics for the topic.



# Governance





## G1 Business conduct

Sandvik is committed to maintaining appropriate standards of responsible business conduct throughout our operations and our value chain, including driving the same standards in our supplier management and procurement practices. Sandvik has identified potential impacts and risks related to business conduct and our

governance framework and management system, The Sandvik Way, is designed to mitigate those risks and impacts.

Impacts related to *S2 Workers in the value chain* is material for Sandvik and we are committed to sustainable procurement practices. For more information see *disclosure G1-2*.

Impacts, risks, and opportunities	Value chain	Description	Impacts on people or environment
Business conduct (Including anti-bribery and anti-corruption) 	Own operations	Potential negative impact. Corruption and bribery by individuals could result in unethical or illegal actions that undermine our commitment to responsible business conduct. We could be subject to compliance cases in connection with violations of anti-corruption laws, international sanctions, competition law, and/or data privacy. Corruption can negatively impact company culture and society, eroding trust and intensifying inequality in societies.	Weak business conduct or violation of anti-bribery and anti-corruption laws and principles can have indirect negative environmental consequences. It may negatively impact company culture and societies where we operate.
Business conduct 	Own operations	Business conduct as a risk may generate a financial effect in different ways, such as influence on our financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long-term. Sandvik operates in countries and industries with elevated corruption and sanctions' risks, both directly and indirectly through business relationships. Risks include increased regulatory requirements, third-party risks, stricter financing requirements, and trade sanctions.	

 Positive impacts  Negative impacts  Opportunities  Risks

### G1-1 Corporate culture and Business conduct policies and corporate culture

#### Code of Conduct

Sandvik believes that ethical and sustainable business practices are a crucial foundation for a successful business. Sandvik has a long history of working in accordance with applicable laws and internationally recognized principles, as well as in partnership with our local communities. Our Code of Conduct is built on our internal core values and external principles, such as the International Bill of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption as outlined in the ten principles of the United Nations Global Compact. We are also committed to adhering to the OECD Guidelines for Multinational Enterprises, and the UN Guiding Principles on Business and Human Rights.

The Code of Conduct is a vital component in The Sandvik Way, our governance framework. It guides our actions as individual employees and as a company in our daily work, it sets the ethical standards we adhere to, and plays a key role in achieving our strategic objectives.

The Sandvik Code of Conduct underscores our strong commitment to ethical and responsible business practices, ensuring compliance with relevant laws and regulations across all our markets. The Code of Conduct defines the principles governing individual and corporate behavior, providing guidance for our actions and everyday business decisions.

To uphold these standards, Sandvik has set a target to train 100 percent of employees and long-term contractors who have been employed for over 90 days, in the Code of Conduct. This training covers critical topics such as anti-bribery, corruption, and inclusion, among others. The target is monitored via compliance reports and training dashboards. By the end of 2025, 97 percent (94) of employees and long-term contractors had completed the Code of Conduct training. All members of the Group Executive Management and the Board of Directors have undergone training in the Code.

The goal for onboarding new employees is to train 90 percent within three months of their hiring. By the end of 2025, the outcome was 86 percent (79). Additionally, refresher training, reinforcing Code of Conduct principles, is automatically deployed to employees who completed the training more than two years prior. As of December 31, 2025, 88 percent (87) of the invited population had successfully completed this refresher training.

### Speak Up

Employees and external parties who witness a violation of the Code of Conduct, laws, or our policies can report the concern anonymously through the company's global whistleblowing tool, Speak Up. The tool is accessible via our intranet and web portals, as well as through telephone hotlines in all major countries where Sandvik operates. All reports undergo initial screening and are then assigned to an investigator from the relevant business area, ensuring an independent and impartial process. Investigators conduct the necessary investigations with support from the Business Integrity specialist investigation function. The Ethics Office oversees the overall effectiveness of the Speak Up process, and all reports, investigations, and remediation actions are recorded, monitored, and included in reporting to the Audit Committee.

In accordance with the Sandvik Speak Up policy, no retaliation will be taken against any employee or business partner who raises concerns in good faith.

Our reporting tool, Speak Up, is publicly and directly accessible to all stakeholders, enabling them to report any negative impacts, including key human rights concerns. This process ensures that suspected breaches are identified and addressed appropriately. Sandvik has a separate process for handling local grievances. Additionally there are also other support systems for employees that go beyond legal requirements, such as foundations providing rehabilitation and financial support related to health and wellbeing. The European Works Councils and relevant local unions have been involved in establishing local whistleblowing channels and appointing investigators.

