CORPORATE RESPONSIBILITY REPORT

2023/24

voestalpine

ONE STEP AHEAD.

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1. PREFACE

Ladies and Gentlemen,
Dear Readers,

Sustainability is not simply a goal for us at voestalpine: It is a clearly defined path that we have been following consistently for many years. This approach is our way of meeting our comprehensive economic, social, and ecological responsibilities. Our sustainability strategy is our compass for all decisions and actions in our international Group and also points the way for our economic success—both today and in the future. This Corporate Responsibility Report focuses on how voestalpine and its employees bring the sustainability strategy to life around the globe.

We reached further milestones in the business year 2023/24 on our path towards a green future, and took some important steps towards implementing greentec steel—the ambitious phased plan with which voestalpine plans to play its part in achieving the climate targets. Specifically, the groundbreaking ceremony for the construction of the first two electric arc furnaces in Linz and Donawitz took place in September 2023. Construction work began in 2024, with commissioning scheduled for 2027. voestalpine can reduce its CO_2 emissions by up to 30% by partially replacing the existing coal-based blast furnace technology with green electricity-powered electric arc furnace technology. This represents almost 5% of Austria's entire annual CO_2 emissions, making greentec steel the largest climate protection program in Austria.

We are also setting international standards in terms of sustainability with the world's most advanced special steel plant in Kapfenberg, which officially went into operation in October 2023. This plant is a technological milestone for voestalpine and for the entire European steel industry. In addition to the high level of digitalization, the focus is also on environmentally friendly and resource-saving steel production.

However, we not only have very ambitious targets to reduce greenhouse gas emissions from the production stage (Scope 1). We are also working intensively to reduce Scope 2 emissions (energy procurement) and Scope 3 emissions (e.g., raw materials, transportation). The reduction target was assessed scientifically for its compatibility with the Paris target as part of the independent Science Based Targets (SBTi) Initiative, and was validated accordingly in September 2023 following an in-depth review.

In addition to all these technological developments, our employees are the driving force behind our sustainable development. Our priority is a respectful corporate culture that expects and encourages trust, diversity, self-determination, and personal responsibility. voestalpine respects the individuality of all its employees and their capabilities irrespective of gender, age, origin, creed, sexual orientation, or any potential disability. The company supports equal opportunities and implements health-preserving measures in the workplace, as well as offering work models appropriate for the various stages of professional life. Since 2013, voestalpine has supported the UN Global Compact (UNGC) whose ten principles stipulate fundamental

duties with respect to human rights, work, the environment, and the fight against corruption.

A high level of commitment and above-average loyalty of our approximately 51,600 employees to the Group are key pillars of our success. This is why we attach great importance to supporting our employees, from comprehensive training and further education to numerous options for promotion and opportunities to work abroad, as well as company health care, sports and fitness programs, and childcare partnerships. voestalpine also introduced an employee shareholding scheme 23 years ago, which is now the largest employee shareholding scheme in Austria today, both in terms of voting percentages and share value.

Something that is particularly important to us is the fact that the voestalpine Group is one of the pioneers in Austria when it comes to offering young women a technical apprenticeship. There are now female apprentices in almost all 50 of the Group's apprenticeship professions. Around 22 percent of young skilled workers are female, and voestalpine aims to further increase this figure with targeted measures. Women at voestalpine work in a wide variety of technical areas, such as production, research, quality control, and automation.

We also play a pioneering role in achieving a work/life balance. In September 2023, voestalpine became the first Austrian industrial company to offer 24-hour childcare for children up to the age of 12 at its site in Linz. We are creating an attractive offer for parents and children with this innovative concept of round-the-clock family childcare and a doubling of our childcare places in our vivo Kinderwelt.

Moving together and doing good: We launched a new exercise initiative for all employees worldwide from mid-April to the end of June 2023 based on this motto. While running, walking, hiking, wheelchair driving, or handcycling, employees were able to use an app to collect digital points known as "cares", which voestalpine then converted into donations for charitable causes. We donated a total of EUR 700,000 in the past business year to Doctors Without Borders, Hilfswerk International, the Austrian Red Cross and UNICEF, as well as to selected aid projects. I am delighted that the voestalpine cares run will continue in the coming business year.

I would like to thank all employees for their outstanding commitment and sense of community across locations and national borders, both in their day-to-day work and when it comes to supporting those who are in particular need of our help. We will continue to ensure that our employees have the overall conditions available to them that they need to develop and give their best. Because we know that this is the key to our joint success.

I hope you enjoy reading our Corporate Responsibility Report 2023/2024.

Yours truly, Herbert Eibensteiner
CEO of voestalpine AG

2. ABOUT THIS REPORT

This is voestalpine AG's ninth Group-wide Corporate Responsibility Report (CR Report). It contains information and data on the company's activities, performance, and goals that are material to its sustainable development. The report provides stakeholders with an insight into the business activities and describes how voestalpine lives up to its environmental, social, and governance (ESG) responsibilities.

REPORTING ORGANIZATION AND PARAMETERS OF THIS REPORT

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

voestalpine's 115 production companies—i.e., those that process, convert, or treat a product—accounted for more than one half of the data considered in the compilation of the environmental performance indicators. This limitation of the parameters of this report for environmental data was based on the criteria of materiality and the Pareto principle: The carbon footprint of the non-producing companies is relatively small, whereas the expenditures required to collect these data would be unreasonably large.

The health & safety indicators comprise all companies whose activities entail potential risks for their employees. This concerns a total of 174 entities, including all production companies as well as those smaller companies, for example, whose shops use equipment that may pose a risk to the employees' safety and health.

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. For reasons of confidentiality, however, this CR Report does not disclose detailed information and financial indicators concerning suppliers' business activities.

STANDARDS AND SPECIFICATIONS

This CR Report was prepared in accordance with the Standards of the Global Reporting Initiative (GRI). These standards provide a globally prevalent and recognized framework for transparent and comparable sustainability reporting. The GRI Content Index in the Appendix provides a detailed overview of the GRI Standards covered by this CR Report and indicates where the respective information is to be found.

The Austrian Sustainability and Diversity Improvement Act (NaDiVeG), which transposed EU Directive 2014/95/EU (NFI Directive) on the mandatory disclosure of non-financial indicators into national law, has been in effect in Austria since December 2016. In publishing this CR Report, voestalpine is thus fulfilling the requirements of Section 267a Austrian Commercial Code (Unternehmensgesetzbuch, UGB).

The disclosure of information on the EU taxonomy contained in the report complies with the Taxonomy Regulation (EU) 2020/852 and the Commission Delegated Regulation 2023/2486 on the technical assessment criteria for environmental objectives 3 to 6 published on November 21, 2023, as well as the published regulations of June 4, 2021 (technical criteria) and July 6, 2021 (Article 8).

REFERENCE VALUE FOR SPECIFIC ENVIRONMENTAL DATA

The production volume is used as the benchmark for determining the specific environmental performance indicators. In addition to the weight of the crude steel produced at six plants (flat and long products by way of the integrated furnace approach, and special steel manufactured in electric furnaces), the production volume data also includes the weight of those steel products whose pre-materials are externally sourced. Accordingly, the specific indicators are provided per ton of product.

CONTENT OF THIS REPORT

voestalpine conducted a comprehensive and informed materiality analysis during the reporting period, which led to an adaptation of the material topics. Due to time constraints, the content of this report had to be determined prior to the completion of the most recent materiality analysis and is therefore based on the previous list of material topics. The changes will therefore only be reflected in the upcoming sustainability report, which will be published as part of the Management Report in accordance with the requirements of the CSRD. voestalpine also addresses the issues that are relevant to the Group's sustainable development continuously and systematically. More detailed information on determining the content and material topics covered in this CR Report can be found in the chapter "Stakeholders and CR Management."

