GENERAL INFORMATION

ESRS 2

BASIS FOR PREPARATION

BP-1 – General basis for preparation of sustainability statements

This report is a Consolidated Non-Financial Statement in accordance with Section 267a of the Austrian Business Code *(Unternehmensgesetzbuch – UGB)*, as amended. This statement has been voluntarily prepared in accordance with European Sustainability Reporting Standards (ESRS). In the following text, the non-financial statement is referred to as the sustainability report.

voestalpine AG is the reporting organization. Unless otherwise stated, the information, figures, and facts published in this report refer to all fully consolidated companies within the voestalpine Group. Both the financial performance indicators and the employee data encompass all of the Group's consolidated entities.

The scope of consolidation for the financial reporting is consistent with the present sustainability reporting and forms the corresponding basis for the sustainability report. When the sustainability report was prepared, the approaches and characteristics of the subsidiaries were taken into account as part of the materiality assessment.

If, at a later stage, material impacts, risks, and opportunities from non-fully consolidated subsidiaries are identified, these companies will be included in the scope of the report.

Impacts along the value chain that occur outside of voestalpine's factory gates but are subject to its sphere of influence are regularly evaluated as part of supply chain management and are managed with an eye toward sustainability. The process of the double materiality assessment described in IRO-1 also took into account impacts, risks, and opportunities along both the upstream and downstream value chain of voestalpine. The sections on topic-specific information describe the extent to which voestalpine's policies, actions, targets, and metrics are applied across the value chain.

voestalpine's business policy is based on the principle of transparency. For this reason, the option to exclude certain information from disclosure (see ESRS 1 Section 7.7) has not been exercised in this

sustainability report. This report includes all relevant information; nothing has been withheld on the grounds of confidentiality, including details related to intellectual property, proprietary know-how, or innovation outcomes.

Additionally, voestalpine has fully disclosed all forthcoming developments and matters currently under negotiation.

BP-2 – Disclosures in relation to specific circumstances

As this is voestalpine's first sustainability report prepared according to ESRSs, a comparison with previous reports, which were prepared on the basis of Global Reporting Initiative (GRI) standards, is not possible. As ESRSs do not require the disclosure of prior-year figures in the first year of reporting, no ESRS-specific figures from the previous year are provided.

This sustainability report also includes information related to the EU Taxonomy. This information is provided in the section on environmental information in the chapter "Disclosures in accordance with the Taxonomy Regulation." The Sustainability and Diversity Improvement Act *(Nachhaltigkeits- und Diversitätsverbesserungsgesetz – NaDiVeG)* has been in effect in Austria since 2016 as the national implementing act for EU Directive 2014/95/EU (the Non-Financial Reporting Directive, NFRD), which mandates the disclosure of non-financial information. This Consolidated Non-Financial Statement has been prepared in accordance with Section 267a of the UGB as amended by the NaDiVeG and forms part of the Group Management Report. In addition, this Consolidated Non-Financial Statement has been voluntarily prepared in accordance with European Sustainability Reporting Standards (ESRS) in preparation for the reporting obligation under the Corporate Sustainability Reporting Directive (CSRD). The disclosed information regarding the EU Taxonomy is in accordance with Regulation (EU) 2020/852, as well as the current delegated regulations and supporting materials.

The reporting time horizons used by voestalpine are in line with ESRS recommendations. The periods referred to in the sustainability report are described as follows:

» short-term: reporting period of one business year
» medium-term: period from the end of the short-term horizon up to five years
» long-term: (more than 5 years)
» long-term: (more than 10 years)

In addition to the periods specified by ESRSs, the long-term period has been further divided into the two categorizations listed below. The reason for this is that sector or company-specific risks and opportunities often become relevant only further in the future, beyond the five-year horizon.

VALUE CHAIN ESTIMATION

As part of the sustainability report, estimates are used to derive metrics for the upstream and downstream value chains, where direct measurements or primary data are not available.

This primarily concerns the greenhouse gas balance, specifically the indirect emissions from the upstream and downstream value chains, which are classified under Scope-3-categories according to the Greenhouse Gas Protocol. Specifically, these categories are:

- **Scope 3 – Category 1**:
  Purchased goods and services
- **Scope 3 – Category 3:**
  Fuel and energy-related activities
- **Scope 3 – Category 4:**
  Upstream transportation and distribution
- **Scope 3 – Category 5:**
  Waste generation
- **Scope 3 – Category 9:**
  Downstream transportation and distribution

At present, external emissions databases are primarily used to calculate these emissions. The databases are based on market data as well as average company data, and are regularly updated. For instance, sector data from industry associations like EUROFER or worldsteel are utilized by this provider to regularly update the databases for the iron and steel sector. The secondary data used is based on average actual consumption and offers a reliable foundation with sufficient accuracy in greenhouse gas accounting.

At the same time, voestalpine is in direct discussions with suppliers to obtain access to primary data. The focus is on products that significantly impact the Group's indirect greenhouse gas footprint. To further improve the accuracy of these estimates, enhanced measures in supplier engagement are planned to increase the share of primary data. In addition, new emissions databases are continuously evaluated, and, where necessary, more accurate secondary data are sourced from the system provider. Any potential measurement uncertainties primarily stem from the limited availability of primary data from the upstream value chain. The assumptions, estimates, and assessments that underlie the metrics are primarily based on market, industry, and average data.

SOURCES OF ESTIMATION AND OUTCOME UNCERTAINTY

A certain degree of measurement uncertainty exists for individual parameters, particularly in high-volume measurements related to water and wastewater, as well as in the estimated costs of future environmental regulations.

Information on measurement uncertainties and assumptions can be found in the respective topic-specific sections.

INCORPORATION BY REFERENCE

Please find a list of ESRS disclosure requirements that have been referenced in the report below:

Chapter	Datapoints	Reference document	Chapter in reference document
GOV-1 The role of the administrative, management, and supervisory bodies	ESRS 2-GOV-1 21c ESRS 2-GOV-1 23 ESRS 2-GOV-1 21a GOV-1 G1 5a GOV-1 G1 5b	Consolidated Corporate Governance Report 2024/25	Composition of the Management Board/ Composition of the Supervisory Board
GOV-3 Integration of sustainability-related performance in incentive schemes	ESRS 2-GOV-3 29 ESRS 2-GOV-3 29a ESRS 2-GOV-3 29b ESRS 2-GOV-3 29c ESRS 2-GOV-3 29d ESRS 2-GOV-3 29e GOV-3 E1 13	Remuneration Report for members of the Management and Supervisory Board BY 2024/25	Remuneration of the Management Board Remuneration of the Supervisory Board

GOVERNANCE

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

GOV-1 – GENERAL INFORMATION

The governance structure of voestalpine AG is based on a dual management model. This model includes the Management Board as a management body and the Supervisory Board as a supervisory body. The Management Board takes over the management and representation of the joint stock company and is responsible for the strategic decisions. The Supervisory Board supervises the management of the Management Board and is responsible for the appointment of members of the Management Board. The Articles of Association authorize the Supervisory Board to appoint committees and to define their rights and responsibilities. In addition to the statutory audit committee, the Supervisory Board of voestalpine AG has formed a General Committee, a Compensation Committee, and a Nomination Committee from among its members.

The dual management system ensures a clear separation between the company's operational management and the independent oversight of its activities.

DUAL voestalpine MANAGEMENT SYSTEM

MANAGEMENT BOARD

Management body
- Decision on fundamental questions of business policy and corporate strategy, as well as on medium-term business plan
- Preparation of Annual Report and Consolidated Financial Statements
- 6 members

reports and submits proposals to

appoints, advises, monitors, and approves

SUPERVISORY BOARD

Control body
- Review and approval of the Annual Reports and Consolidated Financial Statements
- 12 members (8 shareholder representatives, 4 worker's representatives)
- 4 committees (executive committee, nomination committee, audit committee, compensation committee)

discharges | *reports and submits proposals to* | *reports and submits proposals to* | *selects shareholder representatives and discharges*

ANNUAL GENERAL MEETING
is responsible in particular for

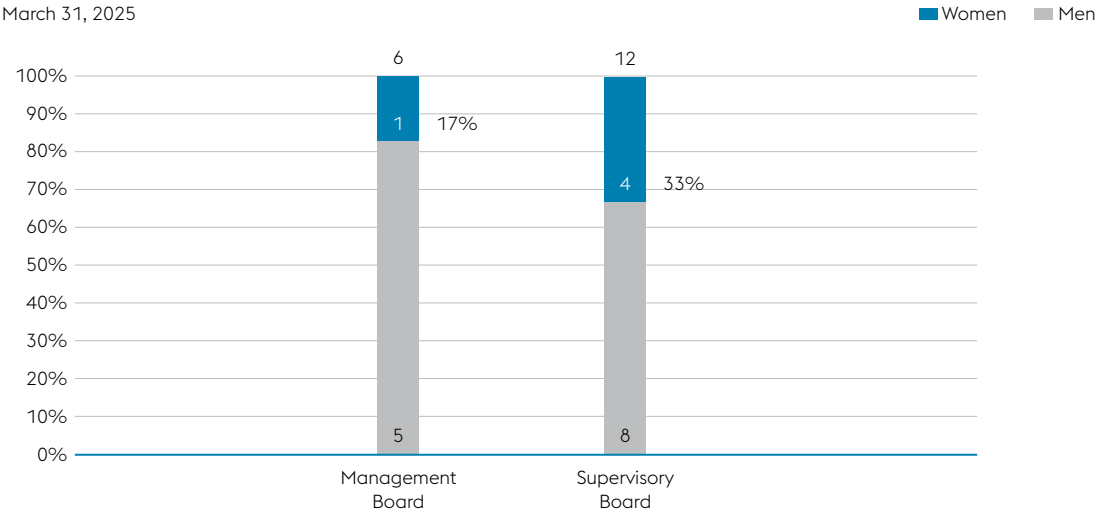
- election of Supervisory Board members
- election of the statutory auditor
- distribution of profits
- Management Board and Supervisory Board discharges

The Management Board of voestalpine AG currently consists of six members, including one woman, resulting in the board's proportion of women coming to approximately 17%. Five board members have Austrian citizenship, while one member is a German citizen.

The Supervisory Board of voestalpine is made up of eight shareholder representatives and four employee representatives. The proportion of women in the Supervisory Board is 33.33%, comprising three shareholder representatives and one employee representative. With the exception of one member who holds Swiss citizenship, all Supervisory Board members are Austrian.

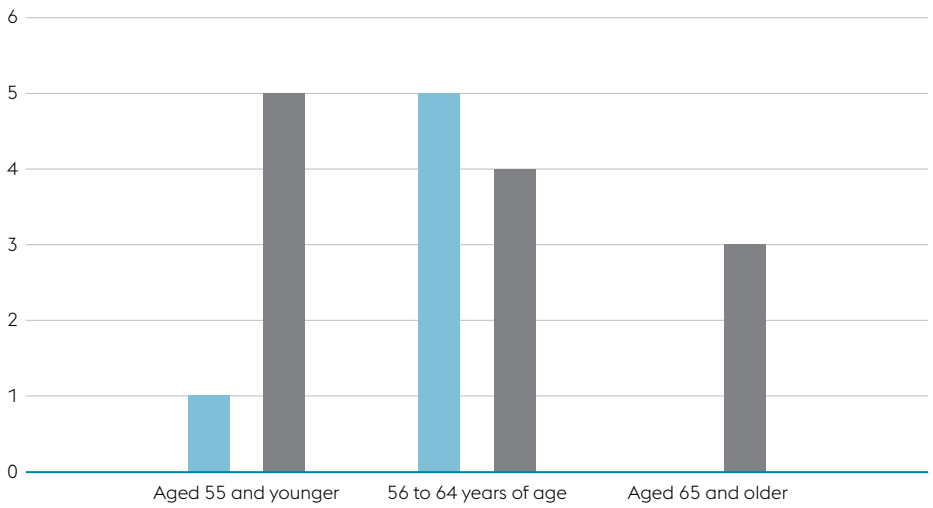
GENDER STRUCTURE OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

as of March 31, 2025



AGE STRUCTURE OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

as of March 31, 2025



For informational purposes, it is noted that, effective May 1, 2025, the Group Works Council of voestalpine AG has nominated Manfred Hippold as the employee representative on the Supervisory Board of voestalpine AG, replacing Hans-Karl Schaller. The age and gender structure remains unchanged.

Additional information on the composition of the Management Board can be found in the most recent Consolidated Corporate Governance Report 2024/25 (chapter "Composition of the Management Board"). There, the members of the Management Board are listed by name, along with details on their professional background, highlighting their expertise and experience in relation to sustainability matters. Additionally, relevant knowledge regarding the company sectors, products, and geographic locations of voestalpine is presented. The report also contains information on the terms of office and areas of responsibility of the individual members of the Management Board.

Additional information regarding the composition of the Supervisory Board, its committees, as well as the number and key topics of meetings in the 2024/25 business year can also be found in the most recent Consolidated Corporate Governance Report 2024/25 (chapter "Composition of the Supervisory Board"). The Supervisory Board possesses a wide range of expertise, professional experience, and management skills, ensuring effective oversight and guidance of the Management Board. This expertise is particularly important in the context of the Corporate Sustainability Reporting Directive (CSRD). An overview of the specific skills and expertise of the Supervisory Board members can be found in the qualifications matrix in the Consolidated Corporate Governance Report 2024/25, in the chapter "Composition of the Supervisory Board."

The Management Board and the Supervisory Board are regularly informed and trained on relevant topics related to compliance, auditing, and sustainability during Management Board and Supervisory Board meetings. In addition, they may consult internal and external advisers and experts as required to enhance their knowledge on certain subjects. This ensures that the committees consistently possess up-to-date and well-founded expertise on sustainability.

Both the Management Board and the Supervisory Board bring together diverse competencies and experience to effectively address the material impacts, risks, and opportunities.

GOV-1 – G1 BUSINESS CONDUCT

The Code of Corporate Governance provides Austrian stock corporations with a framework for transparent, responsible, and sustainable corporate management and oversight. It is based on the provisions of Austrian stock corporation, stock exchange, and capital market law and is aligned with the OECD Guidelines for Corporate Governance.

The Austrian Code of Corporate Governance was most recently revised in January 2025. Compliance with the code is voluntary and aims to promote responsible corporate governance focused on sustainable and long-term value creation. Through its voluntary commitment, voestalpine adheres to these principles and promotes a high level of transparency for all stakeholders of the company.

The Management Board and the Supervisory Board of voestalpine AG resolved as early as in 2003 to recognize the Austrian Code of Corporate Governance, and have implemented all amendments made up until 2023 by the end of the reporting period. The C Rules and R Rules of the Code, as of the January 2025 version, will be implemented starting from the 2025/26 business year. In the business year 2024/25, voestalpine AG complied with the Code's mandatory L Rules as well as with the C Rules (excepting C Rule 39 from which it deviated) and all R Rules.

C RULE 39

Under C Rule 39, the majority of committee members shall satisfy the independence criteria established by the Supervisory Board in accordance with C Rule 53. In addition to one employee representative, the General and the Compensation Committee comprise two members elected by the Annual General Meeting. Following his election as the Chairman of the Supervisory Board of voestalpine AG effective April 1, 2022, and pursuant to the Supervisory Board's internal rules of procedure, Dr. Wolfgang Eder also assumed the chairmanship of both the General Committee (which simultaneously serves as the Nomination Committee) and the chairmanship of the Compensation Committee.