According to our employee engagement survey, employees rated the statement, "If I report a serious misconduct in Speak Up, I'm confident Sandvik would take action to rectify the situation", at 8.0 (7.8), which falls within the middle range of the engagement tool benchmark. The scale is from 0 to 10.

In 2025, there were 486 (412) reported Speak Up incidents excluding inquiries (see distribution in table). Of the cases closed during the year 71 percent (68) were closed within 90 days.

The substantiation rate for closed cases, including those partially substantiated, was 40 percent (37). In 2025, there were no cases (0) related to human rights. All Speak Up cases undergo investigation, resulting in either substantiated or unsubstantiated findings based on the allegations. The consequences for substantiated cases vary from warnings and enhanced controls/training to employee dismissal, contract termination, non-renewal for business partners, or referral to relevant authorities for further investigation. The execution of the consequences is carefully managed within the remit of the law and our policies, including the obligation to protect the identity of the whistleblower and to follow relevant data privacy regulations.

Number of Speak Up reports	2025
Human relations	220
Compliance	113
Theft and misappropriation	42
Business records and information	23
Environment, health, and safety	35
Inquiries	32
Other	53
<b>Total</b>	<b>518</b>

### Compliance

The Sandvik compliance program encompasses four key areas: Anti-Bribery and Corruption (ABC), competition law, trade & third-party management, and data privacy. The purpose is to establish a well-functioning structure for effectively managing primary compliance risks in all countries where Sandvik operates. Group Compliance sets the compliance program requirements, including risk identification, policies, relevant training and communication, monitoring and assurance, reporting, and more. Additionally, Group Compliance identified the main customer and supplier-facing functions at Sandvik, and defined their medium and senior management as functions "at-risk" for ABC training purposes. The program requirements are implemented by each business area. The Group Compliance function reports to the Sandvik Group General Counsel, the Group Executive Management, and the Audit Committee.

For coordinating efforts, identifying synergies, and driving continuous improvements, a compliance functional council has been established. This council, comprising representatives from both the Group and business areas, has been operational for several years and typically meets on a quarterly basis.

Sandvik operates in countries and industries with elevated corruption and sanctions risks, both directly and indirectly through business relationships. To address these challenges, Sandvik runs a compliance program based on a zero-tolerance approach. Key guiding documents shaping the anti-corruption part of this program include the Code of Conduct, an anti-corruption policy, and procedures governing Commercial and administrative intermediaries, Gifts and hospitality, and Conflicts of interest. The commitment to identify and prevent corruption is not limited to these, but is also integrated into other steering documents such as the Mergers and acquisitions procedure and the Community involvement, sponsorship and donations procedure. The Speak Up policy and its underlying investigation procedure are vital components of the program.

All operational entities within Sandvik have a mandate to assess and collaboratively address their compliance risks together with the compliance organization. The aim is to identify and prevent potential negative impacts stemming from compliance-related issues. The actions taken by these entities undergo scrutiny from both internal and external audits. Any perceived negative impacts and weaknesses can also be raised, and where relevant, remediated through the Speak Up process. Where possible, this process supports the identification of concerns and enables a dialogue with individuals reporting issues. To measure and assess progress, targets and indicators are established annually through the Compliance functional council. These may include self-assessments covering various aspects including anti-corruption, sanctions, export control, data privacy, and competition law efforts. Action plans are then formulated based on identified gaps, with a commitment to completing them within specified deadlines. This systematic approach ensures ongoing evaluation and improvement in our compliance practices. In 2024, the compliance program was subject to an external review focusing on anti-bribery and corruption, competition law, and trade & third-party management. Recommendations from this review will help us enhance the program further in the coming years.

### Human rights and fair labor conditions

Our commitment to human rights and fair labor conditions is confirmed in our Human rights policy, Human rights commitment, Code of Conduct, and Supplier Code of Conduct. These guiding documents endorse key international frameworks, including the International Bill of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, and the UN Guiding Principles on Business and Human Rights. The Sandvik Code of Conduct, aligned with our

core values, serves as a guide in the identification, prevention, and mitigation of risks associated with human rights and fair labor conditions. To mitigate risks related to human rights, we continuously work to ensure compliance with national legislation and internationally agreed-upon human rights standards and regulations. We are firmly against modern slavery, forced labor, slave labor, and child labor. We regularly evaluate our processes and procedures for identifying, preventing, and mitigating these risks in the Group's operations and in our value chain. The double materiality assessment has taken into consideration human rights across our value chain. Our work on human rights and fair working terms is integrated into our regular processes and procedures in different ways, for example, in our sustainable supplier

management, our safety work, and in our inclusion work. We support children's rights and the right to education. Every employee has the right to join a union and be covered by a collective agreement and we support the right to organize. Our commitment extends to rejecting all forms of harassment or bullying. We firmly believe in fostering a diverse workforce and maintain a zero-tolerance policy against discrimination based on sex, gender identity or expression, sexual orientation, ethnicity, national origin, age, disability, belief, marital status, social group, or any other characteristics. We believe that all employees should have the right to fair working conditions and wages. Speak Up is available for employees and external partners for our entire value chain.