MATERIAL CHANGES IN THE GROUP AND IN THE VALUE CHAIN

voestalpine initiated the sale of Buderus Edelstahl and the reorganization of the Automotive Components division in Germany in the reporting year. Following the restructuring steps already implemented, the Management Board of voestalpine AG has decided to transfer the strategic process initiated to reposition Buderus Edelstahl into a sales process. As a result, the High Performance Metals Division will continue to focus its product portfolio on the technologically demanding segment of high-performance materials. voestalpine is maintaining its internationalization strategy in the Automotive Components division and is responding to the structural shortfall in capacity utilization in the automotive supply industry in Germany by consolidating its production network, including with the sale of the production site in Nagold in Germany. In addition to restructuring measures, the downstream business was strengthened in the 2023/24 business year as part of systematic implementation of the strategy. In this context, the voestalpine subsidiary NEDCON (Metal Forming Division) acquired the bearing specialist Torri S.P.A. from Vicenza in Italy in the reporting year, thereby further expanding its position in the segment of innovative bearing system solutions.

REPORTING PERIOD

voestalpine's business year runs from April 1 of a given year to March 31 of the following year. While the business year 2023/24 is the reporting period for the key figures as well as the employee and health & safety data, the environmental data are compiled by calendar year. Hence the calendar year 2023 is the reporting period for the environmental performance indicators. Most of the key figures are shown for the periods going back to the business year 2019/20 or the calendar year 2019 to enhance comparability and show the development of the data over a longer period. Accordingly, they present developments over the past five business and/or calendar years.

REPORTING CYCLE AND PUBLICATION DATE

voestalpine publishes its CR Report once a year. This Report was published on June 5, 2024.

AUDIT

The auditing firm Wirtschaftsprüfungs- und Steuerberatungsgesellschaft Deloitte audited the CR Report as to compliance with both the GRI Standards and the requirements of Section 267a UGB. See the Independent Assurance Report in the Appendix for further information on the audit and confirmation of the present CR Report.

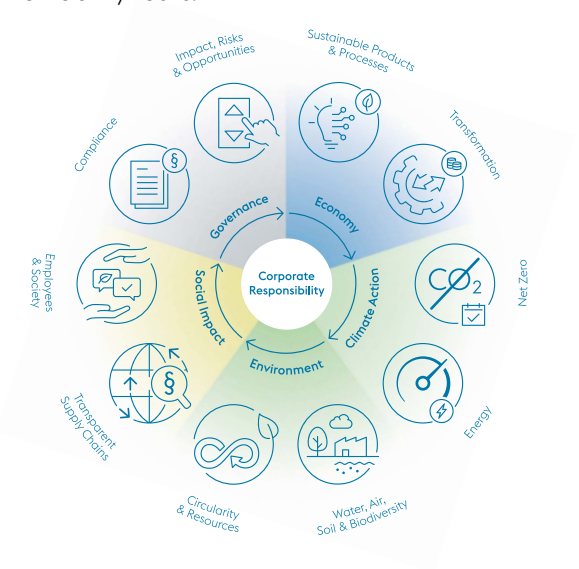
STYLE AND LANGUAGES

It is important to voestalpine to use gender-appropriate language. Pursuant to voestalpine's guidelines regarding gender-inclusive language, the generic masculine grammatical form is no longer used. Whenever personal designations in this Report do not refer specifically to a particular sex, the German-language text makes this visible by using gender-neutral wording, the so-called "gender colon" (used in German only), or the pairing of gender designations. The English text uses gender-neutral language as applicable.

The CR Report is published (both in print and on the Web) in German and English.

VISUAL DESIGN

voestalpine's sustainability strategy is based on a concept that provides for the strengthening of social and ecological competencies and their harmonization with commercial, financial, and economic goals. Ten focus areas were identified as part of this approach in which voestalpine's key sustainability tasks are combined. The newly established Group Sustainability department has developed a key visual that uses ten icons to reflect the key sustainability aspects in visual format. These icons portray the diversity of sustainability practiced within the Group. The ten focus areas combine voestalpine's central sustainability tasks.



QUESTIONS AND COMMENTS

We look forward to your feedback. Please send any questions or comments regarding this CR Report to the following email address: cr@voestalpine.com

3. FIGURES, DATA, FACTS

In its business units, voestalpine is a globally leading steel and technology group with a unique combination of material and processing expertise. The company is headquartered in Linz, Austria, and is divided into four divisions, each with a product portfolio that makes them a leading provider in Europe or worldwide. As an environmentally conscious international Group and an important environmental pioneer, voestalpine is committed to the global climate goals and works intensively to develop decarbonization technologies and reduce its CO_2 emissions over the long term.

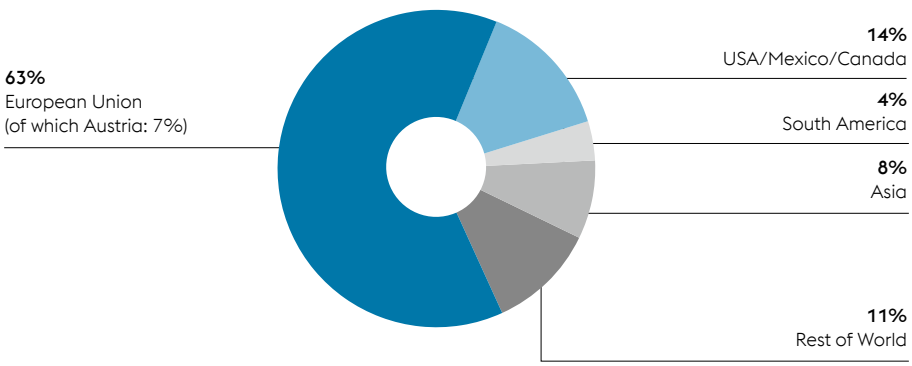
3.1 DEVELOPMENT OF THE KEY FINANCIAL INDICATORS

In millions of euros	2019/20	2020/21	2021/22	2022/23	2023/24
Revenue	12,717.2	10,901.9	14,923.2	18,225.1	16,684.3
EBITDA	1,181.5	1,148.1	2,291.3	2,544.6	1,666.1
EBITDA margin	9.3%	10.5%	15.4%	14.0%	10.0%
EBIT	–89.0	338.2	1,454.3	1,624.2	569.3
EBIT margin	–0.7%	3.1%	9.7%	8.9%	3.4%
Employees (full-time equivalent) End of business year	49,682	48,654	50,225	51,202	51,589
Research expenditures	174.4	153.0	173.9	191.2	213.9
Operating expenses for environmental protection facilities in Austria	314.5	300.1	437.5	480.0	493.1
Environmental investments for production facilities in Austria	35.0	15.3	27.0	29.0	37.1
Crude steel production (in millions of tons)	7,173	6,882	7,838	7,208[1]	7,193

