ESRS E3 WATER AND MARINE RESOURCES

The protection of water and marine resources is one of the key environmental fields of action. voestalpine puts a great amount of effort into addressing the identified impacts of its business activities. In particular, its focuses on responsible water withdrawal and the efficient use of water resources. Technological optimizations, the closed-loop circulation of cooling water, and forward-looking water management play a central role in this regard.

The following table provides specific information on SBM-3:

Topic/sub-topic/ sub-sub-topic		Impact, risk, opportunity (IRO)	Description
Water withdrawal	●	Water withdrawal	voestalpine extracts significant amounts of cooling water from watercourses for its largest production locations (Linz, Donawitz, Kapfenberg)

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

E3-1 – Policies related to water and marine resources

Water is an indispensable resource for voestalpine's production processes. It is primarily used for cooling purposes in pig iron and steel production, in melting processes. and in heat treatments. Against the backdrop of increasing environmental and regulatory requirements, sustainable, structured, and systematic water management activities are crucial, both when it comes to minimizing impacts and to ensuring long-term production capacity.

voestalpine's water management activities are based on well-established environmental management systems. Certified environmental management systems (e.g., according to ISO 14001 or EMAS) are rolled out at all major production sites to ensure compliance with local targets (see also E3-3). These incorporate, among others, local water management plans, which are maintained and further developed by specialized environmental departments on an ongoing basis.

Sustainable water management is of central importance both for the stability of existing processes and for ensuring the long-term operational viability of voestalpine's production sites. Group-wide, structured systems and clearly defined processes for responsible water management are in place at

	Impact on strategy and business model	Value chain	Time horizon	Affected stakeholders
	Adaptation of production facilities and processes (if necessary)	›› Group-wide	●●●●	Local residents, environment Local, national, and international authorities Non-governmental organizations

Key
- ● Actual positive impact
- ● Actual negative impact
- ○ Potential positive impact
- ○ Potential negative impact
- \+ Opportunity
- ! Risk
- ››› Upstream
- ›› Own operations
- ›› Downstream
- ●○○○ < 1 year
- ○●○○ 1–5 years
- ○○●○ 5–10 years
- ○○○● 10+ years

site level. All voestalpine production sites are included in reviews of water resources. According to the related findings, there are currently no sites with material water-related impacts in areas of high water stress. For individual, less relevant sites in areas potentially prone to high water stress, which are not currently covered by an environmental management system, plans have been outlined to include these sites in the future and integrate them into the system accordingly.

Current water management activities within the framework of voestalpine environmental management systems include the following key elements:

» Local water management plans
Since water systems vary locally and are influenced to differing degrees by voestalpine companies, all water management strategies and measures are coordinated with local authorities and communities. In line with the pertinent legal requirements, all water withdrawals and water discharges are subject to official permits and are monitored in terms of quantity and quality. These permits are regularly reviewed in cooperation with external experts and adjusted if necessary. Comparisons with the current state of the art are also carried out on a regular basis (depending on developments and specifications), on the basis of which further adaptations are determined and implemented if necessary.

» Separate water circuits

Separate water circuits are used in the production processes to reduce and prevent the discharge of pollutants. As described above, the majority of the water withdrawn is used for cooling purposes, primarily through the use of indirect cooling systems. These function as separate cooling circuits: The primary cooling water flow, which draws on river water, for example, cools a secondary cooling circuit with the use of heat exchangers, which is then fed to the actual process. As a result, no pollutants are introduced into the water flow and the quantities of water removed can be returned to the ecosystems without any loss of quality. In the event that these continuous flow systems require very large amounts of water, the energy requirement, the maintenance work required, and the associated use of chemicals are comparatively low. Depending on local conditions, water availability, and process requirements, multiple cooling systems and circulation systems with cooling towers are also used. In addition to separated closed-loop circulation, actions are also taken to prevent the release of pollutants into the environment—in particular into groundwater—in the event of unplanned events or damage. For example, storage areas and production lines are equipped with catchment and retaining systems that are subject to regular inspections and functional tests.

» Comprehensive waste water treatment

In cases when contamination by direct product contact or process control is technically unavoidable, water pollution is minimized through targeted post-treatment. Specifically designed treatment processes for on-site waste water treatment facilitate the effective capture of pollutants. Efforts are made to treat similar waste waters with similar compositions together. At the Linz site, for example, alkaline and acidic waste waters from various production lines are separately collected and processed in specifically designed installations. Samples are taken on a regular basis from all discharge points and the relevant metrics are analyzed by accredited laboratories and monitored by the authorities. In cases where municipal waste water treatment plants have the necessary separation methods at their disposal, waste water is also sent to them directly. The composition and amount of waste water are contractually regulated to ensure that the separation of pollutant is warranted by the external facility.