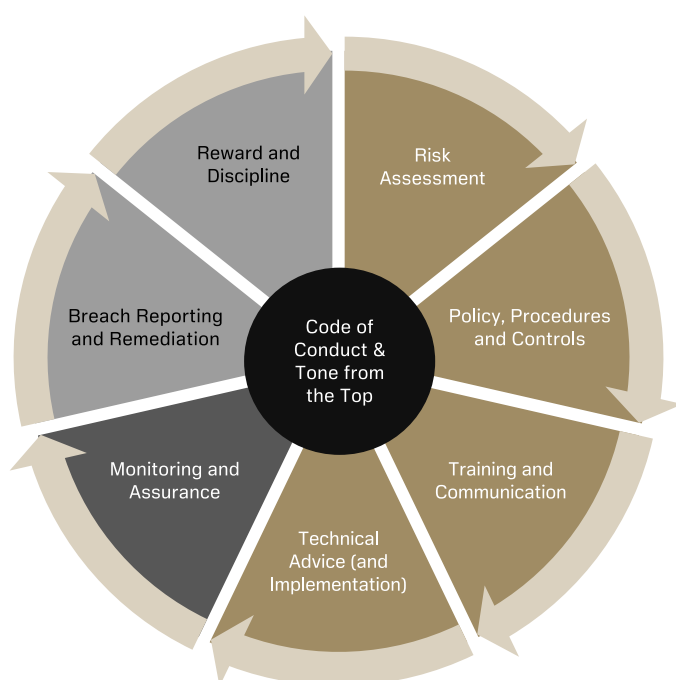
IRO	Policy	Scope	Policy Owner	Key contents
Business conduct	Third-party intermediaries procedure	Own operations	General Counsel	— This procedure describes in detail the onboarding process for commercial intermediaries, including ongoing control and risk management activities throughout the relationship.
Business conduct	Conflicts of interest procedure	Own operations	General Counsel	— This procedure outlines how employees identify conflict of Interest situations and how to avoid, disclose, and manage them. It also describes the process to be followed by line managers and Sandvik Compliance Officers involved in evaluating conflict of interest disclosures.
Business conduct	Gifts and hospitality procedure	Own operations	General Counsel	— The purpose of this procedure is to help Sandvik employees manage gifts and hospitality cases. — This also involves third parties, given the associated bribery and corruption risks.
Business conduct	Community involvement, sponsorship and donations procedure	Own operations	Head of Group Communications and Sustainability	— The procedure supports classification and risk assessment of the sponsorship or donation, appropriate due diligence on the recipient organization, and in-life monitoring and assessment of the outcome of the sponsorship or donation. — Clear contract requirements (including appropriate anti-bribery and corruption clauses).
Business conduct	Code of conduct	Entire value chain	General Counsel	— Our Code of Conduct sets the principles for the business actions and decisions we make as individuals and as a company.
Business conduct	Procurement policy and procedure	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	— Framework for Sandvik procurement practices, and a commitment to integrate quality, technology, innovation, service, cost, delivery, and sustainability considerations whenever purchasing goods or services, in a manner consistent with common processes, including the requirements for the Sandvik Supplier Code of Conduct.
Business conduct	Supplier sustainability evaluation procedure	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	— This procedure helps to identify, prevent, mitigate, and account for adverse environmental, human rights and governance impacts from our supply chain, and outlines the rules for evaluating and approving a supplier as compliant with the Sandvik Supplier Code of Conduct.
Business conduct	Human rights policy and Human rights commitment	Entire value chain	General Counsel	— Our commitment to respecting internationally recognized human rights and our due diligence help us avoid causing or contributing to adverse human right impacts, wherever they may occur in our value chain. We place specific efforts on those rights that are at risk of being most severely impacted by our activities and business relationships.
Business conduct	Responsible sourcing of minerals and metals statement and procedure	Upstream	President of business area Rock Processing and sponsor of Procurement Council in Group Executive Management	— Sandvik commitment to effective management of risks associated with tin, tantalum, tungsten, gold, and cobalt, and the condemnation of all activities in the raw material sector connected to illegal or unlawful exploitation of ores that finance or benefit armed groups in conflict areas, or contribute to serious human rights violations, including child labor.
Business conduct	Speak Up policy and Investigation and remediation procedure	Entire value chain	General Counsel	— The purpose of the Speak Up policy is to explain how employees and other stakeholders can raise concerns (speak up) about suspected breaches of Sandvik codes of conduct, policies and the law without fear of retaliation. It also describes what employees, and other stakeholders can expect from the company if they speak up. The Speak Up policy is supported by the Investigations and remediations procedure outlining how investigations of suspected breaches are to be managed, including remediation activities.
Business conduct	Sustainability policy	Entire value chain	Head of Group Communications and Sustainability	— This policy, together with the associated policies and procedures, establishes our responsibilities related to sustainability, ensuring long-term sustainability targets, and it sets forth minimum requirements for certain key sustainability areas.
Business conduct	Compliance third party management policy	Upstream and downstream	General Counsel	— The compliance Third party management policy provides the framework and minimum requirements needed to prevent, identify and remediate compliance risks inherent to all dealings between Sandvik and any third party. It outlines a framework that enables efficient, coordinated, and proportionate compliance risk management in third party relationships, including suppliers.