[1] **Figure adjusted retrospectively**

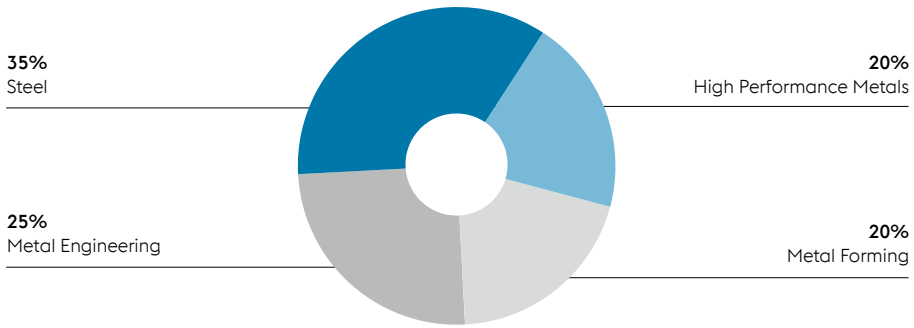
REVENUE BY REGION

As a percentage of Group revenue, business year 2023/24



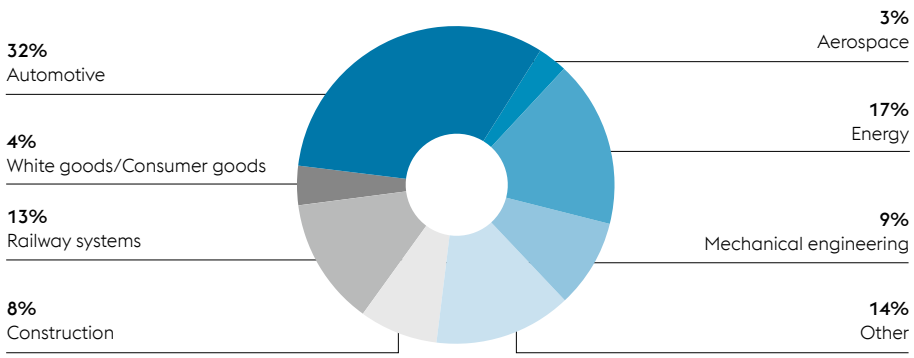
REVENUE BY DIVISION

As a percentage of total divisional revenue, business year 2023/24



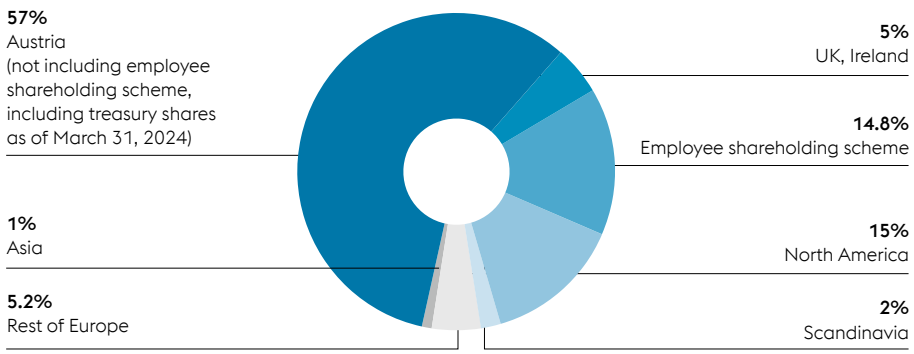
REVENUE BY INDUSTRY

As a percentage of Group revenue, business year 2023/24



SHAREHOLDER STRUCTURE

As a percentage, as of the close of the business year 2023/24



3.2 THE FOUR DIVISIONS

3.2.1 STEEL DIVISION

The Steel Division is the voestalpine Group's largest division by revenue and a worldwide market leader for heavy plate, steel strip, and complex casings for large turbines. As a global manufacturer of high-quality steel products, the Steel Division of the voestalpine Group plays a key role in shaping a clean future worth living. The Steel Division sets environmental benchmarks for the current steel production route, and its greentec steel program is an ambitious phased plan for achieving climate-neutral steel production. In a first step, the division already offers a CO_2-reduced greentec steel edition of all flat steel products. It is also working on the implementation of climate-friendly production technologies based on green electricity and hydrogen. Thanks to its highest-quality steel strip, the Steel Division is the first point of contact for major automotive manufacturers and suppliers and supports its customers globally. It also is a key partner of the European white goods and mechanical engineering industries. The division manufactures heavy plate and cast products for applications in the most difficult conditions and provides customized solutions for the expansion of renewable energy.

For more information on the Steel Division, visit *https://www.voestalpine.com/group/en/group/overview/organizational-chart/steel/*

3.2.2 HIGH PERFORMANCE METALS DIVISION

The High Performance Metals Division focuses on technologically advanced special steel products that are manufactured at eight different production facilities in Europe as well as in North and South America. Its global sales and service network encompasses about 140 locations, thus ensuring special proximity to its customers.

The division specializes in the production and processing of technologically most advanced high-performance materials as well as in customer-specific services such as heat treatment, state-of-the-art surface treatments, and additive manufacturing processes. The production companies of the High Performance Metals Division are located in Austria, Germany, Sweden, Brazil, and the United States. Through its unique, global network of sales and service centers, the division offers its customers the best possible materials availability and processing as well as local contacts.

For more information on the High Performance Metals Division, visit *https://www.voestalpine.com/group/en/group/overview/organizational-chart/high-performance-metals/*

3.2.3 METAL ENGINEERING DIVISION

The Metal Engineering Division of the voestalpine Group bundles its expertise in the Railway Systems and Industrial Systems business units with the aim of positioning itself more strongly as a provider of complete system solutions for the most advanced industrial segments. It is the global market leader in Railway Systems for rail infrastructure systems and signaling technology. Thanks to Industrial Systems, the division also is the European market leader in high-quality wire and complete welding solutions. And it supplies seamless tubes all over the world from the Kindberg location in Austria. As part of the greentec steel program, the Metal Engineering Division is also intensively working on and researching various innovative, climate-friendly technologies and production processes.

For more information on the Metal Engineering Division, visit
https://www.voestalpine.com/group/en/group/overview/organizational-chart/metal-engineering/

3.2.4 METAL FORMING DIVISION

Thanks to its unique materials and processing expertise, the Metal Forming Division is the first port of call for customers requiring innovation and quality. The division is voestalpine's competence center for highly refined sections, tubes, and precision strip steel products as well as for pre-finished system components made of pressed, stamped, and roll-formed parts.

Its flexible, mid-sized units offer its customers rapid problem solving in all stages of the development and production process. Its customers include practically all of the leading manufacturers in the automotive and automotive supplier industries that focus substantially on the premium segment, as well as numerous companies in the commercial vehicle, construction, storage, energy, and (agricultural) machinery industries. As with the voestalpine Group as a whole, the Metal Forming Division also maintains long-term relationships with most of its key customers and wins the day through its international presence.

For more information on the Metal Forming Division, visit
https://www.voestalpine.com/group/en/group/overview/organizational-chart/metal-forming/

4. STAKEHOLDER AND CR MANAGEMENT

Stakeholders are individuals and institutions who, for private or professional reasons, are interested in an organization because they are affected by the organization's actions or because they can influence its development.

Identifying the relevant stakeholders and analyzing their requirements, interests, and expectations was one of the core tasks to which voestalpine devoted itself in a structured and comprehensive manner in the business year 2023/24 as part of its materiality analysis. The list of stakeholders is reviewed at regular intervals to ensure that it is complete and up to date.

Customers
Suppliers
Competitors
Research Institutes
Universities

Employees and Applicants
Management
Supervisory Board
Works Council

Special Interest & Advocacy Groups
NGOs and NPOs
Trade and other Associations
Lawmakers
Neighbors and Neighboring Communities
Local Government Agencies

Investors
Analysts
Banks
Shareholders

Management has the important task of maintaining the company's relationships with its stakeholders, taking up their concerns and reconciling divergent interests as best as possible. This has been and is the basis of voestalpine's successful and sustained development.

4.1 STAKEHOLDER COMMUNICATION

voestalpine is in regular contact with the stakeholder groups through its Management Board, as well as its executive and non-executive personnel. Numerous opportunities and formats such as shop talks and expert roundtables, conferences and trade shows, as well as analyst and investor meetings are used to this end.

In addition, voestalpine is not only represented on a wide variety of bodies serving advocacy groups, trade associations, and lobbying campaigns, it also presents the company's concerns to these bodies. voestalpine also supports platforms and initiatives that promote sustainable development. During the reporting period, communications with individual stakeholder groups regarding the topics relevant to the given group took place in various settings.

The following capsule descriptions show how contacts and communications with the stakeholders are structured. The examples presented show the key stakeholder groups and the most frequently used formats. voestalpine's executives also engage with other groups at different locations in various ways.