POLICY OVERVIEW

IROs addressed	Policy	Core content	Scope of the policy	Responsibility and monitoring	Other comments
Water withdrawal	Environmental management system (see E2)	Environmental management system in accordance with ISO 14001, EMAS, or equivalent in place at production sites with material environmental impacts from a Group perspective and compared to Group-wide benchmarks, or production sites that make a material contribution to improving Group-wide environmental performance from a Group perspective Determination of how the organization can improve its environmental performance, fulfill its legal commitments, and achieve local environmental targets in line with the PDCA approach	Group manufacturing companies and sites	Management boards of the companies	Regular compliance check as part of the PDCA cycle Engagement of authorities and experts, if necessary direct representatives of neighboring communities

E3-2 – Actions and resources related to water and marine resources

The implemented environmental management systems and the water management plans in place at the operational sites require that in addition to continuous monitoring, activities relating to water and waste water management are defined and implemented on an ongoing basis.

The focus is on three key fields of action, which are explained in the previous chapter E3-1 Policies related to water and marine resources. This includes the separate management of water circuits to reduce and prevent the discharge of pollutants as well as to reduce water withdrawal and the associated waste water discharges, supported by local water management plans. Comprehensive waste water treatment also plays a crucial role, along with the development of safety measures to prevent unplanned emissions of pollutants such as leaks or fluid discharge. As with pollution, water protection activities are also implemented primarily at the local level, with no Group-wide action policies in place.

The large number of individual measures with varying scopes ultimately contributes to comprehensively improving the environmental situation. As corresponding water management activities are already being undertaken successfully within the framework of existing environmental management systems, no additional activities are currently envisaged.

The implementation of the aforementioned ongoing water management activities under the environmental management systems does not require significant operating expenses and/or capital expenditure.

METRICS AND TARGETS

E3-3 – Targets related to water and marine resources

The main focus of the Group on minimizing the impact of the production facilities on the local ecosystems and aquatic systems. On the one hand, this means avoiding or reducing the introduction of pollutants into water to the greatest possible extent, and, on the other, reducing the quantities of water in full, where possible, and keeping the thermal load low.

Pollutant discharges or water withdrawals can have an impact on the surrounding ecosystems and the local water balance. This, in turn, requires that regulations and requirements are adapted to local conditions. As targets often hinge on local conditions, they are set by the individual companies. For this reason, a Group-wide requirement for water quality or water consumption is not considered expedient. Within the framework of the existing environmental management systems, the companies pursue individual water management targets that are geared to local conditions. The effectiveness of local actions with regard to target attainment is reviewed through regular audits performed by external institutions. Group-wide target setting pursuant to ESRS is therefore not currently envisaged.

E3-4 – Water consumption

The term water consumption is widely used, but is often assigned varying definitions and interpretations. According to ESRS, water consumption refers to the amount of water drawn into the boundaries of the undertaking (or facility) and not discharged back to the water environment or a third party over the course of the reporting period. For the production of iron and steel and the processing of steel products, evaporation losses and evaporation are the main influences on the water consumption.

The more extensive a technical process is, the more difficult it becomes to balance water flows. Accordingly, in a complex system such as an iron and steel mill, it is not possible to completely balance quantities using the monitoring systems in place. In light of this, the voestalpine Group has carried out a separate investigation into fresh water consumption. In accordance with ISO 14046, extensive water balances were established at the process level and the net fresh water consumption of the sites was calculated. Internal volume measurements were used to draw up the balances although it should be noted that approximately 95% of the water and waste water flows are directly measured by companies of the voestalpine Group. Where these measurements were not available, estimates and extrapolations were made on the basis of state-of-the-art data. This water footprint study was prepared by an external consulting firm in cooperation with experts from the operational sites and verified by another independent verifying body. The consumption figures reported here are based on the findings of this study and on the evaluations of the Group-wide collection of environmental data.

OVERVIEW OF METRICS

ESRS disclosure requirement	Paragraph	Datapoint/metric	Basis for the preparation and description of the metrics used; description of the assumptions and methodology
E3-4 Water consumption	28a	Water consumption	Water consumption figures are based on the water footprint study and have been converted to the BY for reference factors
E3-4 Water consumption	28b	Water consumption in areas of high water stress	Water consumption figures are based on the water footprint study and have been converted to the BY for reference factors
E3-4 Water consumption	28c	Total water recycled and reused	The parameters are based on data collected internally and have been converted to the BY for reference factors
E3-4 Water consumption	29	Water intensity	Calculated on the basis of parameters

OVERVIEW OF WATER CONSUMPTION

	2024/25
Total water consumption (m^3)	15,123,641
Total water consumption in areas exposed to water risk (m^3)	341,916
Total water recycled and reused (m^3)	84,979,662
Total water consumption in own operations (m^3/EUR million)	961
Net revenue used to calculate total water consumption in own operations: Total net revenue (financial statements) (EUR million)	15,743.7

Water consumption in areas exposed to water risks refer to regions of high water scarcity according to the Aqueduct Water Risk Atlas published by the World Resources Institute. However, the associated water consumption corresponds to only 2% of the total water consumption of the voestalpine Group and is therefore of minor significance.

Where applicable: description of the sources of measurement uncertainty	Resulting level of accuracy	External validation	Where applicable: measures planned to improve accuracy
Measurement uncertainty of monitoring systems and estimate for quarters	High (+/–3%)	None	» Ongoing development and expansion of data collection and evaluation » Periodic updates of the water footprint study