## G1-3 Prevention and detection of corruption and bribery

The Board of Directors and the Group Executive Management team have ultimate responsibility for our Anti-Bribery and Corruption (ABC) efforts, and they approve the Group ABC policy. On a day-to-day basis, the Board has delegated responsibility for the creation of the ABC Compliance program to the General Counsel, the VP & Group Head of Compliance, and the Group Head of Anti-Bribery and Corruption. In addition, there is a Group Compliance functional council where all business areas are represented, and the ABC compliance program is developed in line with the compliance framework.

### The compliance framework

Sandvik operates a risk-based compliance program in relation to the prevention and detection of bribery and corruption. We follow a clear framework as depicted in the illustration below.



The gold sections relate to our prevention efforts, the dark gray relates to detection, and the light gray relates to how we respond to any incidents of bribery or corruption.

### Risk assessment

In 2024, we performed a risk assessment which covered ABC, assisted by an external expert ethics and compliance assessment consultant. As a result of the assessment, we initiated a process of enhancing our ABC compliance program. The current program consists of ABC policies, procedures, training and communication. There are dedicated members of the compliance team with expertise in ABC practice to provide advice to each of

the business areas and we have a self-assessment tool, Compliance House, for risk assessment, and monitoring compliance. Our internal audit function provides assurance on the operation of the ABC program. Our whistleblowing mechanism, Speak Up, is available for all employees as a way to raise concerns relating to ABC. Matters can also be raised with line managers or the compliance team directly.

### Policies and procedures

In our policy framework, we have a clear commitment to ABC in our Code of Conduct. We have an overarching ABC policy which clearly states that Sandvik is dedicated to conducting business with honesty, integrity and a zero-tolerance approach to bribery and corruption across the organization, including controlled joint ventures. The policy strictly prohibits offering or accepting anything of value to improperly influence business decisions or actions, and also prohibits facilitation payments, even if they are legal in certain jurisdictions.

In addition to the ABC policy, we have procedures relating to conflicts of interest, gifts and hospitality, and sponsorships and donations.

Sandvik recognizes the great contribution that intermediaries, such as agents and distributors, make to the success of its business. However, there is an acknowledgement that these relationships can often bring about additional compliance risks and therefore Sandvik has a procedure governing how such third-party intermediaries are engaged. Sandvik also requires that relevant commercial intermediaries sign an anti-corruption and export control/trade clause in the contract. The use of the anti-corruption clause and the Business Partner Code of Conduct is followed through the Compliance House. Out of the entities during 2025 who responded that they were using commercial intermediaries, 89.3 percent responded that all their commercial intermediaries had signed the Sandvik Business Partner Code of Conduct and 80.4 percent that all commercial intermediaries had signed a contract including an anti-corruption clause. The entities' responses are audited and confirmed by the internal and external audit functions as part of the regular audit programs.

Our Conflicts of interests procedure is designed to guide employees in identifying, disclosing, and managing conflicts of interest to maintain high ethical standards.

Sandvik understands that gifts and hospitality are part of normal business dealings but appreciates that there is a need for limits to be placed on these items to ensure that they remain appropriate in all circumstances. Therefore we have a procedure to govern gifts and hospitality.