Owing to his prior position as the Chairman of voestalpine AG's Management Board until July 3, 2019, Dr. Eder does not fulfill one of the Supervisory Board's criteria of independence pursuant to Rule 53. Given this composition, therefore, the two Committees deviate from Rule C 39 of the Code because they do not include a majority of members elected by the Annual General Meeting who are independent as required under the independence criteria stipulated by the Supervisory Board.

By electing Dr. Eder to the position of Chairman of the Supervisory Board and thus also to the chairmanship of both the General and the Compensation Committees, in the company's interest the Supervisory Board is relying on his ability to fulfill these core responsibilities thanks to his many years of experience in the industry and management as well as his insight into the Group. As of August 2024, Dr. Eder will satisfy all of the independence criteria established by the Supervisory Board, with the result that full compliance with C Rule 39 will once again be assured from that date onward.

As of August 2024, all members of the Supervisory Board elected by the Annual General Meeting, and therefore all of the shareholder representatives, are to be classified as independent within the meaning of the criteria laid down by the Supervisory Board in accordance with C Rule 53 of the Austrian Code of Corporate Governance.

DUTIES AND RESPONSIBILITIES OF THE MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD IN RELATION TO SUSTAINABILITY

The Management Board proactively drives progress on sustainability topics and plays a central role in monitoring, managing, and overseeing the impacts, risks, and opportunities. It is informed about sustainability topics during regular board meetings and is involved in monitoring actions, setting new targets, and addressing emerging challenges.

In close coordination with the administrative, management, and supervisory bodies, voestalpine's sustainability-related goals were defined in terms of material impacts, risks, and opportunities as part of the development of the Group Strategy 2030+ and the associated sustainability strategy. The progress and achievement of the goals is monitored as part of the annual strategy review process.

Strategic responsibility for sustainability within the Management Board lies with the CEO. The corresponding operational tasks are handled by the sustainability organization, led by the Head of Group Sustainability, and by the Corporate Development department. Further information on the composition and tasks of the Group sustainability organization can be found in sections GOV-2 and GOV-5. Regular reports to the Supervisory Board of voestalpine AG enable effective oversight. This oversight also acts as a central control procedure for the management of impacts, risks, and opportunities, and results, for example, in the Group-wide resilience analysis, which assesses the company's resilience to climate-related risks and opportunities (for more information on resilience analysis see SBM-3 E1 Climate change and IRO-1 E1 Climate change).

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

The CEO is responsible for the sustainability strategy of voestalpine AG, while the member of the Management Board responsible for the Finance division is responsible for risk management. The Group Sustainability department, which was newly created in 2023, acts as a central coordination point for the sustainability strategy. The Management Board receives regular reports from the divisions and business units on key sustainability matters. The reports cover impacts, risks, and opportunities as well as the implementation of the sustainability due diligence. In addition, they include the results and an assessment of the effectiveness of the agreed policies, actions, metrics, and targets.

The Supervisory Board of voestalpine AG oversees the Group's risk management system and sustainability efforts. SBM-3 details the impacts, risks, and opportunities that have been identified as material to voestalpine. The objectives of the sustainability strategy are central to both day-to-day operations and long-term projects.

The material impacts, risks, and opportunities are taken into account by the Management and Supervisory Boards in strategic decisions and significant transactions.

In the business year 2024/25, the Supervisory Board and Management Board of voestalpine addressed all significant IROs in accordance with SBM-3.

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

The compensation policy for the Management Board of voestalpine AG defines the framework and principles for compensating Management Board members, implementing the requirements of the Austrian Stock Corporation Act (Sections 78 to 78b of the Austrian Stock Corporation Act *[Aktiengesetz – AktG])* as well as the Austrian Code of Corporate Governance. The compensation policy currently in effect was prepared by the General Committee, acting in its capacity as the Compensation Committee of voestalpine AG, and was formally approved by the Supervisory Board in its meeting held on June 4, 2024. It was submitted to the 32nd Annual General Meeting of the company for a vote on July 3, 2024.

The key principles of the compensation policy, along with detailed information on the compensation of the members of the Management Board and Supervisory Board, are presented in the compensation report for the Management and Supervisory Boards for the business year 2024/25. The report was audited by Deloitte Audit Wirtschaftsprüfungs GmbH and will be submitted for approval to the 33rd Annual General Meeting of voestalpine AG on July 2, 2025.

Since both the compensation policy and the compensation report will be submitted to the Annual General Meeting for approval, feedback from stakeholders will also be taken into account. The voting results for the compensation report and the compensation policy from the 32nd Annual General Meeting of the company held on July 3, 2024, are published on the voestalpine AG website. The compensation system for the Management Board aims to ensure appropriate compensation in relation to the size and financial position of voestalpine AG and to create incentives for long-term successful corporate management. The compensation of the Management Board members consists of a fixed, non-performance-based salary and a variable, performance-based component. The latter is based on a performance agreement concluded at the beginning of the business year between the Management Board and the general committee of the Supervisory Board of the company. The agreement includes both financial targets in the form of quantitative metrics and non-financial qualitative targets. Care is taken when determining these performance criteria to promote the long-term development of the company and avoid creating incentives for short-term effects only. During the reporting period, non-financial targets included sustainability matters that are not based on performance metrics but are instead of a qualitative nature.

Sustainable action is achieved by setting quantitative targets for a three-year period.

The shareholder representatives on the Supervisory Board receive fixed compensation without any variable components. The compensation of the members of the Supervisory Board is therefore not dependent on the achievement of specific sustainability targets. Members of the Supervisory Board appointed by the employee representatives do not receive Supervisory Board compensation (including attendance fees).

GOV-3 – E1 CLIMATE CHANGE

Climate-related considerations form part of the variable compensation of voestalpine's Management Board. Details regarding the proportion of compensation-relevant climate-related criteria and their formulation are included in the compensation report for voestalpine AG's Management and Supervisory Board members for the business year 2024/25, in the chapter "Remuneration of the Management Board."

GOV-4 – Statement on due diligence

voestalpine has implemented governance processes to fulfill its due diligence obligations in order to identify, assess, and take appropriate actions regarding material actual and potential negative impacts of its business activities on people and the environment. This ongoing process extends across the entire value chain, including the company's own operations as well as upstream and downstream relationships with various stakeholder groups.

The due diligence governance processes comprise several successive steps:

1. Identifying and assessing material adverse impacts

» The materiality assessment serves as a central tool for identifying and assessing actual and potential adverse impacts on people and the environment.
» The assessment covers all business units and stages of the value chain and is based on the criteria of "severity of impact" and "likelihood of occurrence," as outlined in international guidelines (UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises).
» The insights gained are prioritized and serve as the basis for developing prevention and remediation measures.

2. Integrating impacts into the corporate strategy and operational processes

» The identified material negative impacts are incorporated into voestalpine's strategic planning processes.
» They are also integrated into corporate management, governance mechanisms, and internal risk management systems.
» voestalpine integrates these insights into decisions on investments, business model development, and operational processes, with the goal of minimizing or, where possible, preventing negative impacts.

3. Implementing preventive and remedial actions

» Development and implementation of specific actions to prevent, mitigate, or remedy negative impacts.
» Carrying out targeted training programs for employees on human rights and environmental due diligence responsibilities.
» Periodic supplier assessments, in particular with regard to labor and environmental standards.
» Promotion of sustainable procurement practices and initiatives to reduce CO_2 emissions in production processes.

4. Monitoring and reporting

» Regular reviews of the progress and effectiveness of the implemented actions.
» Documentation of developments and challenges covered in voestalpine's sustainability reports, including both quantitative and qualitative metrics for measuring success.
» Transparent communications on practices and results of the due diligence, including through reporting, press releases, and by posting on the company's website.

voestalpine follows a continuous improvement process to further optimize its due diligence. The insights gained are incorporated into the further development of the sustainability strategy to effectively counteract negative impacts and ensure long-term responsible business practices. Progress and challenges related to the fulfilment of our due diligence obligations are monitored on a regular basis.

GOV-4: The following table provides an overview of how voestalpine applies the core elements of due diligence for human rights and the environment, and where they are presented in this sustainability report.

DUE DILIGENCE REFERENCES

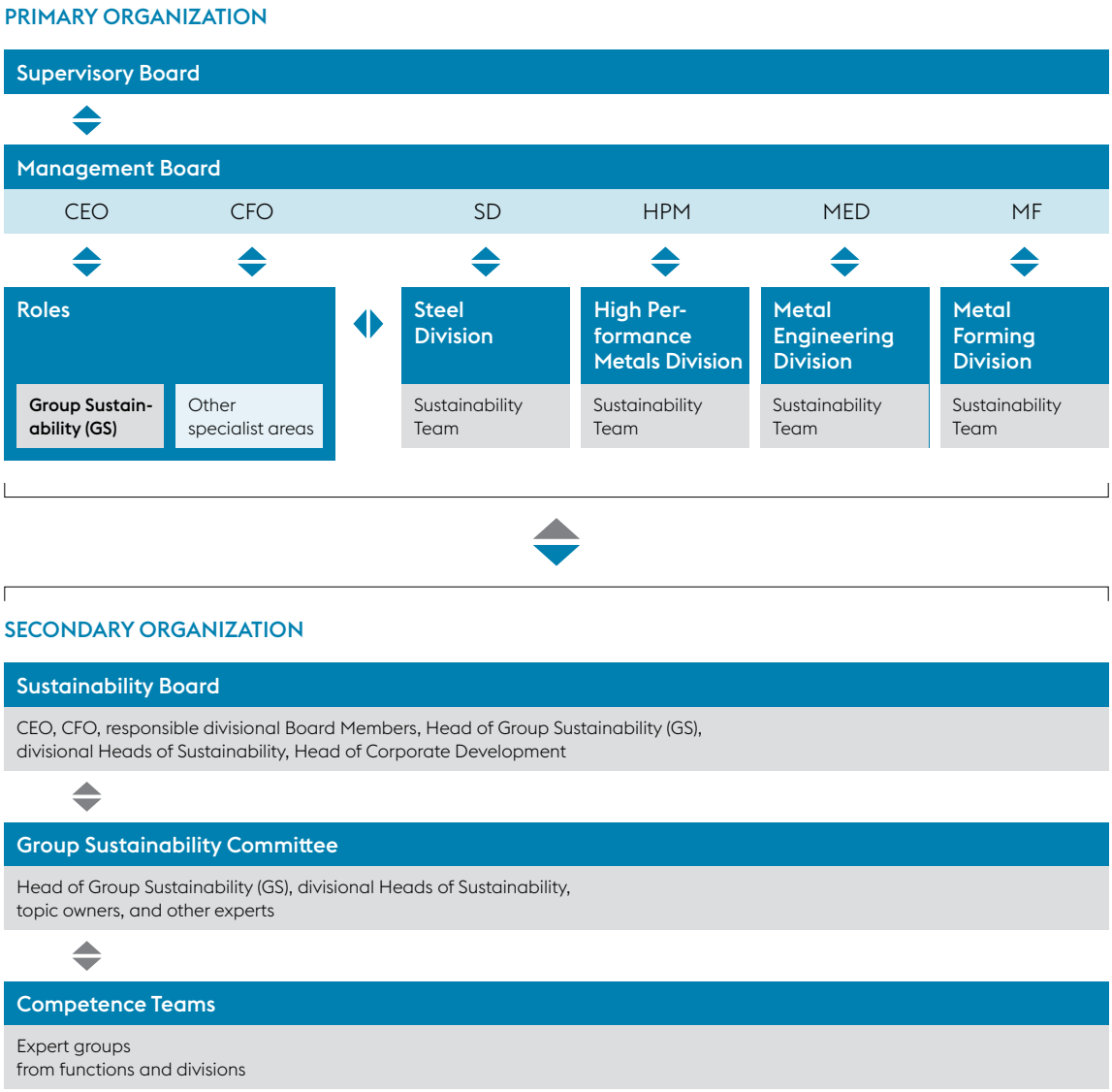
Core Elements of Due Diligence	ESRS-Paragraphs
a) Embedding due diligence in governance, strategy, and business model	ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies
	ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes
	ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model
	ESRS SBM-3 E1 Climate change
	ESRS SBM-3 E4 Biodiversity and ecosystems
	ESRS 2 SBM-3 S1 Own workforce
	ESRS 2 SBM-3 S2 Workers in the value chain
	ESRS 2 SBM-3 S3 Affected communities
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies
	ESRS 2 SBM-2 Interests and views of stakeholders
	ESRS 2 SBM-2 S1 Own workforce
	ESRS 2 SBM-2 S2 Workers in the value chain
	ESRS 2 SBM-2 S3 Affected communities
	ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities
	ESRS 2 MDR-P (Policies and procedures for stakeholder engagement in due diligence processes)
	In each topical chapter (E1, E2, E3, E4, E5, S1, S2, S3, G1, R&D, Taxes): stakeholder engagement
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities
	ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model
	ESRS SBM-3 E1 Climate change
	ESRS SBM-3 E4 Biodiversity and ecosystems
	ESRS 2 SBM-3 S1 Own workforce
d) Taking actions to address those adverse impacts	ESRS 2 MDR-A Actions
	In each topical chapter (E1, E2, E3, E4, E5, S1, S2, S3, G1, R&D, Taxes): actions, including transition plans to address impacts
e) Tracking the effectiveness of these efforts and communicating	ESRS 2 MDR-M Metrics
	ESRS 2 MDR-T Targets
	In each topical chapter (E1, E2, E3, E4, E5, S1, S2, S3, G1, F&E, Taxes): metrics and targets

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

ORGANIZATIONAL ANCHORING OF SUSTAINABILITY AT voestalpine

The Group Sustainability department, which was newly created at Group level in 2023, is responsible for all sustainability agendas at voestalpine. It acts as a central coordination point for corporate responsibility management and all sustainability initiatives. In addition, a secondary organization was established in the reporting period in the form of a board and committee structure in order to ensure consistent cross-functional and cross-divisional cooperation at all levels. This structure also includes risk management processes and internal control mechanisms related to sustainability reporting.

ORGANIZATIONAL STRUCTURE—SUSTAINABILITY MANAGEMENT



Group Sustainability department
The Group Sustainability (GS) department is responsible for coordinating reporting and regularly updating report content in consultation with the relevant departments and in compliance with legal standards. GS is responsible for implementing an internal control system (ICS) as part of sustainability reporting, insofar as the processes are not already covered by an existing ICS (e.g., ICS for financial processes).

Internal Audit and Risk Management department
Risk management is responsible for Group-wide risk management as well as for Internal Audit. The ICS for sustainability reporting supplements existing internal control systems (finance, sales, personnel) at voestalpine. Therefore, responsibility for monitoring the processes lies with the Internal Audit and Risk Management department.

Specialist departments
All relevant departments are responsible for the correct and complete provision of the necessary data and information required for sustainability reporting. It is the responsibility of the individual departments to ensure adherence to the respective ICS requirements for sustainability reporting.