4.1.1 EMPLOYEES

The voestalpine Group currently has a global workforce of about 51,600 employees. Both the annual employee performance review and the regular Group-wide employee survey are key tools for engaging in structured communications with the company's employees. Employees' feedback is analyzed by management and flows into any measures 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 maintain an open dialogue with management.

Through internal audits and trainings—for example, in Compliance, health & 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.

4.1.2 CUSTOMERS AND SUPPLIERS

voestalpine maintains very 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 cooperation. Together with these partners, the company develops processes and products that satisfy the requirements of all parties involved and ensure low-impact utilization of resources.

Issues of sustainability are increasingly moving to the center of voestalpine's communications with customers and suppliers. Besides conventional supply chain management issues such as quality, costs, availability, and delivery dates, increasingly the conversations are also focused on climate action, energy and resource efficiency as well as compliance with labor and human rights in production.

The voestalpine Code of Conduct is binding on all of the Group's suppliers and business partners and forms part of its terms and conditions. For more information on this issue, please see the chapter "Transparency in the Supply Chain."

4.1.3 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 company's Management Board and the managers of its Investor Relations department use investor conferences and roadshows as well as personal visits to stay in close contact with its shareholder representatives and investors and discuss current issues and market conditions. As far as the topic of sustainability is concerned, climate relevant emissions and risks, human rights in both the company and the supply chain, as well as the EU Taxonomy Regulation, are the central concerns discussed with analysts and investors alike.

4.1.4 RESEARCH INSTITUTES AND UNIVERSITIES

voestalpine's collaboration with both 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.

4.1.5 NGOS, SPECIAL INTEREST GROUPS, AND PLATFORMS

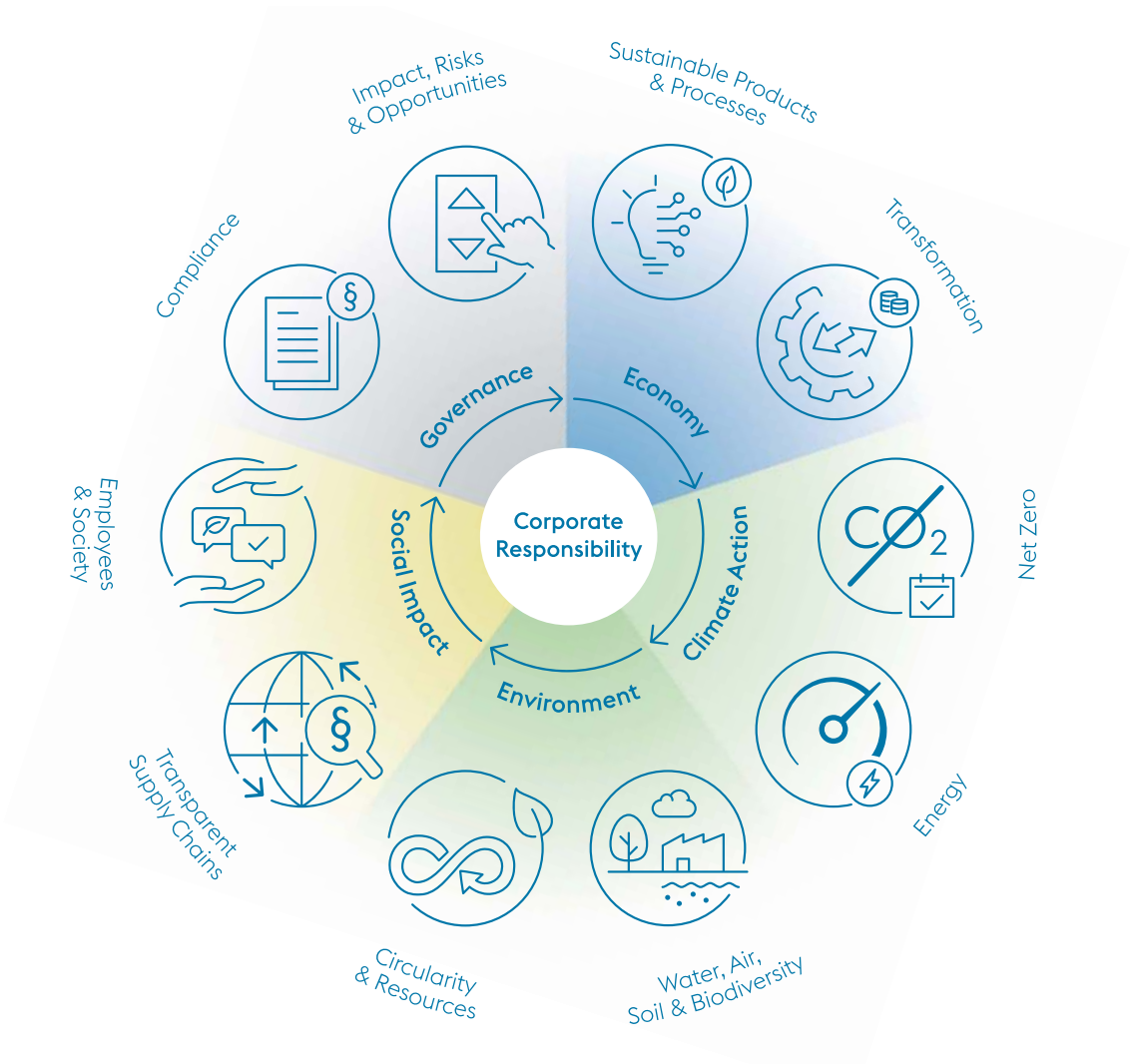
Representatives of voestalpine belong to various working groups and committees of special interest groups and platforms. These include the World Steel Association ("worldsteel"); the Austrian Society for Metallurgy and Materials (ASMET); the European Steel Technology Platform (ESTEP); and the Austrian 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 Association of the European Rail Industry (UNIFE) in order to present its views on various 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 not-for-profit organization and policy initiative 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 Northern summer of 2021, the Group's largest steel plant (located in Linz, Austria) submitted to an audit process aimed at obtaining the certification pursuant to the ResponsibleSteel Standard; it is one of the very first steel companies to have done so. A surveillance audit required by the audit process was also successfully completed in March 2023.