Sandvik believes strongly in helping the communities in which its sites are located and supporting local charities and organizations with time, equipment, and, on rare occasions, money. To manage the nature of the sponsorship or donation to ensure that they meet our principles in respect of such matters, and to manage the compliance risks related to such sponsorships and donations, Sandvik has a Community involvement sponsorship and donations procedure. Key elements of the above mentioned procedures are found under *G1-1*.

**Training and communication**

We are transitioning to a new compliance training framework which will govern the level of training employees will receive on a variety of compliance topics, including ABC, according to their exposure to the relevant risks related to their role and level of seniority. The training will be on a three-year rotation and therefore it is anticipated that we will train a third of "at-risk" (and other relevant) employees annually. The training may also be supplemented by topic-specific courses, should there be a change in policy or procedure, or when we observe a specific need to improve understanding or operation of the policies and procedures. In terms of communication, policies and procedures are communicated by a combination of intranet announcements and in-person briefings depending on the complexity of the topic.

	2025
Percentage of "at-risk" employees who completed ABC training	16.3

**Technical advice and implementation**

We have a team of dedicated professionals with ABC-specific experience to help implement the relevant policies and procedures and advise the business accordingly.

**Monitoring and assurance**

The Group and business area compliance teams perform a variety of monitoring activities using a variety of online tools to assess how well the businesses are implementing and operating our compliance programs, including our ABC compliance program. Our internal and external audit teams also include ABC matters in their scope for their audits.

**Breach investigation and remediation**

Breaches of policies or procedures are taken seriously and remediation action is taken where appropriate.

**Reward and discipline**

We take appropriate action against anyone, employees or external third parties acting on our behalf, found to be in breach of our ABC, or other compliance policies and procedures.

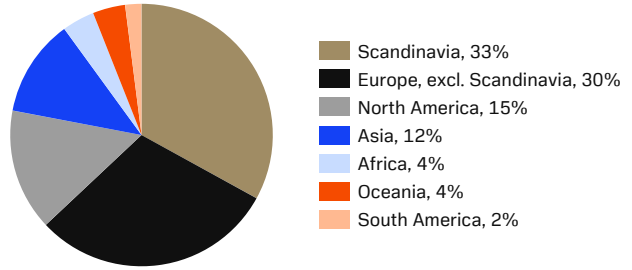
**G1-4 Confirmed incidents of corruption or bribery**

In 2025, there were no major public legal cases regarding potential non-compliance with laws and regulations brought against Sandvik, nor did Sandvik receive any significant fines or non-monetary sanctions for non-compliance with laws or regulations.

	2025
The number of convictions for violation of anti-corruption and anti- bribery laws	0
The amount of fines for violation of anti-corruption and anti- bribery laws	0

**G1-2 Management of relationships with suppliers**

Supplier spend per region, %



With a global footprint and a supply chain encompassing approximately 43,000 suppliers across 100 countries, we recognize the critical role our suppliers play in our operations. We are committed to responsible sourcing and ethical procurement practices that promote transparency, fairness, and sustainability.

The Procurement policy defines the framework for sourcing practices and supplier relationships, including the requirements outlined in our Supplier Code of Conduct. It is supported by procedures designed to minimize risk, create business value, and ensure that procurement activities are conducted in an ethical and sustainable manner.

Our Supplier Code of Conduct sets forth sustainability expectations for suppliers, covering areas such as human rights, health and safety, climate, and environmental responsibility. It requires suppliers to maintain inclusive and respectful workplaces and to proactively manage risks within their own supply chains. These requirements are embedded in our onboarding and assessment processes.

It is the responsibility of the supplier to ensure that its suppliers comply with the requirements of the Supplier Code or equivalent set of requirements, and to evaluate and monitor its supply chain compliance. Suppliers who fail to comply with our Supplier Code, or do not demonstrate progress or willingness to adapt, may be considered in material breach of contract and risk termination of their business relationship with Sandvik.

The sourcing and procurement organization maintains ongoing dialogue with suppliers to assess and proactively address risks related to working conditions, environment, health and safety, thus fostering trust through transparency and collaboration. Supplier scorecards are used to evaluate performance across several critical criteria. Regular reviews, meetings, and training sessions are conducted to discuss results, resolve issues, and identify opportunities for continuous improvement.

**§ Reporting principles**

The metrics encompass instances where a Sandvik legal entity has been convicted of anti-bribery or corruption violations by a court of law, as well as any fines imposed in connection with enforcement actions brought against the company for such violations.