The sustainability reporting processes are embedded within the overarching risk management structures, including internal control systems. The numerous Group policies, published on the intranet, define Group-wide minimum standards and provide the framework for ethical, responsible, and sustainable business conduct, incorporating basic principles of internal control systems, such as:

» The dual control principle
» Functional separation
» Transparency and traceability
» Need-to-know principle
» Security of property and assets

An integral part of the risk analysis and assessment is the comprehensive materiality assessment conducted in accordance with ESRS, which ensures that all sustainability topics relevant to voestalpine are identified and considered in the sustainability report. In the business year 2023/24, the perspective of stakeholders was increasingly incorporated into this analysis. An audit ensures that the identified topics are covered in the sustainability report.

Sustainability reporting is subject to risks, such as human error, incomplete data, or inconsistent information. Risks relate in particular to the accuracy of data entries and manual processing steps in the reporting process.

Furthermore, the materiality assessment conducted as part of the initial application of ESRS posed a particular challenge: In certain areas, such as biodiversity, there was limited reliable information available at the time of the assessment to accurately assess concrete impacts as well as financial risks and opportunities. voestalpine is working to systematically improve its expertise and the underlying data foundation in these areas.

voestalpine has implemented a series of control mechanisms to minimize risks in sustainability reporting to the greatest possible extent:

- The CSRD project core team regularly reviews the requirements for sustainability reporting and the regulations during the reporting process.
- Internal experts from a wide range of specialist departments as well as external experts examine the topic-specific chapters, carry out cross-comparisons with other chapters (dual control principle), and review or validate subject-specific content.
- The Group Sustainability Committee reviews and subsequent approves the material intended for publication.
- In addition, the sustainability report is subject to an external audit with limited assurance.
- In areas where data is incomplete—such as biodiversity—voestalpine systematically documents any information gaps. These then serve as the basis for the further development of the materiality assessment and reporting in future reporting periods.

The appointed auditors conduct analytical audit procedures and conduct sample audits as part of the limited assurance process for the company's sustainability report. Audit activities performed by the external auditor are described in the assurance statement.

Furthermore, voestalpine has implemented additional internal controls based on its risk assessment in the sustainability report. These include quantitative and qualitative audit mechanisms, the involvement of key corporate functions, and the participation of the Group-wide Sustainability Board. These controls are complemented by system-based access controls and automated input controls in the IT systems used for sustainability reporting.

STRATEGY

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

voestalpine is a global steel and technology group with a unique combination of material and processing expertise. The Group's organizational structure consists of a holding company and four divisions. With high-quality product and system solutions made from steel and other metallic materials, voestalpine is a leading partner in the automotive, energy, mechanical engineering, consumer goods, and aerospace industries. In addition, voestalpine is the world market leader in rail infrastructure systems, tool steel, and special sections. The Group's broad customer base contributes to earnings stability in a cyclical market environment overall.

The Group Strategy 2030+ outlines the path for voestalpine in the coming years, aiming to ensure the company's future viability and enable further value-enhancing growth. As an international Group, voestalpine is committed to global climate targets and is working intensively on technologies to reduce CO_2 emissions as well as on long-term decarbonization.

The Steel Division has been setting environmental benchmarks in steel production for years and is developing hydrogen-based future technologies to achieve CO_2-neutral steel production. With its high-quality strip steel, the Steel Division is a partner to renowned automotive manufacturers and suppliers around the globe.

The High Performance Metals Division is a global leader in the production and downstream processing of metallic high-performance materials, particularly high-speed steel and other specialty steels, as well as titanium and nickel-based alloys. Customers of these products include, for example, suppliers to the automotive and consumer goods industries, the special machinery sector, as well as the aerospace industry. With the sale of Buderus Edelstahl, voestalpine's High Performance Metals Division is concentrating its product portfolio on the technologically advanced high-performance materials segment and reducing its production share in tool steel and premium construction steel in the standardized performance sector, which is increasingly under price pressure due to rising competition from non-European competitors.

The Metal Engineering Division, with its Railway Systems business segment, is a global leader in providing integrated track systems. It provides customized comprehensive solutions for all rail infrastructure segments—from urban and mixed traffic to heavy freight and high-speed networks. Through its Industrial Systems business unit, the division is also the European market leader in high-quality wire and complete welding solutions. As part of the greentec steel program, the Metal Engineering Division is also intensively working on and researching various innovations, climate-friendly technologies, and production processes.

The Metal Forming Division is the center of expertise for highly advanced profile, tube, and precision strip steel products, as well as for ready-to-install system components made from pressed, stamped, and roll-formed parts. These products are used in a wide range of industries.

voestalpine does not offer products or services that are subject to bans in the respective markets.

REVENUE BY REGION

2024/25	Total	in %
European Union (excluding Austria)	8,969.3	57%
Austria	1,083.2	7%
USMCA	2,192.1	14%
Asia	1,430.5	9%
South America	528.0	3%
Rest of World	1,540.6	10%
Total revenue by region	**15,743.7**	**100%**

In millions of euros

REVENUE BY DIVISION

2024/25	Total	in %
Steel Division	5,799.1	37%
High Performance Metals Division	3,182.2	20%
Metal Engineering Division	4,167.9	27%
Metal Forming Division	3,125.1	20%
Holding & Group Services	1,012.4	6%
Consolidation	–1,543.0	–10%
Total Group	**15,743.7**	**100%**

In millions of euros

REVENUE BY INDUSTRY

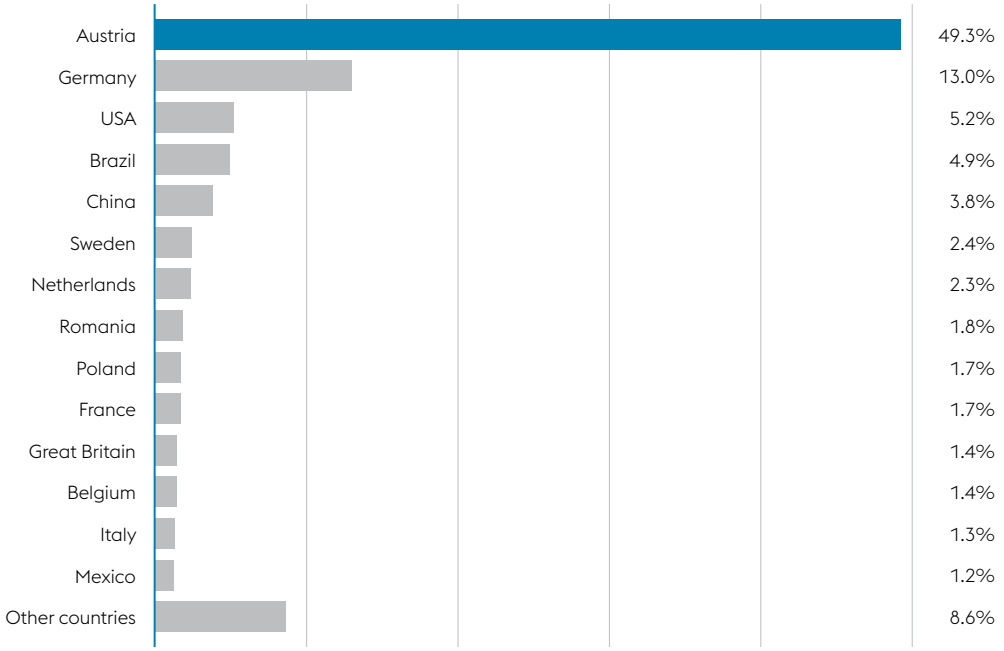
2024/25	Total	in %
Automotive	4,772.2	30%
Energy	2,711.7	17%
Railway systems	2,266.2	15%
Construction	1,503.6	10%
Mechanical engineering	1,280.7	8%
White goods/Consumer goods	651.2	4%
Aerospace	543.4	3%
Other	2,014.7	13%
Total revenue by industry	**15,743.7**	**100%**

In millions of euros

voestalpine comprises about 500 Group companies and sites in over 50 countries on five continents. As of the annual reporting date (March 31, 2025), the voestalpine Group had a global workforce of 49,298 employees (including apprentices). 49.3% of the employees are based in Austria, while 50.7% work at sites outside Austria.

EMPLOYEES BY COUNTRY (PERCENTAGE)

Headcount, as of the March 31, 2025 reporting date



EMPLOYEES BY COUNTRY (HEADCOUNT ABOVE 10)

Headcount (incl. apprentices), as of the March 31, 2025 reporting date

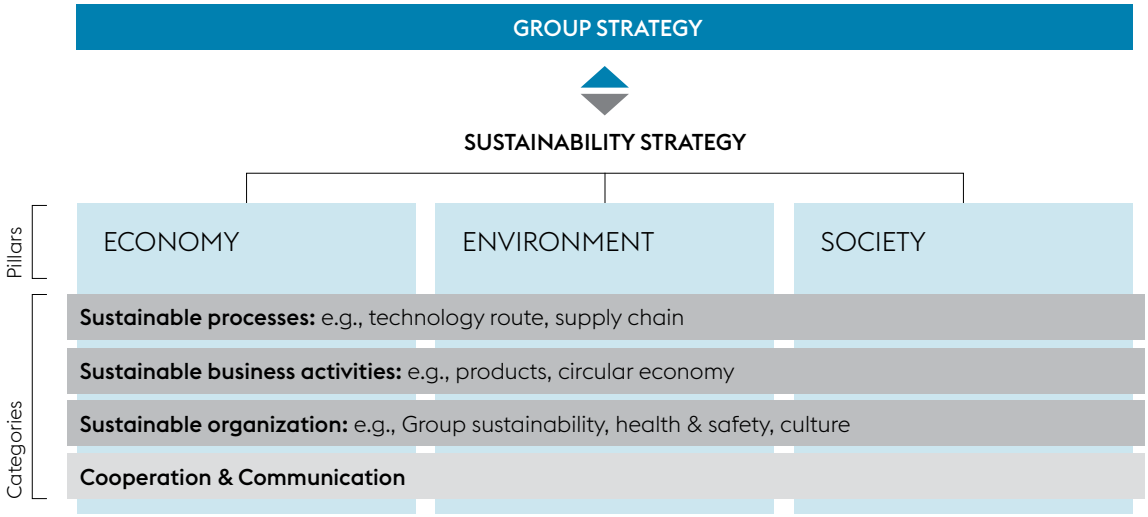
Country	Overall
Austria	24,323
Germany	6,406
USA	2,575
Brazil	2,436
China	1,879
Sweden	1,205
Netherlands	1,137
Romania	875
Poland	845
France	814
Great Britain	706
Belgium	675
Italy	663
Mexico	605
India	480
South Africa	429
Czech Republic	343
Spain	316
Australia	293
Türkiye	282
Hungary	275
Canada	208
Indonesia	153
Singapore	147
Switzerland	132
Thailand	113
Bulgaria	111
Taiwan	99
Peru	88
Lithuania	80
Japan	73
Colombia	69
Argentina	66
Saudi Arabia	59
Malaysia	56
Vietnam	54
Republic of Korea (South Korea)	47
Portugal	39
Ecuador	35
Slovakia	27
United Arab Emirates	23
Egypt	16
Denmark	12

SUSTAINABILITY STRATEGY AND TARGETS

The sustainability strategy of voestalpine forms an integral part of the Group's corporate strategy and is operationalized within the individual divisional, business unit, and functional strategies. With its comprehensive sustainability strategy, voestalpine pursues an integrated approach and has formulated strategic principles and targets for each sphere of action. The sustainability strategy is holistic and is based on the three pillars of the economy, environment, and society. It is implemented both in operational processes and in the organization of voestalpine, covering all of the Group's business activities.

As part of stakeholder management, voestalpine communicates its policy and related progress both internally and externally. For this purpose, voestalpine maintains contact with all relevant stakeholders by engaging in a responsible, solution-oriented, and transparent dialogue with them. This is facilitated through numerous platforms such as professional discussions, roundtables, conferences and trade shows, as well as analyst and investor meetings. In line with its Code of Conduct, voestalpine actively participates in a wide variety of bodies serving advocacy groups, trade associations, and lobbying campaigns. For more information on stakeholder management, please refer to SBM-2. The Group Sustainability department, which was newly created in 2023, acts as the central coordination point for the implementation and further development of the sustainability strategy.

SUSTAINABILITY STRATEGY—STRATEGIC SPHERES OF ACTION



Faced with increasing pressure to reduce GHG emissions and the need to curb climate change, steel producers must find alternative methods to achieve more environmentally friendly production. In response, voestalpine is investing in hydrogen-based and forward-looking technologies to enable carbon-neutral production.

As an undertaking, voestalpine is committed to clear sustainability targets and envisages achieving net-zero emissions by 2050. Within the scope of the Science Based Targets initiative (SBTi), the voestalpine Group is committed to reducing total Scope-1- and Scope-2-emissions by 30% and Scope-3-emissions by 25% by 2029 compared to the reference year 2019. This planned reduction corresponds to a "well below 2 °C" scenario. This target was set at the Group level and relates to the gradual decarbonization of the production sites. The target has not been rolled out for customer groups, specific products or regions. Achievement of the target is also subject to external factors and influencing variables, such as the availability of raw materials and renewable energy as well as the economic situation. For more information, see chapter E1 Climate change.

In order to meet the challenge of decarbonizing steel production while maintaining cost-effectiveness and competitiveness, and achieve the net-zero target by 2050, voestalpine has developed the ambitious greentec steel climate protection program as a core element of the Group and sustainability strategy. Blast furnace-based steel production in the Steel Division and the Metal Engineering Division will be gradually decarbonized by 2050.

In the first phase, EUR 1.5 billion is already being invested in one green-powered electric arc furnace each in Linz and Donawitz to replace one blast furnace at each location. The materials used involve a mix of scrap, liquid pig iron, and hot briquetted iron (HBI), with the mix adjusted according to the specific quality requirements. These electric arc furnaces, which are already under construction, will go into operation in 2027 and significantly reduce Scope-1- and Scope-2-CO_2 emissions by a total of 30% by 2029 by increasing the use of electricity instead of coal and coke. This represents almost 5% of Austria's entire annual CO_2 emissions, making greentec steel the country's largest climate protection program.

Starting in 2030, the second phase of the greentec steel climate protection program will be launched, in which one further blast furnace in both the Steel Division and the Metal Engineering Division will be replaced by an electric arc furnace. These actions, together with the expected complementary use of carbon capture and utilization/storage (CCUS) technologies, will reduce Scope-1- and Scope-2-CO_2 emissions by a total of 50% by 2035 compared to 2019.

With regard to further decarbonization after 2035 (phase 3), the focus will be on replacing the remaining fossil pig iron capacity with fossil-free energy sources such as green hydrogen and bioenergy, and on the capture, storage, and utilization of CO_2 (CCUS). The final decisions on phase 2 and phase 3 will be taken in line with the investment cycles and in consideration of the prevailing technological and regulatory environment at the time. Consisting of several modular technology steps and options as well as staggered decision times for the decarbonization steps, the greentec steel phased plan permits maximum flexibility without jeopardizing the cost-effectiveness of the net-zero policy. The respective phases can be adapted to changing economic and political conditions as well as to future technological possibilities without influencing the strategic objectives.

Other challenges for voestalpine in the context of climate change lie in securing the necessary raw materials and energy sources, demand for which will change as steel production is transformed. In order to address these challenges, voestalpine has set itself the strategic objectives of economically securing the supply of the production sites with the required raw materials and energy in the long term, as well as further expanding the circular economy and increasing the use of scrap as a secondary raw material in steel production. The undertaking aims to increase the use of scrap as a secondary raw material in steel production by 50% by 2030. These packages of actions are already being implemented and will continue to be developed. For more information, see chapter E1 Climate change and E5 Resource use and circular economy.