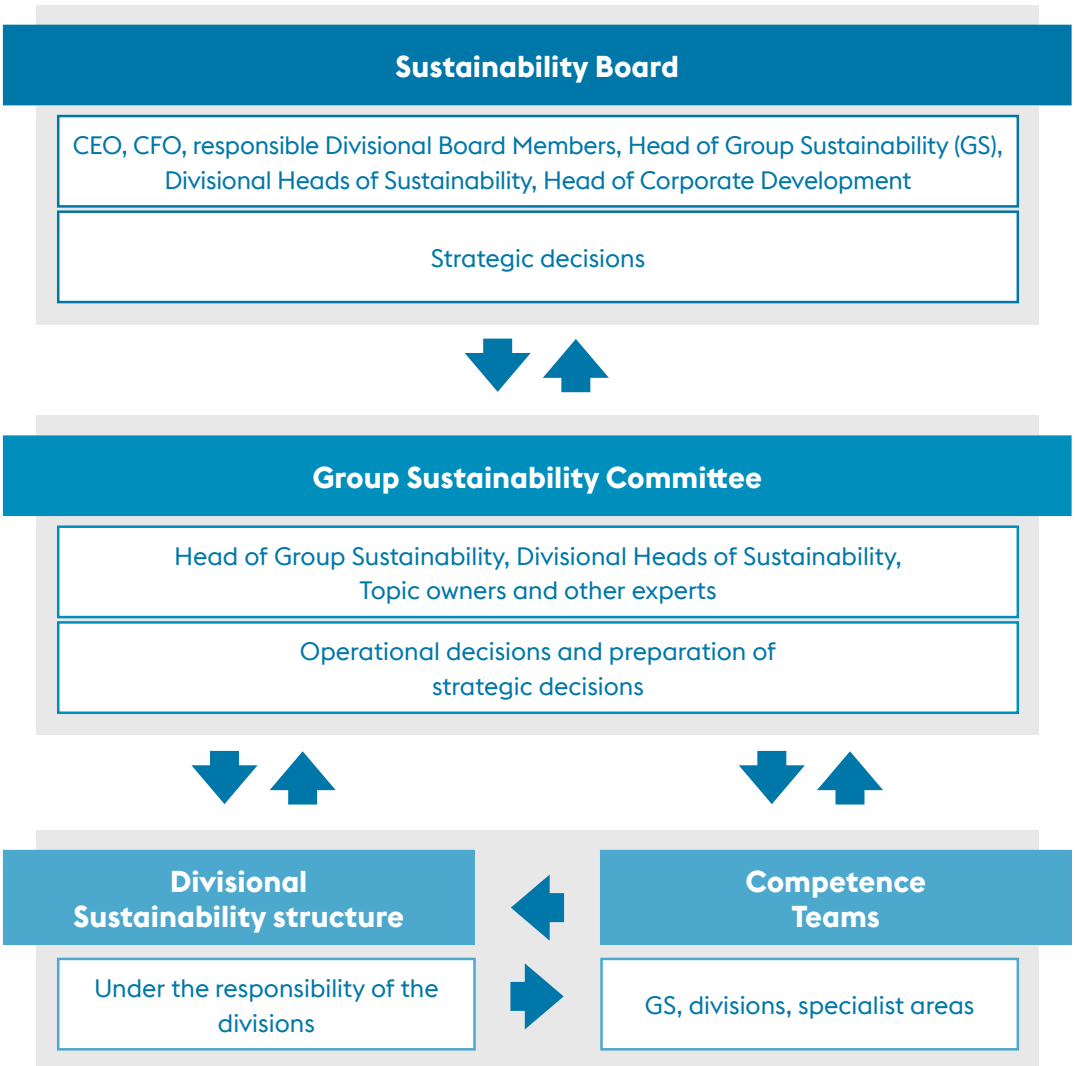
voestalpine also maintains good communications with non-governmental organizations (NGOs). Its Management Board and experts engage in intensive and constructive exchanges of opinion with several NGOs, particularly with respect to energy and climate policies as well as other environmental topics.

4.2 CORPORATE RESPONSIBILITY MANAGEMENT & GROUP SUSTAINABILITY

The newly created Group Sustainability department at Group level has been responsible for corporate responsibility management at voestalpine since May 2023. Group Sustainability is the central coordination point for all items on the sustainability agenda within voestalpine and it represents the company externally at numerous events and initiatives related to corporate responsibility and sustainability. The following diagram shows the key areas of action in voestalpine's corporate responsibility management, as identified by the department's employees. The team actively contributes towards continuous improvement of voestalpine's performance in these areas through its work.



Furthermore, a secondary organization was implemented 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.



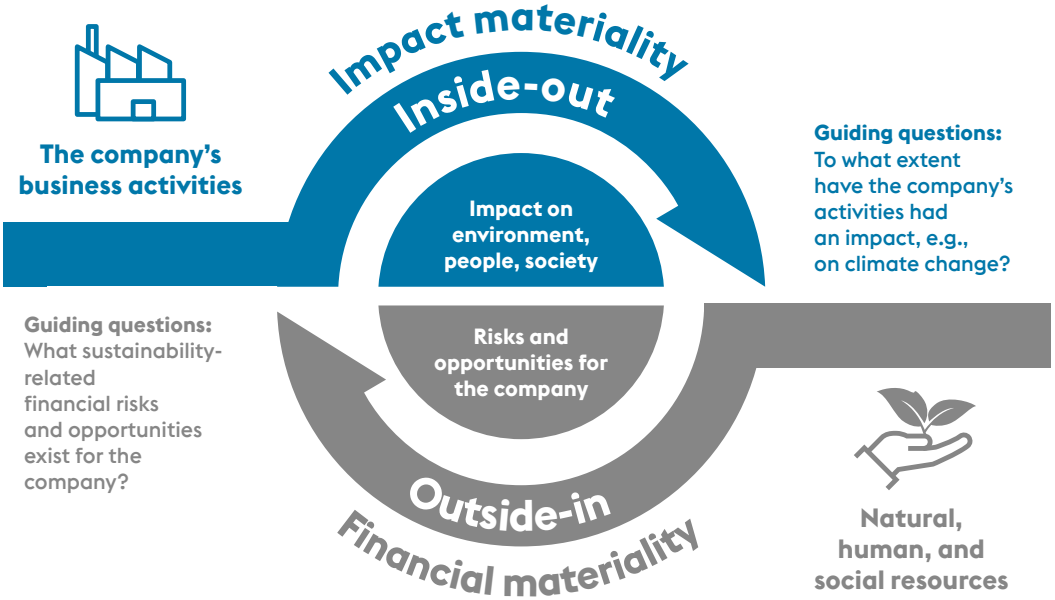
Chaired by the CEO, the Sustainability Board is made up of the CFO, the Management Board members responsible for sustainability from the divisions, the Heads of Group Sustainability, and the Divisional Heads of Sustainability, as well as the Head of Corporate Development.

This Committee meets several times each year and discusses topics that are brought to voestalpine's attention by stakeholders or that are becoming increasingly important in the ongoing sustainability debate. The direct and indirect effects of voestalpine's business activities in connection with sustainability aspects are discussed. However, the focus is also on the financial risks and opportunities that arise in the short, medium, and long term. Based on this, strategic decisions are made in the committee and measures are adopted to minimize negative effects and risks and to take advantage of any opportunities that arise.

4.3 MATERIALITY ANALYSIS

The materiality analysis tool is used to identify the sustainability issues that are relevant to a company and its stakeholders. The materiality analysis must be carried out in accordance with international standards (e.g., those under the Global Reporting Initiative; GRI) and in accordance with the requirements of the EU's Corporate Sustainability Reporting Directive (CSRD). Those topics on which quantitative data and descriptive information must be disclosed in the sustainability report must be defined as part of the materiality analysis. At the same time, it also forms an important basis for strategic alignment and operational planning in the areas of environmental, social, and governance (ESG).

According to the requirements under the CSRD, the direct and indirect impacts of the company on people and the environment (= impact materiality from the inside-out perspective) and the financial risks and opportunities for the company (= financial materiality from the outside-in perspective) must be assessed as part of the materiality analysis. An issue is deemed to be material if it is assigned impacts, opportunities or risks whose assessment is above a threshold value that is to be defined.



The company carried out an in-depth materiality analysis during the reporting period in preparation for the CSRD reporting obligation that will apply to voestalpine from the business year 2024/25. The sustainability aspects were evaluated and prioritized according to the principle of double materiality in accordance with the requirements under the European Sustainability Reporting Standards (ESRS). The ESRS represent the framework developed by the EU that all companies subject to the CSRD regulations must use when disclosing their sustainability information.

4.3.1 METHODOLOGY FOR MATERIALITY ANALYSIS

The materiality analysis was carried out by a core project team made up of employees from the Group Sustainability department and those responsible for sustainability in the divisions. All decisions that had to be taken as part of the materiality review were made by consensus in the core team. The process was supported by a specialized consulting firm. Its task was to ensure compliance with the formal requirements of the ESRS and to ensure that fact-based and objective decisions were taken in the workshops.