# Sustainability appendix

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E4		Biodiversity and ecosystems	
Disclosure Requirement		Additional information	Page number
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model		58
ESRS 2, IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, and opportunities		61
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Phase in provisions applied	77
E4-2	Policies related to biodiversity and ecosystems		77
E4-3	Actions and resources related to biodiversity and ecosystems		77
E4-4	Targets related to biodiversity and ecosystems	Phase in provisions applied	77

Environmental information			
E5		Resource use and circular economy	
Disclosure Requirement		Additional information	Page number
ESRS 2, IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks, and opportunities		61
E5-1	Policies related to resource use and circular economy		78
E5-2	Actions and resources related to resource use and circular economy		79
E5-3	Targets related to resource use and circular economy		81
E5-5	Resource outflows		81
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks, and opportunities	Phase in provisions applied	N/A

Social information			
S1		Own workforce	
Disclosure Requirement		Additional information	Page number
ESRS 2, SBM-2	Interests and views of stakeholders		56
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model		85
S1-1	Policies related to own workforce		86
S1-2	Processes for engaging with own workers and workers' representatives about impacts		87
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns		88
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions		88
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Includes entity specific metrics	89
S1-6	Characteristics of the undertaking's employees		90
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Phase in provisions applied	N/A
S1-9	Diversity metrics		91
S1-14	Health and safety metrics	Phase in provisions applied	91
S1-16	Compensation metrics (pay gap and total compensation)	Includes entity specific metric	92
S1-17	Incidents, complaints and severe human rights impacts		92

Social information			
S2		Workers in the value chain	
Disclosure Requirement		Additional information	Page number
ESRS 2, SBM-2	Interests and views of stakeholders		56
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model		93
S2-1	Policies related to value chain workers		94
S2-2	Processes for engaging with value chain workers about impacts		95
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns		95
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action		95
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Includes entity specific metrics and phase in provisions applied downstream	97

<b>Social information</b>			
<b>S3</b>	<b>Affected communities</b>		
<b>Disclosure Requirement</b>		<b>Additional information</b>	<b>Page number</b>
ESRS 2, SBM-2	Interests and views of stakeholders		56
ESRS 2, SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model		93
S3-1	Policies related to affected communities		98
S3-2	Processes for engaging with affected communities about impacts		98
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns		99
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions		99
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Phase in provisions applied	99
<b>Governance</b>			
<b>G1</b>	<b>Business conduct</b>		
<b>Disclosure Requirement</b>		<b>Additional information</b>	<b>Page number</b>
ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies		54
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities		61
G1-1	Business conduct policies and corporate culture		100
G1-2	Management of relationships with suppliers		104
G1-3	Prevention and detection of corruption and bribery		103
G1-4	Confirmed incidents of corruption or bribery		104

# List of Datapoints from other EU legislations

Disclosure Requirement	Related datapoint	Sustainability disclosure	Regulation	Material/ Not material	Page number
ESRS 2 GOV-1	Paragraph 21 (d)	Board's gender diversity	SFDR (Sustainable Finance Disclosures Regulation) reference, Benchmark Regulation reference	Material	54
ESRS 2 GOV-1	Paragraph 21 (e)	Percentage of board members who are independent	Benchmark Regulation reference	Material	54
ESRS 2 GOV-4	Paragraph 30	Statement on due diligence	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	54
ESRS 2 SBM-1	Paragraph 40 (d) i	Involvement in activities related to fossil fuel activities	SFDR (Sustainable finance disclosure regulation), Pillar 3 reference, Benchmark Regulation reference	Not material	55
ESRS 2 SBM-1	Paragraph 40 (d) ii	Involvement in activities related to chemical production	SFDR (Sustainable finance disclosure regulation), Benchmark Regulation reference	Not material	55
ESRS 2 SBM-1	Paragraph 40 (d) iii	Involvement in activities related to controversial weapons	SFDR (Sustainable finance disclosure regulation), Benchmark Regulation reference	Not material	55
ESRS 2 SBM-1	Paragraph 40 (d) iv	Involvement in activities related to cultivation and production of tobacco	Benchmark Regulation reference	Not material	55
ESRS E1-1	Paragraph 14	Transition plan to reach climate neutrality by 2050	EU Climate Law reference	Material	65
ESRS E1-1	Paragraph 16 (g)	Undertakings excluded from Paris-aligned Benchmarks	Pillar 3 reference, Benchmark Regulation reference	Material	65
ESRS E1-4	Paragraph 34	GHG emission reduction targets	SFDR (Sustainable finance disclosure regulation), Pillar 3 reference, Benchmark Regulation reference	Material	69
ESRS E1-5	Paragraph 38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	71
ESRS E1-5	Paragraph 37	Energy consumption and mix	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	71
ESRS E1-5	Paragraphs 40–43	Energy intensity associated with activities in high climate impact sectors	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	71
ESRS E1-6	Paragraph 44	Gross Scope 1, 2, 3 and Total GHG emissions	SFDR (Sustainable finance disclosure regulation), Pillar 3 reference, Benchmark Regulation reference	Material	72
ESRS E1-6	Paragraphs 53–55	Gross GHG emissions intensity	SFDR (Sustainable finance disclosure regulation), Pillar 3 reference, Benchmark Regulation reference	Material	72
ESRS E1-7	Paragraph 56	GHG removals and carbon credits	EU climate law reference	Not material	N/A
ESRS E1-9	Paragraph 66	Exposure of the benchmark portfolio to climate-related physical risks	Benchmark Regulation reference	Material (phase in provision)	53
ESRS E1-9	Paragraph 66 (a)	Disaggregation of monetary amounts by acute and chronic physical risk	Pillar 3 reference	Material (phase in provision)	53
ESRS E1-9	Paragraph 66 (c)	Location of significant assets at material physical risk	Pillar 3 reference	Material (phase in provision)	53
ESRS E1-9	Paragraph 67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes	Pillar 3 reference	Material (phase in provision)	53
ESRS E1-9	Paragraph 69	Degree of exposure of the portfolio to climate-related opportunities	Benchmark Regulation reference	Material (phase in provision)	53
ESRS E2-4	Paragraph 28	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	53