Another strategic challenge for voestalpine in the context of sustainability is to continue to attract and retain qualified and motivated employees in line with its requirements as the basis for economic success. To this end, voestalpine relies on various policies and actions—based on its already high level of commitment and above-average employee retention (for more information, see chapter S1 Own workforce).

In addition, the health of employees and the ongoing assurance and enhancement of occupational safety are core values at voestalpine and are given top priority. Continuous efforts are therefore being made to further reduce the frequency of accidents and increase the health index in order to move closer to the vision of "zero accidents." Strategically, the accident frequency rate is to be reduced by a further 30% by 2030. Group-wide safety standards form the basis of a successful corporate culture rooted in health and safety.

Moreover, voestalpine addresses sustainability in its supply chain and works to counter the material negative impact identified (for more information, see below and chapter S2 Value chain workers).

VALUE CHAIN AND BUSINESS MODEL

At the heart of voestalpine's business model is the efficient production and processing of high-quality steel products and other high-performance metallic materials for applications subject to high quality and technology requirements, while adhering to stringent sustainability standards throughout the entire value chain. This covers the mining of raw materials, production, use, and recycling of products. The following figure illustrates voestalpine's comprehensive value chain in consideration of upstream value added, in-house activities, and downstream value added.

voestalpine VALUE CHAIN

From ore

	UPSTREAM	OWN ACTIVITIES
Value creation	Extraction of raw materials	
		Research & Development
	Raw material preparation & IP	Steel production
	Purchased energy	Own energy
	Upstream logistics	Own logistics
Raw materials/products	Iron ore, scrap, HBI, alloys, coal/coke, energy, ...	Crude steel; Steel strip, sheets, pipes, wires, ...
Locations & footprint		Austria, Sweden, Brazil
Important stakeholders	Suppliers, energy companies, logisticians, value chain workers, financial institutions, ...	Employees, neighboring communities, political actors, whistleblowers, ...
Divisions		Steel Division (SD) Metal Engineering Division (MED) High Performance Metals Division (HPM)

To use

DOWNSTREAM

RECYCLING

Use

Further processing

Treatment and processing of steel and other high-performance metallic materials

Downstream logistics

Alloys, special materials, precision strip, ...

Pipes, profiles, machined steel, ...

Rail infrastructure, welding solutions, car components, warehouse technology, ...

Cars, railway systems, machinery, construction, energy, aerospace, consumer goods, ...

Locations worldwide

Customers, logisticians, ...

Metal Forming Division (MFD)

In the upstream value chain, voestalpine relies on essential raw materials such as iron ore, various alloys, steel scrap, coal, and coke, which are sourced from North America, South America, Europe, Africa, Australia, and parts of Asia. In the course of the transition to climate-neutral production, demand for raw materials is changing in response to technological transformation. For example, in addition to the gradual reduction in the use of coal and coke, the strategic increase in the use of recycled steel scrap reduces the need for iron ore. This recycled scrap comes from both industrial and post-consumer sources.

In addition to the raw materials, the supply of energy, which is provided by regional and international energy suppliers, is crucial. This also applies to the necessary supply of water. Other materials, machinery, and equipment procured by global suppliers are also essential. Global logistics service providers as well as some of the company's own logistics manage the transport of raw materials and other goods to the production sites.

The combination of material and processing expertise as a key factor in voestalpine's success is reflected in the broad value chain in voestalpine's own business activities. This ranges from the steel production and the further processing and refinement of the products to the production of ready-to-install components, system solutions, and services. Steel production takes place at sites in Austria, Sweden, and Brazil, while further production steps are distributed globally. The specific activities and final products of the divisions vary depending on the business unit. The undertaking's own logistics ensures the transport of materials and semi-finished products to and between the undertaking's sites. At its large production sites, voestalpine generates electricity from process gases and uses it to power both the production process and the downstream processing steps. This enables the Group to cover a large part of its electricity requirements from its own generation.

The voestalpine Group manufactures a wide range of steel and other high-performance metal products, the majority of which are processed into final products in various industries. These include various flat and long products, but also further-processed products and ready-to-install components, e.g., for tool making, the automotive and energy industry, aerospace, construction and mechanical engineering, the consumer goods and food industry, as well as system solutions, for example for railway infrastructure or storage technology.

Research and development is pursued along all production activities of voestalpine, especially with regard to decarbonizing steel production. The increased expansion of the circular economy, in particular with the use of recycled materials such as steel scrap, or the reprocessing of by-products, will make production more sustainable. At the same time, state-of-the-art technologies and optimized processes make it possible to increase efficiency along the entire production chain and significantly improve the Group's environmental footprint.

In its own operations, voestalpine attaches great importance to the safety and well-being of its employees in order to ensure sustainable and responsible production. Employees can express their interests to the company in various ways and trust that their needs will be taken into account in decision-making processes.

The downstream value chain includes the worldwide transportation of voestalpine products to business customers, their industrial processing, and final use by end customers. At the end of their useful life, a proportion of the products are recycled. This promotes a circular economy and contributes to the company's sustainability goals. In the event of planned operational changes at the sites, the neighboring communities, political actors, and other stakeholders are involved in order to take local requirements into account and promote social acceptance.

The customers of voestalpine are made up of business customers from various industries and geographical markets, in particular from the automotive, energy, and aerospace industries, rail infrastructure, mechanical engineering, and the construction and consumer goods industry. The main geographical markets are located in Europe, North and South America, Asia and, depending on the business unit, in additional complementary markets.

A close dialogue is maintained between voestalpine and its customers, who are placing increasingly high demands on reducing the carbon footprint in their supply chains. This demand for "green steel" has led to an uptick in the development of solutions produced in collaboration with customers to increase efficiency and reduce emissions throughout the product lifecycle. These include innovative recycling processes and energy-efficient production technologies.

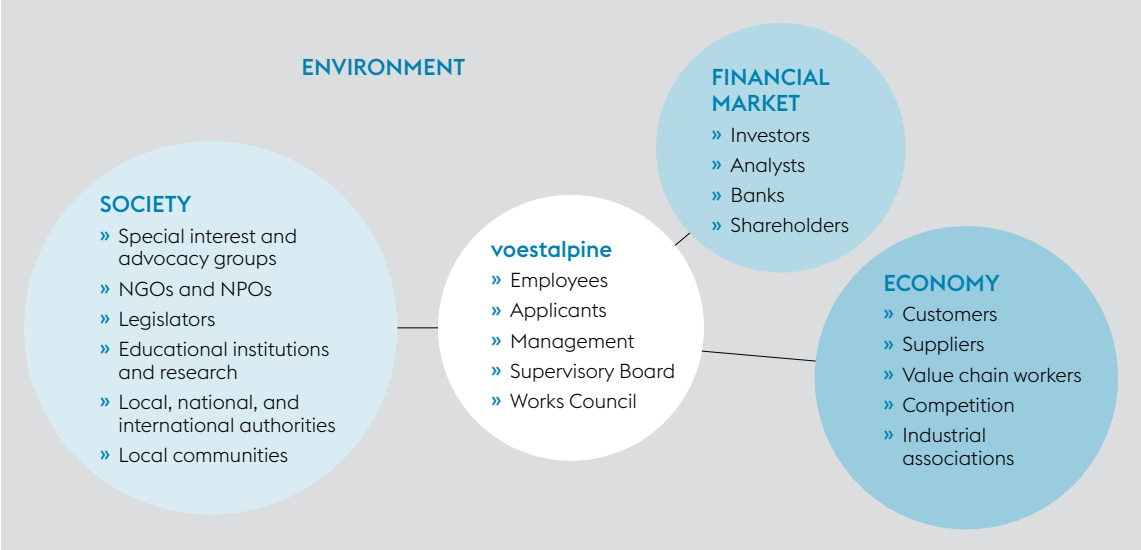
Additionally, voestalpine attaches great importance to transparency in the value chain. Environmental impacts and adverse social impacts, such as labor and human rights violations, need to be minimized to the greatest possible extent. In cooperation with suppliers, attention is paid to compliance with environmental and social standards.

SBM-2 – Interests and views of stakeholders

Stakeholders are persons or groups who can affect or be affected by voestalpine. They can be broken down into affected and interested stakeholders.

Identifying the relevant stakeholders and analyzing their requirements, interests, and expectations were core tasks to which voestalpine devoted itself in a structured and comprehensive manner in the business year 2023/24 as part of its double materiality assessment. The list of key stakeholders is reviewed at regular intervals to ensure that it is complete and up to date. The following table shows an overview of key stakeholders.

STAKEHOLDER CATEGORIZATION



The involvement of stakeholders includes representatives of affected groups such as trade unions, works councils, local communities, non-governmental organizations, suppliers, business partners, customer representatives, and industry associations. In addition, voestalpine works with sustainability experts from the world of academia and actively engages in a dialogue with users of the sustainability report, such as public authorities, banks, and investors. The undertaking takes into account their information needs with regard to the policies, actions, metrics, and targets of voestalpine in relation to material sustainability matters. Exchanges with the various stakeholder groups take place regularly in different formats and address the issues of relevance to them.

The most important stakeholders were involved in the double materiality assessment in two ways: Through face-to-face interviews and a large-scale anonymous online survey (see also IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities). In addition, the administrative, management, and supervisory bodies were informed about the views and interests of stakeholders with regard to voestalpine's sustainability-related impacts during sustainability board meetings.

Sustainability matters are increasingly becoming a main topic in voestalpine's communications with customers and suppliers, as well as with analysts, investors, NGOs, platforms, and advocacy groups. As far as the topic of sustainability is concerned, greenhouse gas emissions and climate-related risks, human rights in both the undertaking and the supply chain, as well as the EU Taxonomy Regulation, are often relevant concerns that are frequently discussed with stakeholders such as analysts and investors, for example. These frequently long-term relationships with customers and suppliers provide the basis for trusting and transparent partnerships.

The suggestions, proposals, and expectations of voestalpine's stakeholders are taken into account in strategic deliberations. This approach ensures transparent decision-making and strengthens trust in the undertaking. Taking into account different stakeholders helps to develop and implement a responsible and sustainable business strategy.

As a global steel company, voestalpine pursues a sustainable business model with a clear focus on decarbonization, resource efficiency, and circular economy. The shift towards more climate-friendly technologies and the focus on employees are central elements of the corporate strategy. The interests of relevant stakeholders are actively taken into account. In this way, voestalpine not only strengthens its long-term competitiveness, but also assumes responsibility for the interests of its stakeholders.

The following section outlines how communication with key stakeholders is structured. The examples given include the main stakeholder groups as well as the platforms most commonly used by voestalpine for dialogue and reconciling interests with them. voestalpine's executives also engage with other groups at different locations in various ways.

EMPLOYEES

The voestalpine Group currently has a global workforce of about 50,000 employees. Both the annual employee performance review and the regular Group-wide employee survey are key tools for engaging in structured communications. Employees' feedback is analyzed by management and flows into any action plans the company develops—for example, with respect to personnel development.

In many voestalpine Group companies, a works council represents employees' interests. Local works councils are superseded by a European Works Council and a Group Works Council, both of which hold regular discussions with management. Through internal audits and training courses—for example, on the topics of compliance, health and safety, IT security, or data privacy and protection—voestalpine ensures not only that its employees abide by and implement a range of requirements, but also that their knowledge is current.

CUSTOMERS AND SUPPLIERS

voestalpine maintains open and close-knit relationships with all its business partners. These frequently long-term relationships with customers and suppliers provide the basis for trusting and transparent partnerships. Together, processes and products are developed that satisfy the requirements of all parties involved and ensure low-impact utilization of resources.

Sustainability matters are increasingly becoming the focus. Besides conventional supply chain management issues such as quality, costs, availability, and delivery dates, a greater role is increasingly played by climate change mitigation, energy and resource efficiency, as well as compliance with labor and human rights. The voestalpine Code of Conduct is binding for all suppliers and business partners.

ANALYSTS AND INVESTORS

Institutional investors and analysts are a key stakeholder group of voestalpine in its capacity as a listed company. The members of the Executive Board and the Investor Relations department maintain close contact with representatives of the owners and providers of capital, including through investor conferences, road shows, and individual meetings. Discussions with analysts and investors focus on the latest developments and the market situation as well as sustainability issues. In particular, the focus is on climate-relevant emissions and risks, respect for human rights in the company and in the supply chain, and regulatory requirements such as the EU Taxonomy Regulation.

RESEARCH INSTITUTES AND UNIVERSITIES

The collaboration between voestalpine and universities, and unaffiliated research institutes is indispensable and boosts the Group's research and development work. voestalpine supports outstanding dissertations, master's theses, and research projects. It also endows professorships that can generate knowledge relevant to its core business and contribute new insights. The members of voestalpine's Management Board personally represent the Group during special student events (some of which are also held virtually) and answer questions from the students, who, in their capacity as potential future employees, are considered an important stakeholder group.

NGOs, SPECIAL INTEREST GROUPS, AND PLATFORMS

Representatives of voestalpine belong to various working groups and committees of advocacy groups and platforms. These include the World Steel Association ("worldsteel"); the Austrian Society for Metallurgy and Materials (ASMET); the European Steel Technology Platform (ESTEP); and the Austrian Financial Reporting and Auditing Committee (AFRAC). In addition, voestalpine actively engages in political debates with relevant industry associations such as the European Steel Association (EUROFER) and the European Rail Supply Industry Association (UNIFE) in order to present its views on socially and politically-relevant topics or to support a unified approach to the interpretation of particular statutory norms.

In April 2019, voestalpine became a member of ResponsibleSteel—a non-profit organization that focuses on the sustainable production of steel and the sustainable procurement of both raw and other materials. voestalpine actively engages in the ongoing development of the standard on which these policy initiatives are based. In the summer of 2021, the Group's largest steel plant (located in Linz, Austria) underwent an audit process aimed at obtaining certification pursuant to the ResponsibleSteel Standard; it is one of the very first steel companies to have done so. The surveillance audit provided for in the audit process was also completed with a positive outcome in the summer of 2024.

The company also maintains good communications with non-governmental organizations (NGOs). Its Management Board and experts engage in intensive and constructive exchanges of opinion with several NGOs, particularly with respect to energy and climate policies as well as other environmental topics.

The following outlines how the interests, views, and rights of its own workers, workers in the value chain, and affected communities are integrated into the strategy and the business model:

SBM-2 – S1 OWN WORKFORCE

The ongoing engagement of the workforce in decision-making processes not only strengthens the corporate culture but also ensures that the strategic direction of voestalpine is specifically tailored to the needs and expectations of its employees. Structured feedback processes make it possible to identify needs at an early stage, identify potential for improvement, and systematically incorporate these into business-critical decisions. Respect for human rights is a top priority: Internal guidelines, training courses, and monitoring mechanisms ensure that labor and social standards for all employees are consistently adhered to and continuously developed.

SBM-2 – S2 WORKERS IN THE VALUE CHAIN

There is currently no standardized process in place for the direct involvement of value chain workers. Any involvement takes place on an ad-hoc basis and the value chain workers can make use of the whistleblower system. A direct involvement process will be developed in preparation for the requirements of the CSDDD. Indirectly, this involves regular exchanges and close cooperation with relevant suppliers. For more information, see the topic-specific information on S2.