The process of identifying the topics to be considered began with the creation of a list of sources and collation of the topics listed within this. Following the recommendations of the EFRAG implementation guidelines for the materiality analysis, the GRI Standards, the ISSB Standards and international due diligence instruments were used as primary sources in addition to the ESRS for collating topics that could potentially be material along the value chain. The team also considered other sources, such as peer reviews and the WEF's Global Risks Report 2023, which contains the results of the latest Global Risks Perception Survey (GRPS). This enabled around 260 potentially material sustainability aspects to be collated in an unconsolidated pool of topics.

This was followed by a consolidation of overlapping or equivalent topics. This "longlist" was compiled with a total of 49 topics. As part of an initial high-level analysis of the company-specific impacts, risks or opportunities, the list was narrowed down to around half as many topics (the shortlist). A brief contextual description was then created for each of these topics in order to provide a clear and consistent understanding of what each topic entails and to distinguish these from each other. Stakeholders were then surveyed in order to obtain their assessment of the topics and then in a final step, the impacts, risks, and opportunities (IROs) associated with the individual topics were identified and assessed with the involvement of all relevant specialist departments.

4.3.2 SELECTION AND INVOLVEMENT OF STAKEHOLDERS

The core project team selected the stakeholders who were involved. Prior to this selection, a discussion was held with the voestalpine stakeholder management expert from the Public Affairs department. 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.

Stakeholders were involved in two different ways, namely through in-person interviews and a broad-based anonymous online survey. Both methods have their advantages which were united by means of their combined application. The online survey was able to reach a large number of people and thus achieve a high level of representation and statistical validity of the evaluation. Various aspects were discussed in detail in the interviews with individual stakeholders and representatives of interest groups, with a deeper understanding gained of their perspectives and concerns.

voestalpine employed both these formats to involve a total of 130 internal and external stakeholders from five categories (employee representatives, suppliers, customers, shareholders and investors, governmental and non-governmental organizations) in defining the key topics for the CR Report. In addition to the quantitative assessment of the topics on a scale of one to seven, qualitative questions were also asked and evaluated.

4.3.3 IMPACT, RISK AND OPPORTUNITY (IRO) ASSESSMENT

A workshop-based approach was chosen to identify and evaluate the IROs. Existing risk matrices for the specialist areas, risk lists available publicly, such as the list of transitory risks and physical risks from the EU taxonomy and CSRD/ESRS, as well as research results were used for this purpose. Additional IROs were collated by the core project team in workshops, including those identified in the stakeholder survey. All IROs were assessed in multiple workshops in terms of their severity or potential severity and their probability.

The extended core team clarified questions in the final workshop, in particular on those IROs that had previously been assessed to be contentious. Different points of view were presented and ambiguities clarified in this process in order to ultimately arrive at a final assessment that was supported by everyone.

Once the workshop had been completed and the results of the stakeholder survey had been taken into account, the threshold values for the material topics were defined and the topics falling below these thresholds were considered to be less material and eliminated.

4.3.4 MATERIAL TOPICS

The contents of this report are still based on the topics previously assessed as material. The materiality analysis carried out in the 2023/24 business year forms the basis for the sustainability declaration from the 2024/25 reporting year, which is binding in accordance with the ESRS. The final results of the materiality analysis were presented at a Sustainability Board meeting in early May 2024 and approved by the Board.

The following topics were identified as material in the materiality analysis:

Environment, Climate, Energy	1 Climate change and emissions
	2 Energy use
	3 Air pollution
	4 Water pollution
	5 Soil contamination
	6 Substances of (very) high concern
	7 Water consumption
	8 Biodiversity (ecosystems and species)
	9 Metals: resource use, circular economy, and waste
	10 Other materials: resource use, circular economy, and waste
Social Issues	11 Fair working conditions for all employees
	12 Safe & healthy working conditions for all employees
	13 Equal opportunities for all employees
	14 Rights and conditions of employees in the value chain
	15 Communities affected
Governance, Compliance, Innovations	16 Corporate culture
	17 Business and political relations
	18 Ethical business conduct
	19 Innovation and R&D

Corporate
Responsibility

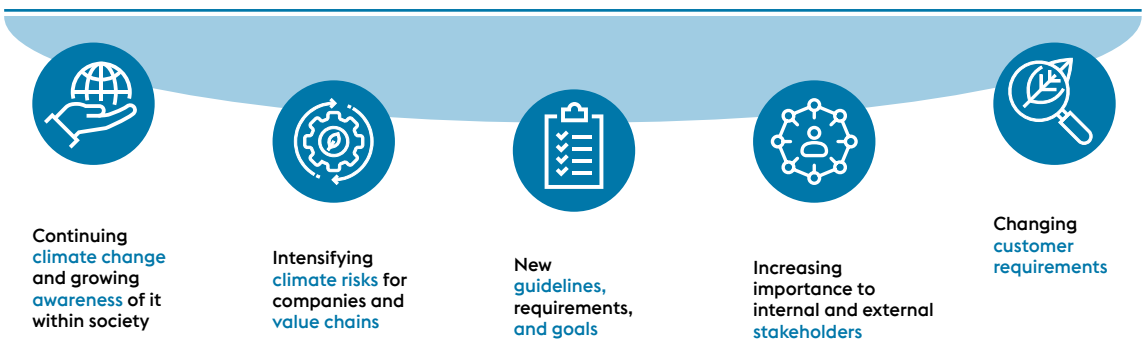
5. SUSTAINABILITY STRATEGY

In its capacity as a globally leading steel and technology group with about 51,600 employees and about 500 Group companies and locations in more than 50 countries, voestalpine is conscious of its comprehensive economic, environmental, and social responsibility. Sustainability is a cornerstone of all of the company's decisions and actions. This affects areas as diverse as raw materials procurement, production, and product recycling; employee training and continuing professional development (CPD); all the way to employee health and diversity. It is no coincidence that voestalpine's mission statement is the basis for its code of values: "We are shaping a better, safer, and more sustainable future."

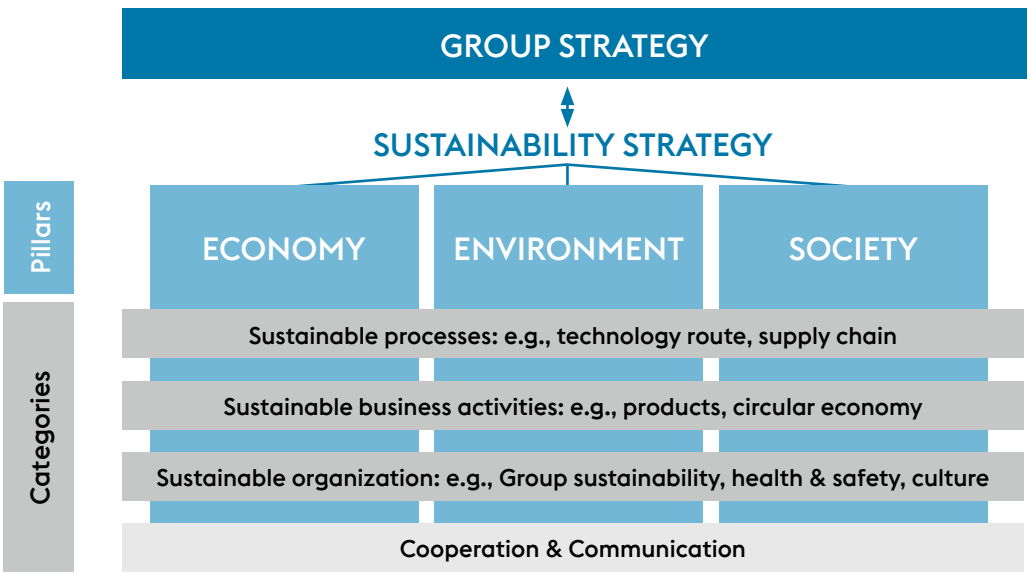
voestalpine adopted a "Corporate Responsibility Strategy" (CRS) in calendar year 2018 in order to consciously and consistently underscore the significance of sustainability to all its decisions and actions. Its Corporate Development unit has further refined the CRS in cooperation with the divisions' strategy units as well as the relevant specialist departments. In calendar year 2021, the revised version of the CRS was adopted as the Group's "Sustainability Strategy" in close coordination with both the Management Board and the Supervisory Board of voestalpine AG. The United Nations' "Sustainable Development Goals" (SDGs) provided the basic framework for the development of the Strategy.