Disclosure Requirement	Related datapoint	Sustainability disclosure	Regulation	Material/ Not material	Page number
ESRS E3-1	Paragraph 9	Water and marine resources	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	76
ESRS E3-1	Paragraph 13	Dedicated policy	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	76
ESRS E3-1	Paragraph 14	Sustainable oceans and seas	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	76
ESRS E3-4	Paragraph 28 (c)	Total water recycled and reused	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	N/A
ESRS E3-4	Paragraph 29	Total water consumption in m <sup>3</sup> per net revenue on own operations	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	N/A
ESRS 2 – SBM-3 – E4	Paragraph 16 (a) i		SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	77
ESRS 2 – SBM-3 – E4	Paragraph 16 (b)		SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	77
ESRS 2 – SBM-3 – E4	Paragraph 16 (c)		SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	77
ESRS E4-2	Paragraph 24 (b)	Sustainable land / agriculture practices or policies	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	77
ESRS E4-2	Paragraph 24 (c)	Sustainable oceans / seas practices or policies	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	77
ESRS E4-2	Paragraph 24 (d)	Policies to address deforestation	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	77
ESRS E5-5	Paragraph 37 (d)	Non-recycled waste	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	81
ESRS E5-5	Paragraph 39	Hazardous waste and radioactive waste	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	81
ESRS 2 – SBM-3 – S1	Paragraph 14 (f)	Risk of incidents of forced labour	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	85
ESRS 2 – SBM-3 – S1	Paragraph 14 (g)	Risk of incidents of child labour	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	85
ESRS S1-1	Paragraph 20	Human rights policy commitments	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	86
ESRS S1-1	Paragraph 21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	Benchmark Regulation reference	Material	86
ESRS S1-1	Paragraph 22	Processes and measures for preventing trafficking in human beings	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	86
ESRS S1-1	Paragraph 23	Workplace accident prevention policy or management system	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	86
ESRS S1-3	Paragraph 32 (c)	Grievance/complaints handling mechanisms	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	88
ESRS S1-14	Paragraph 88 (b) and (c)	Number of fatalities and number and rate of work-related	SFDR, Benchmark Regulation reference	Material	91
ESRS S1-14	Paragraph 88 (e)	Number of days lost to injuries, accidents, fatalities or illness	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	91
ESRS S1-16	Paragraph 97 (a)	Unadjusted gender pay gap	SFDR (Sustainable finance disclosure regulation), Benchmark Regulation reference	Material	92
ESRS S1-16	Paragraph 97 (b)	Excessive CEO pay ratio	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	92
ESRS S1-17	Paragraph 103 (a)	Incidents of discrimination	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	92
ESRS S1-17	Paragraph 104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	SFDR (Sustainable finance disclosure regulation), Benchmark Regulation reference	Material	92