SBM-2 – S3 AFFECTED COMMUNITIES

Local communities, such as those located in the immediate vicinity of production facilities, are regularly involved in dialogues in the regions in which voestalpine operates, in order to understand their needs and concerns with regard to the company's activities. Based on this feedback, the company develops action plans that take into account both the economic success of voestalpine and the social and environmental concerns of the affected communities. In addition, the views of the communities are essential when it comes to ensuring voestalpine plays a long-term role as an important employer in the respective local communities. Further information is provided in the specific information on S3.

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

Prior to the compilation of this sustainability report, voestalpine identified and assessed its impacts on the environment and society (impact materiality) as well as the sustainability-related financial risks and opportunities (financial materiality) for the Group. The impacts, risks, and opportunities (IROs) assessed as material were assigned to the sustainability matters in accordance with ESRS 1 AR 16. In an aggregated presentation, nine of the ten topics for which topic-related standards are set forth in ESRSs were assessed as material. Only the issue of consumers and end-users (ESRS S4) was considered to be non-material.

The following topics are material and covered in the reporting through the application of the respective standards:

» Climate change (ESRS E1)
» Pollution (ESRS E2)
» Water and marine resources (ESRS E3)
» Biodiversity and ecosystems (ESRS E4)
» Resource use and circular economy (ESRS E5)
» Own workforce (ESRS S1)
» Workers in the value chain (ESRS S2)
» Affected communities (ESRS S3)
» Business conduct (ESRS G1)

In addition, the topics of innovation, research, and development, and taxation were assessed as being material. The company-specific information on these issues can be found in the chapter on Environment or Corporate governance. For more information on the materiality assessment, see chapter IRO-1.

The following table summarizes the key voestalpine IROs. Detailed information on the individual IROs as well as on the policies, actions, targets, and metrics with which voestalpine manages them is provided at the beginning of each of the topic-specific chapters of this sustainability report.

ESRS	Topic/sub-topic/sub-sub-topic		Impact, risk, opportunity (IRO)
E1	Climate change mitigation	●	Scope 1 GHG emissions
		●	Scope 2 GHG emissions
		●	Scope 3 GHG emissions
		○	Transformation of facilities and technologies
		○	New job infrastructure in the vicinity of voestalpine production sites
		!	Transition risk: risks arising from the technical transition of production processes to zero-emission technologies
		!	Transition risk: higher costs for CO_2 allowances in the ETS for voestalpine
		!	Transition risk: decrease in sales volume and margin due to structural change in European industry and competitive disadvantages due to unilateral European regulations
		+	Transition opportunity: increased sales volumes of sustainable/low-emission steel products for voestalpine (especially in sectors relevant to the energy transition) leading to a sustainable stabilization of sales and EBIT
		!	Transition risk: supply bottlenecks and higher costs for important materials and raw materials
	Climate change adaptation	!	Chronic physical climate risks
		!	Acute physical climate risks
	Energy	●	Direct energy consumption
		!	Transition risk: bottlenecks in the energy supply at major production sites (in particular Linz and Donawitz) and higher costs for energy procurement (renewable and non-renewable sources) due to the energy transition in Europe
E2	Air pollution	●	NO_x, SO_x, and dust emissions from our own value-added processes
E3	Water withdrawal	●	Water withdrawal
E4	Biodiversity and ecosystems	●	Biodiversity in the upstream value chain
E5	Circular economy	●	Metal recycling—using scrap as a resource
		●	Business models for recycling
		●	Waste recovery—use of by-products within voestalpine or selling them to other industries
I, R&D	Innovation, research & development	●	Production innovations
		+	USP based on product differences
		+	Increased recycling efficiency through technological innovation
		+	Breakthrough technology applications (e.g., HYFOR)
		!	Ensuring product quality with increased use of scrap
S1	Working conditions	●	Respect for human rights and fair working conditions at voestalpine
	Secure employment	○	Economic crisis or restructuring
	Health and safety	●	Healthy and safe working conditions at voestalpine
		●	Accidents at work, injuries, and occupational illnesses (health and safety)
	Equal treatment and opportunities for all	●	Equal opportunities for all employees
	Training and skills development	●	Personal development and training
S2	Worker rights and conditions in the value chain	!	Financial claims and loss of reputation relating to potential labor exploitation in the supply chain (direct payments, in particular due to CSDDD; indirect losses due to poorer sustainability ratings)
S3	Affected Communities	●	Engagement with affected communities (own Group—Linz, Donawitz, Kapfenberg)
G1	Corporate culture	●	Shared values at voestalpine
	Ethical business conduct	●	Practiced corporate ethics
		!	Violation of compliance guidelines and white-collar crime
Tax	Taxes	●	Correct tax payments

	Value chain	Time horizon	Reference
	>>	●●●●	p. 178
	>>	●●●●	p. 178
	>>	●●●●	p. 178
	>>	●●●●	p. 178
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	>>	●●●●	p. 326
	>>	●●●●	p. 326
	>>	●●●●	p. 342

Legende

- ● 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

The identified material impacts, risks, and opportunities of voestalpine are regularly evaluated in order to establish the current and anticipated impact on business model and strategy, and to derive actions for dealing with material impacts and risks, if necessary. More detailed information on the material impacts, risks, and opportunities including their interaction with the strategy and business model can be found in the tables in the topic-specific chapters of this sustainability report.

The impairment losses of EUR 38.8 million in the business year 2024/25 and the restructuring expenses of EUR 47.7 million recognized in the business year 2024/25 at Automotive Components result from the initiated consolidation strategy, in particular due to the ongoing capacity underutilization among premium customers of the German automotive industry, which is partly due to the structural change in Europe and the associated transitory climate risk: "Decline in sales volume and margin due to structural change in European industry and competitive disadvantages as a result of unilateral EU regulation." In this regard, there may be an adjustment in the carrying amount of the assets and provisions reported in the IFRS Consolidated Financial Statements in the next reporting period (see D.11 Impairments and reversals of impairment losses in the IFRS Consolidated Financial Statements for more details).

The resilience of voestalpine's strategy and business model is regularly analyzed and assessed as part of the strategy review process. For climate change information, see SBM-3 E1 Climate change. The company is tackling the risk of "ensuring product quality with increased use of scrap metal" with a wide range of actions. At the heart of these actions is the increased focus on research in order to continue to be able to manufacture the highest quality steel products after transitioning from blast furnace to electric arc furnace production (see I,R&D chapter). There are sufficient policies and procedures in place to address the risk of labor exploitation in the supply chain and the risk of non-compliance and white-collar crime. For further information, refer to chapters S2-1 Policies related to value chain workers and S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns, as well as chapters G1-1 Corporate culture and business conduct policies and G1-3 Prevention and detection of corruption and bribery.

Overall, it is considered that the actions already taken and planned are appropriate to reduce the sustainability risks identified and thus ensure voestalpine's long-term resilience.

SBM-3 – E1 CLIMATE CHANGE

The company has identified seven material climate-related risks, comprising two climate-related physical risks and five climate-related transition risks:

Climate-related risks		Risk
Climate-related physical risk	!	Chronic physical climate risks
	!	Acute physical climate risks
Climate-related transition risk	!	Transition risk: risks arising from the technical transition of production processes to zero-emission technologies
	!	Transition risk: higher expenditure for carbon credits as part of the ETS for voestalpine
	!	Transition risk: decline in sales volumes and margins due to structural change in European industry and competitive disadvantages due to unilateral European legislation
	!	Transition risk: supply bottlenecks or higher costs for important raw and other materials
	!	Transition risk: bottlenecks in the energy supply at the major production sites (in particular Linz and Donawitz) and higher costs for energy procurement (renewable and non-renewable sources) as a result of the energy transition in Europe

Starting in the business year 2023/24, voestalpine conducted a physical climate risk analysis and a transient climate risk analysis, which was completed in the current business year. On this basis, an analysis of the resilience of the business model and the corporate strategy was carried out (for more information on the process, the critical assumptions, and the time horizons used in the climate risk analyses, see chapter IRO-1 E1 Climate change).

The analysis of voestalpine's resilience with regard to the risks identified takes into account both its own business activities and the activities along the upstream and downstream value chain. With regard to the upstream value chain, the focus was on the key raw materials and energy sources, while in the downstream value chain, the most important customer segments and market trends for future demand were included. All at-risk assets and business units that are relevant for the strategic orientation of the company, investment decisions as well as existing and planned climate change mitigation actions were analyzed.

Physical risks
Based on the physical climate risk analysis, voestalpine has implemented a number of adaptation action plans at its key sites to minimize the impacts of physical climate risks to the greatest possible extent. Examples of such actions include, among others, structural measures such as flood protection and logistical adjustments in the event of low water levels. Activities are also being undertaken to counteract the impacts of long-term fluctuations in river levels, such as diversifying supply routes. Currently, these action plans are considered sufficient to effectively address the identified physical risks in the short, medium, and long term. Therefore, voestalpine does not currently see any vulnerability that assets or business activities could be significantly impacted by physical climate risks and action plans already implemented and planned are considered suitable to reduce the physical climate risks identified and thus ensure voestalpine's long-term resilience to climate-related physical risks.

Transition risks
Planned and current mitigation action plans were taken into account to determine the resilience of voestalpine with regard to the identified transition climate risks (see E1-3 Actions and resources in relation to climate change policies).

The core element of voestalpine's strategic orientation is the decarbonization of steel production (see SBM-1 Strategy) in order to counteract the risk of higher costs for carbon credits. Therefore, related investment decisions and climate change mitigation actions in business activity and business model are already taken into account (see E1), whereby voestalpine ensures the adaptation of the business model to climate change.

At the same time, associated transition risks may arise, in particular with regard to supply bottlenecks for energy, important raw materials, and associated higher costs, structural change, and changing competition, which are counteracted by ongoing actions (see E1-3 Actions and resources in relation to climate change policies).

By strategically aligning the business model with decarbonization on the one hand, and continuously evaluating the transition climate risks on the other, voestalpine is taking the necessary steps to adapt its business model to climate change in the medium and long term, while maintaining the necessary flexibility for regulatory changes and market dynamics.

SBM-3 – E4 BIODIVERSITY AND ECOSYSTEMS
The materiality assessment did not identify any material impacts of voestalpine's activities on biodiversity and ecosystems or dependencies of the company's activities on the respective ecosystem services at its own sites. A list of all sites located in the vicinity to protected areas can be found in ESRS 2 IRO-1 E4. No activities with material impacts on biodiversity and ecosystems have been identified at these sites either. In addition, no negative impacts of voestalpine activities on affected species or in terms of land degradation, desertification, or soil sealing have been identified.

SBM-3 – SOCIAL ISSUES

The impacts, risks, and opportunities that relate specifically to voestalpine's own workforce, the workforce in the value chain, and affected communities are partly due to voestalpine's business model and strategy. The labor-intensive processes of steel production, the global supply chain, and the strategically driven decarbonization are key impact drivers. These factors require continuous adaptations, particularly in terms of occupational safety, socially responsible procurement, and the targeted promotion of sustainability skills among employees. Material risks and opportunities arise from regulatory requirements and social developments. Their continued integration into corporate strategy not only addresses challenges, but also promotes positive developments—for example, through better working conditions, sustainable supply chains, and active engagement with the concerns of affected communities.

SBM-3 – S1 OWN WORKFORCE

All employees may be affected by the material impacts of voestalpine's activities. In addition to its own employees, self-employed and contract workers provided by third party undertakings also work for voestalpine.

Employees refer to individuals with permanent or fixed-term contracts who work on a regular basis for voestalpine. According to Austrian labor law, management boards do not count as "employees."

Self-employed persons offer their services on a freelance basis and are engaged as external experts for specific projects or assignments.

Leased personnel are sent by third party undertakings or agencies to work temporarily at voestalpine. Care is taken to integrate these employees into the corporate culture and give them the support they need, including specific onboarding programs and periodic feedback sessions.

The positive impacts identified are the result of targeted measures taken by voestalpine to promote fair working conditions and equal opportunity. Compliance with human rights is ensured through clear corporate policies, while safe working conditions are ensured through preventive safety measures, periodic training, and a comprehensive occupational health and safety management system. These positive impacts affect all of voestalpine's own workers.

No violations of human rights law or incidents involving child labor or forced labor were identified in the past business year. In order to continue to consistently prevent such violations, voestalpine regularly reviews its processes and implements targeted risk minimization measures.

The potential negative impacts of accidents, injuries, work-related ill health, and economic crises are based on individual cases and are neither systematic nor widespread. However, the materiality assessment found that production workers, especially those working in high-temperature areas or with heavy machinery, are at increased risk of work-related hazards due to the nature of their working environment. Detailed information on the corresponding mitigation measures is provided under S1-4.

The decommissioning of two coal-based blast furnace units and the commissioning of one green-powered electric arc furnace each in Linz and Donawitz from 2027 will result in material impacts on the workforce at these associated production workplaces. In order to counteract negative impacts on these workers, such as the threat of job losses, measures such as retraining and upskilling programs for green and future-proof technologies are being promoted. This aims to ensure that they remain employable.

Currently, there are no known material risks or opportunities in relation to voestalpine's own workforce.

SBM-3 – S2 Workers in the value chain

The materiality assessment identified a material risk with regard to potential financial claims due to labor exploitation in the supply chain. This risk results from the global distribution of the workforce and the unintended occurrence of labor or human rights violations. Possible financial burdens include sanctions—in particular in relation to the Supply Chain Due Diligence Act *(Lieferkettensorgfaltspflichtengesetz, LkSG)* and the Corporate Sustainability Due Diligence Directive (CSDDD)—as well as indirect economic disadvantages, such as a deterioration of sustainability ratings by relevant stakeholders.

When identifying potential impacts, risks, and opportunities in the value chain, voestalpine gives special consideration to the following groups of workers:

» Workers involved in the extraction of raw materials
» Workers in logistics
» Workers in metal processing for the production of pre-materials
» External contractors on the voestalpine premises

voestalpine takes a risk-based approach to supply chain management that takes into account industry and country-specific risks associated with supplier activities. For example, workers at companies that produce raw materials and input materials such as ores, alloys, and other metals are known to be at an increased risk of labor and human rights abuses. Countries and regions where these rights are frequently violated are given special attention by voestalpine in the identification and management of IROs.

A country-specific risk analysis has shown that certain countries in voestalpine's upstream value chain are at increased risk of human rights violations. In order to prevent human rights violations—including child labor and forced labor—in the upstream value chain to the greatest possible extent, above all in risk-prone regions, voestalpine relies on rigorous due diligence processes and mandatory compliance with its Code of Conduct for Business Partners.

In the past business year, voestalpine purchased its raw materials and input products such as ores, alloys, reducing agents, and other metals from around 40 countries. A comparison with the country-specific risk analysis shows that this also includes countries such as Brazil, China, India, Mexico, Zambia, South Africa, Türkiye, Ukraine, Vietnam, and Zimbabwe. These countries present a high risk of human rights violations, child labor and pollution, among other risks.

SBM-3 – S3 Affected communities

All affected communities that are likely to be materially impacted by our business activities and our value chain, including impacts from our products, services, and business relationships, are recorded in accordance with ESRS 2. In the course of the double materiality assessment, close cooperation and engagement with affected communities was identified as a material positive impact. The focus is on affected communities near the larger sites in Linz, Donawitz, and Kapfenberg. No material impacts, risks, or opportunities were identified for other communities, such as communities of indigenous peoples, or communities along or at the endpoints of the value chain.