As an integrative component of the Group's corporate strategy, sustainability as a concept is operationalized via individual strategies at the level of divisions, business segments, and functions. This takes the topic's growing significance to both internal and external stakeholders into account. The Sustainability Strategy is conceived as a wholly integrated roadmap based on a best-in-class approach.

INCREASING FOCUS ON SUSTAINABILITY



By laying out its Sustainability Strategy, voestalpine has also signaled that sustainability as an issue is becoming increasingly important to financial and capital markets alike. The ongoing development of the legal framework was considered as much as changing market and competitive factors. Strategic principles and objectives were fleshed out at the Group level for every sphere of action. The Strategy is designed to be comprehensive and thus encompasses three pillars: the Economy, the Environment, and Society. It is designed to be put into practice in both voestalpine's processes and business activities, as well as organizationally. Stakeholder management serves to ensure that the Sustainability Strategy and its progress are communicated both internally and externally. The following figure presents the Strategy's core elements and its integration into the Group's corporate strategy.



Profitability and shareholder value are key to the long-term performance of a listed entity such as voestalpine. The commercially successful decarbonization of blast furnace-based steel production is at the heart of the climate protection measures designed to achieve the Group's target of net zero in 2050. The aim here is to minimize both the economic risk as well as the greenhouse gas emissions. The sustainability strategy links economic aspects and objectives with social and ecological ones, which are viewed and managed in an integrated manner in terms of holistic risk management and the Group's resilience and future viability. The Group Sustainability department, which was newly created in 2023, acts as a central coordination point for implementation of voestalpine's sustainability strategy.

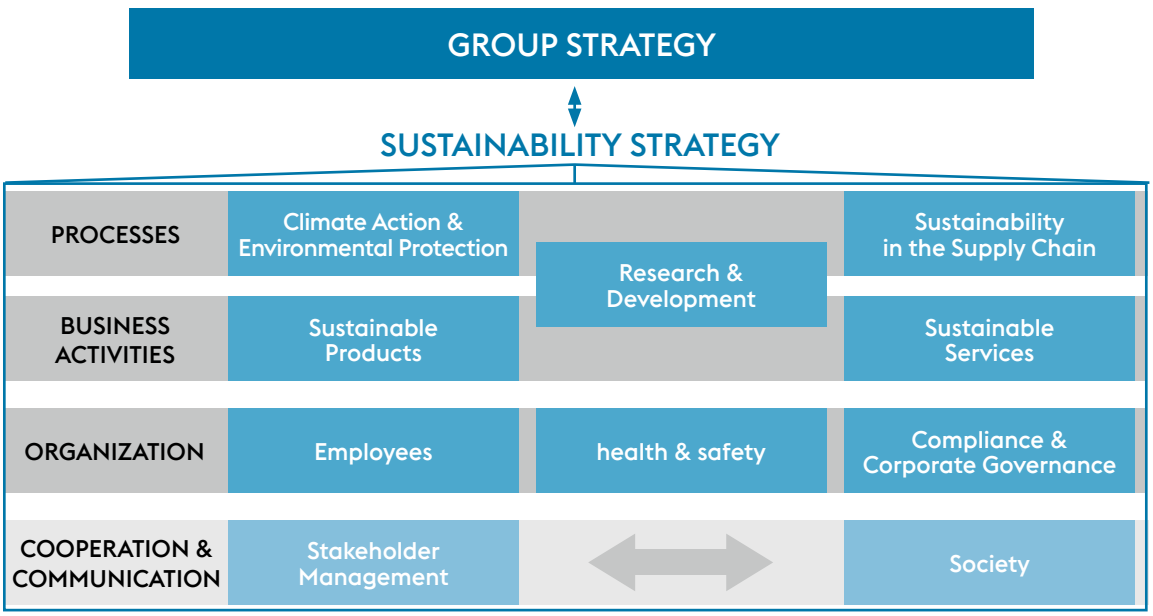
In terms of processes, the focus is on the contribution of internal processes and the supply chain in terms of the SDGs and in achieving the sustainable development goals as well as in achieving the company's sustainability targets. Sustainable business activity focuses on developing innovative and long-lasting products for and with customers, and on pushing the concept of the circular economy, also known as "circularity."

This helps to improve the environmental footprint of the products and therefore also that of the customers. Continuous development and expansion of the circular economy also reinforces the company's security of raw materials supplies. The proportion of primary resources required in the processes and the volume of waste can be reduced even further by expanding material cycles and through processing by-products.

The safety and health of our employees, their training and continuing professional development as well as a respectful corporate culture are material elements of sustainable organizations. The most recent crises sharpened our awareness of the fact that determined action is needed to overcome such events. This also applies to the climate crisis and other environmental, social, or economic force fields. voestalpine's Sustainability Strategy prescribes which spheres of action are decisive to the company's sustainable performance.

5.1 STRATEGIC SPHERES OF ACTION

The guidelines and goals specified and described below were defined for the strategic spheres of action.



5.1.1 CLIMATE ACTION AND ENVIRONMENTAL PROTECTION

voestalpine continues to improve its carbon footprint by clearly committing itself to low-carbon production.

voestalpine is also working towards the long-term climate goal of Net Zero 2050 through extensive research and development of new technologies, frequently via cross-sector cooperation agreements and projects. We also engage in an open and constructive dialogue with stakeholders such as political decision makers and environmental organizations.

Process-related emissions cannot be entirely avoided because existing production processes have certain chemical and physical properties. voestalpine operates its production facilities pursuant to the principle that the best available technologies must be applied as appropriate and in an economically viable fashion. We also develop new approaches that aim to both minimize environmentally relevant effects on the air, soil, and water as best as possible and optimize the use of resources. voestalpine also maintains its leading position in environmentally friendly steel production and taps into the additional potentials of the circular economy.

We have defined a target corridor of between 4 MWh and 4.5 MWh per ton of product for the specific total energy consumption; the target corridor for the recycling rate is between 27% and 30%. Furthermore, the plan is to increase the use of scrap in crude steel production by 50% by 2030. By 2025, all relevant production facilities should have implemented a standardized environmental management system (EMS) and obtained certifications pursuant to ISO 14001 or EMAS.

voestalpine is committed to the global climate goals and has a clear plan for decarbonizing steel production with its greentec steel program.

Hence the voestalpine Group undertakes as part of the Science Based Targets initiative (SBTi) to lower its greenhouse gas (GHG) emissions. SBTi reviews these targets and validates that they conform to the Paris Agreement's climate goals based on the current state of the art in science.

voestalpine achieves Net Zero by 2050.

As part of the Science Based Targets Initiative (SBTi), the voestalpine Group has undertaken to lower the sum total of its Scope 1 and Scope 2 emissions by 30% and its Scope 3 emissions by 25%—in each case by 2029 relative to the baseline year 2019. Achievement of the 2029 target is also subject to external factors and influencing variables such as raw materials, energy, and the economy.

The High Performance Metals Division has already put in place a steel production process that is based on the electric arc furnace (EAF) route. By 2029, it will have lowered its CO_2 emissions (Scope 1 and Scope 2) by 50%.

By 2035, the production activities of the Metal Forming Division—the Group's center of competence for highly refined sections, tubes, and precision strip steel products as well as for ready-to-install system components made of pressed, stamped, and roll-formed parts—will be climate neutral.