<b>Disclosure Requirement</b>	<b>Related datapoint</b>	<b>Sustainability disclosure</b>	<b>Regulation</b>	<b>Material/ Not material</b>	<b>Page number</b>
ESRS 2 – SBM-3 – S2	Paragraph 11 (b)	Significant risk of child labour or forced labour in the value chain	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	93
ESRS S2-1	Paragraph 17	Human rights policy commitments	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	94
ESRS S2-1	Paragraph 18	Policies related to value chain workers	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	94
ESRS S2-1	Paragraph 19	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines	SFDR, Benchmark Regulation reference	Material	94
ESRS S2-1	Paragraph 19	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8	Benchmark Regulation reference	Material	94
ESRS S2-4	Paragraph 36	Human rights issues and incidents connected to its upstream and downstream value chain	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	95
ESRS S3-1	Paragraph 16	Human rights policy commitments	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	98
ESRS S3-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines	SFDR, Benchmark Regulation reference	Material	98
ESRS S3-4	Paragraph 36	Human rights issues and incidents	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	99
ESRS S4-1	Paragraph 16	Policies related to consumers and end-users	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	N/A
ESRS S4-1	Paragraph 17	Non-respect of UNGPs on Business and Human Rights and OECD guidelines	SFDR (Sustainable Finance Disclosures Regulation) reference, Benchmark regulation reference	Not material	N/A
ESRS S4-4	Paragraph 35	Human rights issues and incidents	SFDR (Sustainable Finance Disclosures Regulation) reference	Not material	N/A
ESRS G1-1	Paragraph 10 (b)	United Nations Convention against corruption	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	100
ESRS G1-1	Paragraph 10 (d)	Protection of whistle-blowers	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	100
ESRS G1-4	Paragraph 24 (a)	Fines for violation of anti-corruption and anti-bribery laws	SFDR (Sustainable finance disclosure regulation), Benchmark Regulation reference	Material	104
ESRS G1-4	Paragraph 24 (b)	Standards of anti-corruption and anti-bribery	SFDR (Sustainable Finance Disclosures Regulation) reference	Material	104

# Auditor's limited assurance report of Sandvik AB (publ)'s statutory sustainability statement

To the general meeting of the shareholders of Sandvik AB (publ), corporate identity number 556000-3468

## Conclusion

We have conducted a limited assurance engagement of the sustainability statement for Sandvik AB (publ) for the financial year 2025. The sustainability statement is included on page 51–111 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of ESRS,
- whether the process the company has carried out to identify reported sustainability information has been conducted as described in IRO-1 of the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8.

## Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Other matter

The sustainability reporting for 2024 was prepared in accordance with the Global Reporting Initiative and was subject to our review. Limited assurance of the comparative figures in the Sustainability Statement for 2025, in accordance with the current wording of the Annual Accounts Act after 1 July 2024, has therefore not been performed.

## Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1–50, 114–171 and 176–178. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors, and the Managing Director, are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determines necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

## Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability statement has been prepared in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Sandvik AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability statement. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

**The review procedures primarily include:**

Our procedures regarding the process that the company has implemented to identify sustainability information to be reported included, but were not limited to, the following:

- Obtaining an understanding of the process by:
  - Making inquiries to understand the sources of information used by management (e.g., stakeholder dialogues, business plans, and strategy documents); and
  - Reviewing the company's internal documentation of its process; and
- Evaluating whether the information obtained from our actions regarding the process implemented by the company is consistent with the description of the process in IRO-1 of the sustainability statement.

Our procedures regarding the sustainability statement included, but were not limited to, the following:

- Through inquiries, obtain a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement.
- Evaluate whether the information identified by the Process is included in the sustainability statement;
- Evaluate whether the structure and the presentation of the sustainability statement is in accordance with the ESRS;
- Perform inquiries of relevant personnel and analytical procedures on selected information in the sustainability statement;
- Perform substantive assurance procedures on selected information in the sustainability statement;
- Through inquiries and analytical procedures, evaluate supporting evidence to the methods, assumptions and data for developing significant estimates and forward-looking information;
- Obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement; and

- The review of taxonomy disclosures included, but was not limited to, the following review procedures:
  - Perform substantive assurance procedures on selected information in the sustainability statement on the taxonomy disclosures.
  - Perform inquiries with management and other individuals in the company to obtain an understanding of the process and the sources of information used in the taxonomy disclosures.
  - Perform analytical review procedures regarding selected taxonomy disclosures.
  - Evaluate whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation.

**Inherent limitations in preparing the sustainability statement**

In reporting forward-looking information in accordance with ESRS, the Board of Directors and the Managing Director of Sandvik AB (publ) are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by Sandvik AB (publ). Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Stockholm, March 9 2026  
Öhrlings PricewaterhouseCoopers AB

Anna Rosendal  
Authorized Public Accountant  
Auditor in Charge

Martin By  
Authorized Public  
Accountant

*This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.*