Communities affected by material positive impacts arising from own activities in the vicinity of the aforementioned operational sites are:

» Direct neighbors of production and processing sites
» Political and (statutory/voluntary) advocacy groups
» Authorities and public organizations/bodies
» Science
» Civil society (non-governmental organizations, citizens' initiatives)
» General public, media

voestalpine maintains a continuous dialogue with the communities affected by its sites. Platforms for dialogues include event-related information and consultation events for local residents, regular coordination with authorities, and a publicly accessible whistleblower system. These measures promote social cohesion and community well-being, and allow voestalpine to better understand the social, cultural, and environmental issues faced by affected communities. As an employer, voestalpine also contributes to economic stability in many of the regions in which it is located. In order to present its contribution to society with transparency, voestalpine publishes data on research and development, the environment, employment, and tax and contributions paid on its website https://www.voestalpine.com/oesterreich/de/.

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

IRO-1 – Description of the process to identify and assess material impacts, risks, and opportunities

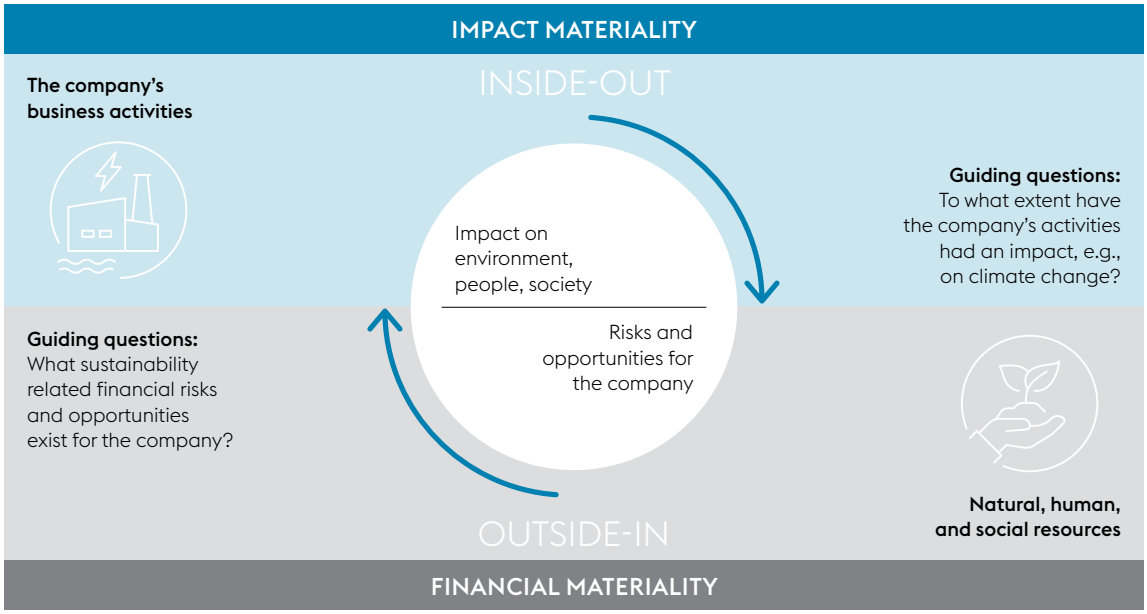
METHODOLOGICAL FRAMEWORK

In 2024, voestalpine identified its material sustainability aspects using the double materiality assessment. voestalpine's double materiality assessment was carried out in accordance with the methods and steps described in the European Sustainability Reporting Standards (ESRS). In accordance with the principle of double materiality, two perspectives are taken into account in order to systematically record the interactions between the company and its environment:

Impact materiality (inside-out perspective): This perspective looks at the direct and indirect impacts of business activities on people and the environment. It examines the extent to which corporate practices affect people's well-being, social developments, or nature.

Financial materiality (outside-in perspective): This perspective looks at financial risks and opportunities that may arise from the company's impacts (e.g., through environmental damage in the upstream value chain) or from dependencies on external factors (such as an increase in water stress at production sites). Financial materiality thus describes how environmental, social, and governance aspects influence a company's economic performance and stability.

MATERIALITY ASSESSMENT



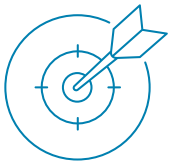
The results of the materiality assessment form the basis for the quantitative and qualitative disclosures required in the sustainability report. At the same time, they support strategic planning and operational alignment in relation to the environment, social affairs, and corporate governance.

The double materiality assessment process, which voestalpine carried out for the first time in the business year 2023/24, comprises seven consecutive steps and is in line with ESRS requirements. The process was documented, coordinated internally, and reviewed externally.

MATERIALITY ASSESSMENT PROCESS

1. Materiality policy

- **Detailed concept** and approach to materiality assessment based on the double materiality principle (DMA)
- Assessment of materiality requirements and comparison to current status
- Definition of targets and priorities for the DMA
- Alignment of the multi-annual process with controls and verifications



2. Identification of topics (long and short list)

- **Preparation of a long list of material topics** (approx. 260 topics) taking into account the ESRS
- Provision of workshops for internal experts to prioritize long list topics, bundle topics, and **prepare the short list**

3. Deep-dive on material topics

- **Description** of short list topics to ensure consistent understanding and avoid overlaps
- **Creation of value chain mapping** for the short list topics to be included in the stakeholder survey

4. Stakeholder survey

- Preparation of detailed stakeholder survey policy
- **Survey of selected stakeholders on defined topics** via online survey tool and expert interviews
- **Stakeholder relevance assessment** for prioritized topics and evaluation of the impacts of selected stakeholder topics

5. Evaluation of impacts, risks, and opportunities

- **Inside-out analysis** (impacts on the environment and society) **and outside-in materiality** (risks and opportunities) of short list topics
- Consideration of existing data, decision making on preparation of additional analyses
- Provision of **workshops for internal experts** to validate the results

6. Prioritization of material topics

- **Creation of a materiality matrix** based on consolidating inside-out, outside-in, and stakeholder perspectives
- **Establishment of materiality thresholds**
- Provision of **workshops for internal experts** to validate the results

7. Impacts on strategy and reporting

- Analysis of changes in materiality assessment and possible **impacts on strategy and business model**
- **Mapping** of the results of the materiality assessment **regarding ESRS standards** and development of a detailed list of datapoint level disclosure requirements

The plan is to carry out the entire materiality assessment process every five years moving forward. If there are significant changes within the Group, an early update will take place. Irrespective of this, an annual review will be conducted to determine whether the identified material IROs are still relevant or whether adjustments to the reporting requirements and datapoints are necessary in the sustainability report.

The organizational scope has been specified for the Group's own business activities in order to identify whether an IRO affects individual business units or the entire Group. No additional material impacts were identified for companies that are not fully consolidated. Due to their financial immateriality, these companies were excluded as sources of material risks or opportunities. Accordingly, the IROs and KPIs in the CSRD report that relate to the company's own value creation refer to the same scope of consolidation as the financial reporting. If material IROs are identified for these entities in the future, they will be included in the scope of the report.

This does not pertain to specific datapoints that involve non-controlled companies, such as Scope-3-emissions, in accordance with EFRAG IG 2 Value Chain.

Identification of impacts, risks, and opportunities
At the beginning of the process, the corporate context was analyzed. This included a review of business activities, business relationships, upstream and downstream value chains, and affected stakeholders in order to identify the relevant sustainability aspects.

To identify impacts, risks, and opportunities (IROs), voestalpine used, among other things, the list of sustainability aspects defined in ESRSs. All aspects were systematically reviewed to determine whether they are linked to IROs in voestalpine's own value chain or in the upstream and downstream value chains. Consideration was given to whether risks and opportunities arise from the company's impacts or dependencies. No priorities were set at this stage.

International corporate due diligence instruments and recognized reporting standards, in particular ESRSs, ISSB standards, and other requirements in accordance with EFRAG implementation guidelines, served as the methodological basis for determining IROs. In addition, publicly available risk lists for transition and physical climate risks were taken into account.

External data sources such as academic studies, market research, and the results of stakeholder surveys were used to substantiate the content.

Stakeholder engagement
The stakeholders involved were selected by the project core team. Prior to this, a discussion was held with voestalpine stakeholder management experts. Based on this, the stakeholders who could potentially be involved were assessed in a workshop in terms of their importance and accessibility. Importance was measured by the level of interest of a stakeholder group in the sustainable development of voestalpine, and the extent of its influence on the company. The importance rating was crucial in determining whether a stakeholder group should be involved, and the accessibility rating determined how this should be achieved.

In order to define the interaction methodology for each stakeholder group, the groups were categorized according to their accessibility. Stakeholder engagement was conducted in two different ways: Through face-to-face interviews and a large-scale anonymous online survey. Both methods have their advantages, which were united by means of their combined application. The online survey reached many people and thus achieved a high level of representation and statistical validity for the evaluation. Various aspects were discussed in detail in interviews with individual stakeholders and their representatives, with a deeper understanding gained of their perspectives and concerns.

In addition, internal information was incorporated, in particular existing risk matrices from the departments and internal company reports.

In the further course of the materiality assessment, an assessment was obtained from stakeholders.

A total of 130 internal and external stakeholders, divided into employee representatives, suppliers, customers, shareholders, investors, and governmental and non-governmental organizations, were included in the assessment.

Assessment of IROs
All identified IROs were assessed in several workshops using the criteria set out in ESRS 1 and the EFRAG implementation guidance for the materiality assessment, as explained below. All relevant internal experts were involved in the assessment process.

Assessment approach for positive and negative impacts:
The severity of positive and negative impacts was evaluated on the basis of specific assessment criteria. The first step was to determine the severity of an impact. This was decided based on the extent of the impact, the scope of the areas or people affected, and irreversibility in the case of negative impacts.

The severity describes the extent of the damage or benefit that an impact has or may have on people and the environment, including irreversible damage and long-term adverse effects on the people or ecosystems involved. In the case of potential impacts, the likelihood of occurrence was also included in the assessment. Likelihood of occurrence is calculated on the basis of historical data, current trends, and scientific forecasts.

For potential human rights-related impacts, the severity of the impacts took precedence over their likelihood of occurrence.

Assessment approach for risks and opportunities:
The materiality of risks and opportunities was also determined using specific assessment criteria. The starting point was the potential extent of the financial impact, which was multiplied by the likelihood of occurrence.

Determination of reporting requirements based on material IROs
Once the IROs were identified and assessed, the sustainability topics material to this sustainability report were classified. To this end, thresholds for the materiality of IROs were defined. IROs that reached or exceeded the defined threshold of 2 (out of 3) were classified as material.

In addition, sustainability aspects were classified as material if they were assessed as relevant by stakeholders or had at least one assigned negative impact with human rights relevance.

Embedding the materiality assessment in governance and Group processes
All decisions within the scope of the materiality assessment were made by consensus in the core team on the basis of the assessments described. A specialized external consulting firm supported the process, ensured compliance with ESRS requirements, and made sure that decisions were based on factual and objective grounds. The final results of the materiality assessment were presented and approved at a Sustainability Board meeting.

The process for identifying, assessing, and managing impacts and risks is aligned with voestalpine's Group-wide risk management. Group Sustainability and the Internal Audit and Risk Management department work together in this regard: Sustainability risks identified in the materiality assessment are then analyzed by Risk Management in accordance with Group-wide assessment criteria and on an equal footing with other business risks. The results of these assessments are incorporated into the Group risk profile and form the basis for deriving targeted measures to mitigate risks.

Material opportunities identified in the materiality assessment are also incorporated in existing voestalpine management processes—in particular in strategic corporate planning and innovation management. The aim is to systematically exploit these opportunities—for example, by tapping into new market potential, developing sustainable products, or introducing measures to strengthen competitiveness in the long term.

IRO-1 – E1 CLIMATE CHANGE
voestalpine has implemented the following procedures to identify and assess significant climate-related impacts, risks, and opportunities:

Identification of material climate impacts
voestalpine's activities and plans were reviewed as part of the materiality assessment to identify actual and potential future sources of greenhouse gas emissions and, where applicable, causes of other climate-related impacts by calculating the greenhouse gas footprint for Scope 1, 2 and 3 emissions. Further information on GHG accounting can be found under E1-6.

Due to the energy- and GHG-intensive nature of its activities, the actual material negative impacts of GHG emissions (Scope 1, 2, 3) and direct energy use were identified.

Procedure for identifying and assessing material climate-related risks and opportunities for voestalpine

voestalpine has identified its material climate-related risks and opportunities as part of climate-related scenario analyses. These are described in detail in section ESRS 2 SBM-3 of the General information and are divided into physical and transition climate risks.

The physical climate risks were analyzed on a site-specific basis, while the transition climate risks cover the decarbonization of the entire steel production process. The risks identified in both categories are incorporated into the resilience analysis, which assesses the company's resilience to these climate-related risks and opportunities.

The risk analyses are initially carried out on a gross basis, i.e., the risks and opportunities are considered in their natural form, namely in the form in which they could affect the business without taking countermeasures into account. The net view is then analyzed, in which the risks and opportunities are reassessed after countermeasures have been implemented. Based on these two aspects, the company's resilience to climate-related risks and opportunities is determined.

The climate scenarios used in the analyses are consistent with the critical climate-related assumptions in the financial statements (see also B.2. Discretionary decisions and estimation uncertainties for further details).

Physical climate risk analysis

For the physical scenario analysis, which was carried out as part of the EU Taxonomy, various climate scenarios from a simulation-based solution were used. The analysis covered key locations with an asset value of over EUR 10 million, as well as strategic hubs within own operations. This corresponds to coverage of approximately 90% of revenue and 114 locations. The upstream and downstream value chains were not included in the analysis. However, due to the high diversification of suppliers and customer segments, no significant physical climate risks are expected in these areas.

The scenario analysis for physical climate risks was carried out in three steps: First, the risks were identified, then the scenarios were calculated, and finally, adaptation solutions were evaluated and assessed. Risk identification includes the assessment of economic activity and a climate risk assessment to determine which physical climate risks could affect economic activity. The scenario calculation involves physical climate risk assessment based on the latest climate projections and future scenarios in order to analyze the risks in relation to the activity and its lifetime. When determining adaptation solutions, solutions that can reduce physical climate risk are evaluated.

The short and medium-term physical vulnerabilities associated with climate change from natural hazards—such as flooding or low water levels, snow load, drought, storms and strong winds, or temperature fluctuations—were identified and reported as part of the implementation of the EU Taxonomy Regulation. Using a simulation-based solution for identifying, quantifying, and disclosing physical climate risks, detailed climate risk analyses were developed for all relevant operating sites. Physical climate risks were identified, quantified based on the variable likelihood of occurrence, scope, and duration of the risk, and subsequently documented. The methods were based on the representative concentration pathways used by the Intergovernmental Panel on Climate Change (IPCC): RCP 8.5 (= 4.8°C warming by 2100), RCP 6.0 (= 3 to 4°C by 2100), RCP 4.5 (= 2.6°C by 2100), and RCP 2.6 (= below 2°C target) of the future scenarios, as well as status reports on climate change from the IPCC and key Copernicus services of the European Commission. Heavy rainfall, flooding, and mudslides, for example, have been identified as material acute climate risks for the voestalpine Group. A chronic climate risk stems from, for example, climate-related fluctuations in river levels, which can impair navigability (e.g., on the Danube) and thus cause supply chain problems.

The physical climate risk analysis uses select scenarios to examine risks up to the year 2100. The inclusion of RCP scenarios covers short-, medium-, and long-term time horizons (in accordance with ESRS). Investment cycles in the iron and steel industry are typically long; metallurgical plants (e.g., EAFs) are often in operation for several decades. The use of the select scenarios therefore ensures that all relevant physical risks and opportunities with regard to assets and business activities are taken into account in the analysis.

Based on the results of the physical climate risk assessment, which illustrates the gross view of the risks, adaptation solutions were identified and implemented where necessary. These were defined and implemented at the level of the major sites.

In addition, the voestalpine Group also uses its management systems, such as the environmental management systems certified according to ISO 14001 or EMAS, which are widely implemented in the companies around the globe, to fulfill the DNSH criteria in the Taxonomy Regulation. These systems ensure that environmental impacts are identified and reviewed as to their relevance to a given operating site's local environment and that any adaptation solutions aimed at impact mitigation are developed as necessary. In particular, these analyses comprise and/or take into account environmental matters such as water (sustainable use and protection of water and marine resources) and biodiversity (protection and restoration of biodiversity and ecosystems). The environmental management systems define how the respective companies can improve their environmental performance, fulfill legal and other obligations, and achieve local environmental targets. In accordance with the Plan-Do-Check-Act approach (PDCA cycle), environmental targets are defined and the necessary measures are derived and implemented:

» **Plan:**
Identify and analyze problems or potential for improvement, set targets, and develop a detailed implementation plan
» **Do:**
Implement necessary actions in accordance with the implementation plan
» **Check:**
Monitor and evaluate the implementation results to determine whether the set targets have been achieved
» **Act:**
Derive and implement further actions based on the results of the review

Transition climate risk analysis
In addition to physical climate risks, transition risks and opportunities were also analyzed to assess the resilience of voestalpine's business model and strategy under various decarbonization pathways and regulatory developments.

The transition climate risk analysis is based on the NGFS scenarios (Network for Greening the Financial System; scenarios; net-zero 2050 (1.5 °C), Below 2 °C, and Delayed Transition), which are recognized as suitable data sources in ESRSs. voestalpine chose these climate scenarios because they explicitly consider variables for the raw materials industry, including steel, and thus reflect voestalpine's business model. Within the NGFS dataset, the REMIND-MAgPIE model was used, which is characterized by comprehensive integration of various datasets and detailed regional differentiation.

For the analysis of transition climate risks, voestalpine focused on the "Delayed Transition" scenario. This assumes that global annual emissions will not decrease significantly by 2030, requiring more stringent political measures to limit global warming to 2°C. This scenario was chosen because of the high relevance of the associated transition risks for the steel industry. The other NGFS scenarios are being monitored on an ongoing basis so that we can respond to changing conditions.

Key transition events that are important for the steel industry were systematically examined. These include the development of the CO_2 price, regulatory requirements, the volatility of the energy markets, changing market and customer expectations, and changes in the capital market. The impacts of these factors have been analyzed in detail, documented, and assessed in terms of their relevance to voestalpine's business model.

The final assessment of the materiality of all identified risks and opportunities was carried out using a materiality matrix containing the aspects of scope of damage and likelihood of occurrence. This assessment was carried out in an interdisciplinary workshop by a team of experts and then validated by specialists from various divisions of the company. To determine the time frame, transition risks were divided into short, medium, and long term: less than one year as short term, one to five years as medium term, five to ten years as long term, and over ten years as very long term. In principle, all risks were assessed on a gross basis. The net assessment was only applied after the countermeasures had been implemented. As outlined in E1-1 with regard to the analysis of bound greenhouse gases, no material assets or business activities have been identified to date that would contradict the objectives of a climate neutral economy.

The materials risks and opportunities are presented and explained in chapter SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model.

IRO-1 – E2 POLLUTION

As part of the materiality assessment, plants and sites were reviewed with regard to material air, water, and soil emissions. The focus was particularly on plants that fall under the Industrial Emissions Directive (IED) and those that are subject to reporting requirements under the European Pollutant Release and Transfer Register (E-PRTR). voestalpine has also implemented environmental management systems at production sites that either have a material environmental impact from a Group perspective or make a significant contribution to improving the Group's overall environmental performance. These systems are described in detail under E2-1. The findings from these environmental management systems were incorporated into the assessment of significant sites and business activities.

For process-related reasons, microplastics are neither used as raw materials in the manufacturing process nor contained in voestalpine's products. Therefore, they do not represent a material issue.

As part of the materiality assessment, affected communities were included in the stakeholder analysis (e.g., through an online survey, face-to-face interviews) while the environmental management systems were developed and implemented in consultation with authorities, technical experts, and, where appropriate, local representatives. This included identifying both the concerns and the potential impacts of voestalpine on these communities with regard to environmental pollution. Stakeholder feedback was incorporated into the assessment of material impacts, risks, and opportunities.

The following list contains the operating sites and business activities that were identified as material in relation to environmental pollution:

Site	Business activity	Country
voestalpine Stahl GmbH	Production site	Austria
voestalpine BÖHLER Edelstahl GmbH & Co KG	Production site	Austria
Buderus Edelstahl GmbH	Production site	Germany
Villares Metals S.A.	Production site	Brazil
Uddeholms AB	Production site	Sweden
voestalpine Stahl Donawitz GmbH	Production site	Austria
voestalpine Railway Systems JEZ, S.L.	Production site	Spain
voestalpine Railway Systems MFA SASU	Production site	France
voestalpine Böhler Welding Belgium	Production site	Belgium
voestalpine Giesserei Traisen GmbH & Co KG	Production site	Austria
voestalpine Grobblech GmbH	Production site	Austria
voestalpine BÖHLER Bleche GmbH & Co KG	Production site	Austria
voestalpine Rail Technology GmbH	Production site	Austria
voestalpine Wire Rod Austria GmbH	Production site	Austria
voestalpine Wire Italy s.r.l.	Production site	Italy
voestalpine Automotive Components Bunschoten B.V.	Production site	Netherlands
voestalpine Sadef nv	Production site	Belgium
voestalpine Rotec Coating SRL	Production site	Romania
TORRI S.R.L.	Production site	Italy

IRO-1 – E3 WATER AND MARINE RESOURCES

The material impacts, risks, and opportunities of voestalpine along the value chain were assessed as part of the materiality assessment, which also evaluated existing dependencies. In addition, the company reviewed its assets and business activities at significant production sites based on the findings of the environmental management systems (see IRO-1 E1 for more information), and a specially conducted water footprint and water scarcity study at key production sites.

The findings were incorporated into the assessment. At the three largest production sites in Linz, Donawitz, and Kapfenberg, it was found that significant amounts of river water are withdrawn for cooling purposes, which could have a negative impact on local ecosystems. A small number of voestalpine Group sites are located in regions affected by water stress. The associated water consumption corresponds to 2% of the total water consumption and is of secondary importance overall for the company's own activities or the upstream and downstream value chain (see ESRS E3-4 Water consumption).

Furthermore, no areas were identified that are affected by water risks or have a direct connection to oceans or marine resources.

In addition, voestalpine maintains an ongoing dialogue on water-related issues with local residents at its major production sites in the form of personal discussions and surveys. voestalpine also works closely with advocacy groups and governmental and non-governmental organizations to ensure that the concerns of all relevant stakeholders are fully considered and incorporated into decision-making processes.

IRO-1 – E4 BIODIVERSITY AND ECOSYSTEMS

Impacts on biodiversity and ecosystems along the value chain were assessed based on the materiality assessment described in IRO-1. One potentially negative impact on ecosystems was identified in the upstream value chain, which could occur in particular in the production of key raw materials such as iron ore and coal. In addition, dependencies on biodiversity, ecosystems, and ecosystem services were analyzed. The dependency analysis was conducted and evaluated by a panel of internal experts in a series of workshops. The analysis revealed that there are no business processes or activities at relevant sites that have a direct connection to biodiversity and ecosystem services. The aim was to identify the extent to which operational processes depend on biodiversity and ecosystems. The results show that there are currently no significant business activities at the sites examined that are directly functionally dependent on specific ecosystem services or biodiversity.

voestalpine recognizes that its greenhouse gas emissions contribute to climate change, which in turn affects biodiversity. However, as this relationship is global and does not have a direct impact on specific ecosystems or local sites, it cannot be measured directly. While biodiversity loss is a local phenomenon, emissions have a global impact—therefore, the direct impact of climate change on biodiversity loss is not considered a material issue for voestalpine.

The analysis therefore did not identify any physical, transition, or systemic risks related to biodiversity. A resilience analysis with regard to biodiversity is therefore not relevant for voestalpine from the current perspective. However, risks and opportunities are reviewed regularly, and analyses are carried out if the framework conditions change.

As part of the materiality assessment, a stakeholder survey was conducted involving affected communities in the vicinity of the company's own sites. The survey was conducted through face-to-face interviews and anonymous online surveys with the aim of identifying potential negative impacts on biodiversity. Communities along the upstream value chain were not the target group for the survey. The findings were incorporated into the identification of material topics. At this point in time, no material negative impacts on the communities involved in relation to biodiversity have been identified.

Even though no material negative impacts have been identified in its own operations, voestalpine implements activities to preserve biodiversity in accordance with legal requirements. These are based on various legal provisions, including Directive 2009/147/EC of the European Parliament and of the Council on the conservation of wild birds and Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora.

The company also conducts environmental impact assessments in accordance with Article 1(2)(g) of Directive 2011/92/EU. When operating in third countries, voestalpine complies with the relevant national regulations and international standards such as Performance Standard 6 of the International Finance Corporation (IFC) on biodiversity conservation and the sustainable management of natural resources.

In addition to the activities mentioned above in relation to its own sites, voestalpine has also introduced measures to mitigate negative impacts in the upstream value chain. Further details can be found in chapter E4-3 Actions and resources related to biodiversity and ecosystems.

IRO-1 – E5 RESOURCE USE AND CIRCULAR ECONOMY

In order to identify the impacts, risks, and opportunities associated with resource use and the circular economy along the value chain, voestalpine's resource inflows, outflows, and waste generated were systematically analyzed and evaluated as part of the materiality assessment. Findings from the environmental management systems were taken into account, as were the recyclability of the products, the material properties of the raw materials used, and the possibilities for reuse.

Resource use and circular economy particularly affect the areas of steel production, the processing of metal products, and the recycling of residual materials. The main resources used are described in detail in E5-4 Resource inflows.

The relevant aspects of the circular economy extend across the entire value chain and include the procurement of raw materials, the return of metal-containing residues to production, and the reduction of material losses. In addition, the recycling of products at the end of their life cycle plays a central role, as voestalpine aims to keep materials in the cycle for as long as possible.

Consultations with key stakeholders were conducted as part of the stakeholder analysis in the context of the materiality assessment. Specific estimates on resource use and circular economy were collected. Feedback from affected communities and other relevant stakeholders, including customers and research institutions, was incorporated into the materiality assessment and taken into account when assessing materiality.

IRO-1 – G1 BUSINESS CONDUCT

As part of the materiality assessment, an internal and external stakeholder survey was conducted to identify the material impacts, risks, and opportunities associated with business conduct. Various criteria were applied in the materiality assessment to identify material impacts, risks, and opportunities in relation to business conduct. These include the location of economic activities, the type of activity carried out, and the corporate sector. Particular attention was paid to locations subject to increased regulatory requirements or specific compliance risks, while industry-specific regulations and market conditions were also systematically included in the assessment.

IRO-2 – Disclosure requirements in ESRS covered by the undertaking's sustainability report

The contents of this sustainability report were identified on the basis of the double materiality analysis. The exact procedure for the dual materiality analysis can be found in the section IRO-1 Description of the process to identify and assess material impacts, risks and opportunities. The selection of datapoints was based on the results of the materiality analysis. Based on this, the materiality and applicability of individual datapoints were also evaluated on a case-by-case basis. In addition, the material company-specific topics are disclosed through concepts, measures, and goals in accordance with the structure of the ESRS.

The following is a summary of all datapoints resulting from other EU legislation listed in ESRS 2 Annex B, including references to the relevant page number or information that the datapoint was not considered material.

LIST OF DATAPOINTS IN CROSS-CUTTING AND TOPICAL STANDARDS THAT DERIVE FROM OTHER EU LEGISLATION (ESRS 2 ANNEX B)

Disclosure Requirement and related datapoint	(1) SFDR reference[1]
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 Table #1 of Annex 1
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv	
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14	
ESRS E1-1 Undertaktings excluded from Paris-aligned Benchmarks paragraph 16 (g)	
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4 Table #2 of Annex 1
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 of Annex 1 and Indicator number 5 Table #2 of Annex 1
ESRS E1-5 Energy consumption and mix paragraphes 37	Indicator number 5 Table #1 of Annex 1
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphes 40 to 43	Indicator number 6 Table #1 of Annex 1
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emmission paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1
ESRS E1-6 Gross GHG emission intensity paragraphs 53 to 55	Indicator number 3 Table #1 of Annex 1

	(2) pillar 3 reference[2]	(3) Benchmark-Regulation reference[3]	(4) EU Climate Law reference[4]	Materiality	Page reference in the annual report
		Commission Delegated Regulation (EU) 2020/1816[5], Annex II		Material	p. 102
		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 104
				Material	p. 108
	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/24536 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Commission Delegated Regulation (EU) 2020/1816, Annex II		Immaterial	n.a.
		Commission Delegated Regulation (EU) 2020/1816, Annex II		Immaterial	n.a.
		Delegated Regulation (EU) 2020/1818[7], Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Immaterial	n.a.
		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Immaterial	n.a.
			Regulation (EU) 2021/1119 Article 2(1)	Material	p. 184
	Article 449a Regulation (EU) No 575/2013 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material	p. 185
	Article 449a Regulating (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	p. 194
				Material	p. 198
				Material	p. 198
				Material	p. 199
	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book - Climate change transition risk: Credit quality of exposures by sector, emission and residual maturity	Delegation Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	p. 201
	Article 449a Regulation (EU) No 575/2013 ; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	p. 203

Disclosure Requirement and related datapoint	(1) SFDR reference[1]	
ESRS E1-7 GHG removals and carbon credits paragraph 56		
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66		
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		
ESRS E1-9 Breakdown of the carrying value of ist real estate assets by energy-efficiency classes paragraph 67 (c)		
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69		
ESRS E2-4 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 paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1	
ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7 Table #2 of Annex 1	
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8 Table #2 of Annex 1	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12 Table #2 of Annex 1	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1	
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations paragraph 29	Indicator number 6.1 Table #2 of Annex 1	
ESRS 2 – IRO 1 - E4 paragraph 16(a) i	Indicator number 7 Table #1 of Annex 1	
ESRS 2 – IRO-1 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1	
ESRS 2 – IRO-1 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1	
ESRS E4-2 Sustainable land/agriculture practices or policies paragraph 24(b)	Indicator number 11 Table #2 of Annex 1	
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1	
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9 Table #1 of Annex 1	
ESRS 2 SBM3 – S1 Risk of incidents of forced labour pararaph 14 (f)	Indicator number 13 Table #3 of Annex 1	
ESRS 2 SBM3 – S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex 1	

	(2) pillar 3 reference[2]	(3) Benchmark-Regulation reference[3]	(4) EU Climate Law reference[4]	Materiality	Page reference in the annual report
			Regulation (EU) 2021/1119 Article 2(1)	Immaterial	n.a.
		Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Transitional provision	n.a.
	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk			Transitional provision	n.a.
	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 20022/2453 paragraph 34; Template 2: Banking book-Climate change transition risk: Loans collateralized by immovable property - Energy efficiency of the collateral			Transitional provision	n.a.
		Commission Delegated Regulation (EU) 2020/1818, Annex II		Transitional provision	n.a.
				Material	p. 213
				Material	p. 216
				Material	p. 214
				Immaterial	n.a.
				Material	p. 219
				Material	p. 219
				Material	p. 130
				Material	p. 130
				Material	p. 130
				Immaterial	n.a.
				Immaterial	n.a.
				Immaterial	n.a.
				Material	p. 237
				Material	p. 237
				Material	p. 131
				Material	p. 131

Disclosure Requirement and related datapoint	(1) SFDR reference[1]
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex 1
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex 1
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex 1
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex 1
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex 1
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex 1
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex 1
ESRS S1-17 Incidents od discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex 1
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10 Table #1 of Annex 1 and Indicator number 14 Table #3 of Annex 1
ESRS 2 SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and 13 Table #3 of Annex 1
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators number 11 and 4 Table #3 of Annex 1
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10 Table #1 of Annex 1
ESRS S2-1 Due diligence policies on issues adressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain prargraph 36	Indicator number 14 Table #3 of Annex 1
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1
ESRS S3-1 Non- respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10 Table #1 Annex 1
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14 Table #3 of Annex 1
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1

	(2) pillar 3 reference[2]	(3) Benchmark-Regulation reference[3]	(4) EU Climate Law reference[4]	Materiality	Page reference in the annual report
				Material	p. 262
		Commission Delegated Regulation (EU) 2020/1816 Annex II		Material	p. 262
				Material	p. 263
				Material	p. 264
				Material	p. 270
		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 287
				Transitional provision	n.a.
		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 288
				Material	p. 288
				Material	p. 289
		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	p. 289
				Material	p. 132
				Material	p. 300
				Material	p. 299
		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	p. 298
		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 298
				Material	p. 306
				Material	p. 314
		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	p. 315
				Material	p. 323
				Immaterial	n.a.

Disclosure Requirement and related datapoint	(1) SFDR reference[1]
ESRS S4-1 **Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17**	Indicator number 10 Table #1 of Annex 1
ESRS S4-4 **Human rights issues and incidents paragraph 35**	Indicator number 14 Table #3 of Annex 1
ESRS G1-1 **United Nations Convention against Corruption paragraph 10 (b)**	Indicator number 15 Table #3 of Annex 1
ESRS G1-1 **Protection of whistleblowers paragraph 10 (b)**	Indicator number 6 Table #3 of Annex 1
ESRS G1-4 **Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)**	Indicator number 17 Table #3 of Annex 1
ESRS G1-4 **Standards of anti- corruption and anti- bribery paragraph 24 (b)**	Indicator number 16 Table #3 of Annex 1

[1] Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosures Regulation) (OJ L 317, 9.12.2019, p. 1).
[2] Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176, 27.6.2013, p. 1).
[3] Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).
[4] Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

	(2) pillar 3 reference[2]	(3) Benchmark-Regulation reference[3]	(4) EU Climate Law reference[4]	Materiality	Page reference in the annual report
		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Immaterial	n.a.
				Immaterial	n.a.
				Immaterial	n.a.
				Immaterial	n.a.
		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	p. 341
				Material	p. 341

[5] Commission Delegated Regulation (EU) 2020/1816 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards the explanation in the benchmark statement of how environmental, social and governance factors are reflected in each benchmark provided and published (OJ L 406, 3.12.2020, p. 1).

[6] Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards laid down in Implementing Regulation (EU) 2021/637 as regards the disclosure of environmental, social and governance risks (OJ L 324,19.12.2022, p.1.).

[7] Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks (OJ L 406, 3.12.2020, p. 17).

Below is a list of disclosure requirements (including references to the relevant page numbers) that were made when preparing this sustainability report based on the findings from the materiality assessment:

DISCLOSURE AND APPLICATION REQUIREMENTS IN TOPICAL ESRS THAT ARE APPLICABLE IN CONJUNCTION WITH ESRS 2 GENERAL DISCLOSURES

General Information

ESRS 2	ESRS 2 General disclosures	Page reference in the annual report p. 98
BP-1	General basis for preparation of sustainability reports	p. 98
BP-2	Disclosures in relation to specific circumstances	p. 99
GOV-1	The role of the administrative, management, and supervisory bodies	p. 101
GOV-1 G1	Business conduct	p. 104
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies	p. 105
GOV-3	Integration of sustainability-related performance in incentive schemes	p. 106
GOV-3 E1	Climate change	p. 106
GOV-4	Statement on due diligence	p. 106
GOV-5	Risk management and internal controls over sustainability reporting	p. 109
SBM-1	Strategy, business model, and value chain	p. 111
SBM-2	Interests and views of stakeholders	p. 121
SBM-2 S1	Own workforce	p. 124
SBM-2 S2	Workers in the value chain	p. 124
SBM-2 S3	Affected communities	p. 125
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 125
SBM-3 E1	Climate change	p. 129
SBM-3 E4	Biodiversity and ecosystems	p. 130
SBM-3 S1	Own workforce	p. 131
SBM-3 S2	Workers in the value chain	p. 132
SBM-3 S3	Affected communities	p. 133
IRO-1	Description of the processes to identify and assess material impacts, risks, and opportunities	p. 133
IRO-1 E1	Climate change	p. 138
IRO-1 E2	Pollution	p. 142
IRO-1 E3	Water and marine resources	p. 143
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IRO-1 G1	Business conduct	p. 145
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability report	p. 145

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Environmental Information		
Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 / Taxonomy Regulation)		**p. 163**
ESRS E1	**Climate change**	**p. 177**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 178
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E1-2	Policies related to climate change mitigation and adaption	p. 186
E1-3	Actions and resources in relation to climate change policies	p. 188
E1-4	Targets related to climate change mitigation and adaption	p. 194
E1-5	Energy consumption and mix	p. 198
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	p. 200
ESRS E2	**Pollution**	**p. 206**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 206
E2-1	Policies related to pollution	p. 206
E2-2	Actions and resources related to pollution	p. 209
E2-3	Targets related to pollution	p. 212
E2-4	Pollution of air, water, and soil	p. 212
ESRS E3	**Water and marine resources**	**p. 214**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 214
E3-1	Policies related to water and marine resources	p. 214
E3-2	Actions and resources related to water and marine resources	p. 217
E3-3	Targets related to water and marine resources	p. 217
E3-4	Water consumption	p. 218
ESRS E4	**Biodiversity and ecosystems**	**p. 220**
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 220
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	p. 220
E4-2	Policies related to biodiversity and ecosystems	p. 220
E4-3	Actions and resources related to biodiversity and ecosystems	p. 221
E4-4	Targets related to biodiversity and ecosystems	p. 223

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Environmental Information		
ESRS E5	**Resource use and circular economy**	**p. 224**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 224
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E5-3	Targets related to resource use and circular economy	p. 232
E5-4	Resource inflows	p. 233
E5-5	Resource outflow	p. 235
Innovation, research, and development		**p. 240**
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I,R&D-2	Actions and resources related to innovation, research, and development	p. 246
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ESRS S1	**Own workforce**	**p. 256**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 256
S1-1	Policies related to own workforce	p. 260
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S1-6	Characteristics of the undertaking's employees	p. 283
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S1-14	Health and safety metrics	p. 287
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Social Information		
ESRS S2	**Workers in the value chain**	**p. 296**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 296
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S2-2	Processes for engaging with value chain workers about impacts	p. 304
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	p. 304
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ESRS S3	**Affected communities**	**p. 313**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 314
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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	p. 321
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Governance Information		
ESRS G1	**Business conduct**	**p. 326**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 326
G1-1	Corporate culture and business conduct policies and corporate culture	p. 328
G1-2	Management of relationships with suppliers	p. 337
G1-3	Prevention and detection of corruption and bribery	p. 337
G1-4	Confirmed incidents of corruption or bribery	p. 341
Taxes		**p. 342**
SBM-3	Material impacts, risks, and opportunities and their interaction with strategy and business model	p. 342
TAX-1	Policies related to taxes	p. 342
TAX-2	Metrics related to taxes	p. 345

ESRS 2 – MDR-M – OVERVIEW OF METRICS

ESRS disclosure requirement	Paragraph	Datapoint/metric	Basis for the creation and description of the parameters used, description of the assumptions and methodology
GOV-1 The role of the administrative, management, and supervisory bodies	21d	Percentage of administrative, management, and supervisory bodies by gender (gender structure)	Percentage distribution of members by gender (female/male) excluding the category "diverse/non-binary," which is recognized as a third gender in some countries
GOV-3 Integration of sustainability-related performance in incentive schemes	29d	Proportion of variable remuneration dependent on sustainability-related targets and/or impacts	Upon achievement of certain financial (quantitative) and non-financial (qualitative) targets, a bonus of up to 250% (for the Chair of the Management Board) or 200% (for all other members of the Management Board) is payable; the target agreement for members of the Management Board must include non-financial (qualitative) performance criteria amounting to a maximum of 25% of the variable remuneration Sustainability-related issues are taken into account in the non-financial (qualitative) targets of variable remuneration in the reporting period
ESRS 2 SBM-1	40aiii	Percentage or number of employees by geographical area	Percentage or number of own staff (headcount) by country, including apprentices and non-guaranteed hours employees, excluding interns (during summer breaks or as part of school programs), freelance contractors, diploma students/PhD students
ESRS 2 GOV-1	21a	Number of executive and non-executive members	The governance structure of voestalpine AG is based on a dual management model consisting of the Management Board as the executive body and the Supervisory Board as the supervisory body In accordance with the Articles of Association of voestalpine AG, the Management Board consists of two to six members and the Supervisory Board consists of three to eight members elected by the Annual General Meeting and members appointed in accordance with Section 110 of the Austrian Labor Constitution Act *(Arbeitsverfassungsgesetz – ArbVG)*. At present, the Management Board has six members and the Supervisory Board has twelve members (eight of whom are shareholder representatives and four are employee representatives)
ESRS 2 GOV-1	21e	Percentage of independent board members	As of August 2024, all members of the Supervisory Board elected by the Annual General Meeting qualify as independent within the meaning of the criteria established by the Supervisory Board in accordance with Rule C53 of the Austrian Code of Corporate Governance

	Where applicable: description of the sources of measure-ment uncertainty	Resulting degree of accuracy	External validation	Where applicable: planned actions to improve accuracy
	–	–	–	–
	–	–	The remuneration report for members of the Management Board and Supervisory Board for the BY 2024/25 will be audited by Deloitte Audit Wirtschaftsprüfungs GmbH and submitted for approval at the 33rd Annual General Meeting of voestalpine AG on July 2, 2025	–
	Limited—data represents the individual companies	High	None	–
	–	–	–	–
	–	–	Compliance with the “C Rules” of the Austrian Code of Corporate Governance by voestalpine AG in the BY 2024/25 (with the exception of Rules 77 – 83) will be audited by Deloitte Audit Wirtschaftsprüfungs GmbH Compliance with Rules 77 to 83 of the Austrian Code of Corporate Governance, insofar as these are “C Rules,” by voestalpine AG in the BY 2024/25 will be audited by WOLF THEISS Rechtsanwälte GmbH & Co KG	

APPENDIX

ResponsibleSteel

voestalpine commits itself to the 12 Principles of ResponsibleSteel, an advocacy organization. Furthermore, the production entities of the Steel Division completed their certification as sustainable steelmaking facilities pursuant to the ResponsibleSteel Standard in the 2021/22 business year. Experts from voestalpine and many other companies along the steel supply chain as well as civil society representatives and other stakeholders actively participated in the preparation of this Standard.

Principle 1: Corporate governance
ResponsibleSteel certified sites are led responsibly.

Principle 2: Social, environmental, and governance management systems
ResponsibleSteel certified sites have an effective management system in place to achieve the social, environmental, and governance objectives to which they are committed.

Principle 3: Occupational health and safety
ResponsibleSteel certified sites protect the health and safety of waged and salaried employees.

Principle 4: Labor rights
ResponsibleSteel certified sites respect the rights of waged and salaried employees and support their well-being.

Principle 5: Human rights
ResponsibleSteel certified sites respect human rights wherever they operate, irrespective of their size or structure.

Principle 6: Stakeholder engagement and communication
ResponsibleSteel certified sites engage effectively with stakeholders, report openly on issues of importance to stakeholders, and remediate adverse impacts they have caused or contributed to.

Principle 7: Local communities
ResponsibleSteel certified sites respect the rights and interests of local communities, avoid and minimize adverse impacts, and support community well-being.

Principle 8: Climate change and greenhouse gas emissions
The corporate owners of ResponsibleSteel certified sites are committed to the global goals of the Paris Agreement, and both certified sites and their corporate owners are taking the actions needed to demonstrate this commitment.

Principle 9: Noise, emissions, effluents, and waste
ResponsibleSteel certified sites prevent and reduce emissions and effluents that have adverse effects on people or the environment, manage waste according to the waste management hierarchy, and take account of the full life cycle impacts of waste management options.

Principle 10: Responsible water use
ResponsibleSteel certified sites demonstrate good water stewardship.

Principle 11: Biodiversity
ResponsibleSteel certified sites protect and conserve biodiversity.

Principle 12: Decommissioning and closure
ResponsibleSteel certified sites minimize the adverse social, economic, and environmental impacts of full or partial site decommissioning and closure.

For further information, see https://www.responsiblesteel.org/.

UN GLOBAL COMPACT

UN Global Compact—the 10 principles

Since 2013, voestalpine has supported the UN Global Compact (UNGC) and its principles regarding human rights, labor standards, climate action, and the fight against corruption.

HUMAN RIGHTS
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

LABOR STANDARDS
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and bonded labor;
Principle 5: the effective abolition of child labor; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT
Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals (SDGs) were drawn up by a United Nations working group, together with thousands of stakeholders, and adopted by a UN General Assembly Resolution during the United Nations Sustainable Development Summit in New York on September 25, 2015. A total of 193 UN member states committed to the 17 goals and 169 targets for global sustainable development and the related specific objectives.

The SDGs were put into effect as of January 1, 2016, and are designed to cover a period of 15 years (up to 2030). Particular emphasis was placed on the private sector's role in reaching these goals.

In its daily business activities, voestalpine contributes significantly to achieving the following 12 SDGs:

» **Goal 3:** Good health and well-being
» **Goal 4:** Quality education
» **Goal 5:** Gender equality
» **Goal 6:** Clean water and sanitation
» **Goal 7:** Affordable and clean energy
» **Goal 8:** Decent work and economic growth
» **Goal 9:** Industry, innovation, and infrastructure
» **Goal 11:** Sustainable cities and communities
» **Goal 12:** Responsible consumption and production
» **Goal 13:** Climate action
» **Goal 16:** Peace, justice, and strong institutions
» **Goal 17:** Partnerships for the goals