5.1.2 SUSTAINABILITY IN THE SUPPLY CHAIN

We pay attention to transparency in the supply chain and work toward ensuring responsible procurement.

General Procurement

voestalpine believes that creating sustainable supply chains consistently makes an important contribution to the Group's Sustainability Strategy. We started to implement the multi-year "Sustainability in the Supply Chain" roadmap in June 2022 and will continually adjust this to changing parameters over time. In order to fulfill the requirements of the German Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz (LkSG)), the implementation work began with those companies in Germany that are directly subject to the Act. voestalpine ensures that its selected suppliers comply with ecological and social principles based on a risk classification model that uses predefined sustainability criteria.

Both the requisite approach and the action steps are derived from this classification. The given requirements were included in voestalpine's Code of Conduct for Business Partners that was updated accordingly and adopted by the Management Board of voestalpine AG in March 2023. In 2024, suppliers worldwide will be informed about and made aware of the Group-wide sustainability goals, supply chain transparency requirements, and the updated Code of Conduct for Business Partners.

In November 2022, several virtual sessions were held to brief all of the voestalpine Group's buyers on the Group's Sustainability Strategy and related activities, particularly in procurement.

voestalpine ensures through Group-wide buyer conferences and the three-stage Purchasing PowerAcademy that its employees in procurement are given ongoing training and CPD opportunities with respect to sustainability and compliance and that they are made aware of these and other issues.

The procurement process is continually optimized in order to ensure compliance. The voestalpine Code of Conduct forms the basis for key actions and decisions in this respect. This ensures that active suppliers meet voestalpine's key sustainability criteria in the medium and long term.

Raw Materials

The application of closed-loop concepts together with voestalpine customers guarantees maximum efficiency in the recycling process for raw and recyclable materials.

voestalpine faces the challenge of continually optimizing its supply chains jointly with its suppliers. Regular visits to the sources of raw materials and pre-materials, especially mines and deposits, are a fixed element of this process. Together, we develop methods for designing efficient supply chains. New suppliers are assessed in terms of corporate responsibility, quality, and performance, and are included in the supplier portfolio when the evaluation findings are positive. The Sustainable Supply Chain Management (SSCM) project was used to screen our raw material supply chains from the bottom up, examining key factors pertaining to corporate responsibility. voestalpine ensures that absolutely all of its raw materials are subjected to this process, thus mitigating risk over the long term.

Based on reports using the Conflict Minerals Reporting Template (CMRT), we ensure that all materials procured on behalf of the Group are "conflict free."

By 2025, voestalpine will evaluate 70% of the Group's total purchasing volume (especially 100% of all critical raw material deliveries) based on a defined rule book using sustainability criteria.

Our active suppliers meet voestalpine's sustainability criteria.

The primary responsibility of raw materials procurement management is to secure the long-term, competitive supply of both raw materials and energy. A high degree of integration into upstream and downstream processes, scenario planning, and adaptive supply concepts serve to minimize potential risks.

5.1.3 RESEARCH AND DEVELOPMENT

voestalpine develops innovative solutions for its customers and ensures that sustainability plays a key role in the development of both products and processes. Metallurgical know-how and processing expertise working in concert are the source of the company's high-quality products.

voestalpine continually refines its products and processes, and conducts research on novel technologies, to ensure that it remains the benchmark for both resource efficiency and environmental standards.

We pursue active know-how management, both internally and externally, and consider this the key to our success in research and development. In its R&D activities, the company places great store in long-term and trusting cooperation arrangements not only with scientific partners, but also with customers and suppliers.

voestalpine itself attends to the training and continuing professional development of its researchers. Both the sharing of knowledge within the Group and exchanges among professionals leverage synergies. Knowledge available throughout the Group along with activities aimed at developing sustainable processes and products are successfully brought together in cross-divisional projects.

Our R&D projects serve to achieve sustainability as per our innovation policies. Moreover, large projects also take specific sustainability criteria into account.

5.1.4 SUSTAINABLE PRODUCTS AND SERVICES

voestalpine offers its customers sustainable products and services that make positive contributions—environmentally, economically, and socially—throughout their entire useful life. Certified life cycle assessments help to reduce the carbon footprint of voestalpine's customers.

voestalpine supports holistic, comprehensive, and integrated analyses and assessments of materials (life cycle assessments/LCAs) as well as of all process and value chains within the parameters of the circular economy, also known as "circularity." Life cycle assessments will be carried out for all key product groups by 2025, taking all phases of the value chain into account, in order to compile a catalog of their environmental impact.

5.1.5 HUMAN RESOURCES

High levels of commitment and above-average employee loyalty are key pillars of our success. We rely on a corporate culture that is defined by diversity and respect and on providing solid employee training and CPD to all groups of employees.

Corporate culture: We create a respectful corporate culture in which we expect and encourage trust, diversity, self-determination, and personal responsibility. voestalpine's culture, as a symbol of its Group-wide identity, is continually being refined in this sense.

Diversity: We value the individuality of all our employees and their capabilities—irrespective of gender, age, origin, religion, sexual orientation, or potential neurodiversity & dis/ability—and create the conditions for equal opportunity as well as work that maintains people's health and is appropriate to life's different phases.

Training and continuing professional development (CPD): Targeted measures help voestalpine's employees gain qualifications and thus broaden their career opportunities. We believe, furthermore, that both training young people and encouraging lifelong learning are long-term determinants of the company's success.

Employee loyalty: To ensure long-term employee retention, we regularly evaluate the level of their commitment to the company through a worldwide employee survey. To increase this value over the long term, we develop suitable measures after analyzing the survey findings and continually track and measure implementation and target achievement. voestalpine also takes measures to ensure the availability of qualified and motivated employees in line with demand and for the long term.

We create the general framework for equal opportunities and work to raise the percentage of women in executive positions, technical fields, and among technical apprentices. voestalpine has set itself the goal of increasing the proportion of women in management positions from 14% to 18% by 2030.

We ensure a diverse and international range of target group-specific training and further training courses, continuously increase the number of apprentices and trainees in line with demand, and also offer internal management training courses.

We carry out employee surveys at regular intervals. The aim is to increase the engagement value in the long term and to increase employee loyalty.

5.1.6 health & safety

We promote our employees' health and continually enhance the safety of our workplaces. Employee safety and health are key concerns at voestalpine and thus have highest priority.

We work to further reduce the frequency of accidents and to improve the health of all employees of the voestalpine Group—wherever they work, whatever their position.

We see Group-wide safety standards as the foundation of a successful health & safety-related corporate culture.

Zero Accidents strategy: moving towards our vision of "zero fatalities, zero accidents at work, and no occupational illnesses."

We are continuing to work on reducing the lost time injury frequency rate (LTIFR), which is set to fall by a further 30% to 5.5 by 2030. The LTIFR indicates the frequency of accidents based on the number of reportable workplace accidents entailing more than three sick days per one million hours of work performed. Further information can be found in the chapter "health & safety."

5.1.7 COMPLIANCE AND CORPORATE GOVERNANCE

Compliance

We have implemented an efficient Compliance management system that comprises "risk analysis/prevention," "identification," and "reaction."

We commit to complying with all applicable laws in all the countries in which voestalpine operates. We believe that Compliance is the expression of a culture rooted in ethical and moral principles.

We commit to upholding human rights in accordance with the International Bill of Human Rights and the UN Guiding Principles (UNGPs) on Business and Human Rights, and we support the UN Global Compact (UNGC).

Compliance violations must be prevented. It is our goal, therefore, to sensitize all employees to these issues and ensure that they know the Group's policies.

Corporate Governance

In order to ensure that managing and controlling the Group responsibly serves to create sustainable shareholder value in the long term, the Group's Management Board and Supervisory Board undertook as early as 2003 to comply with the Austrian Corporate Governance Code (the "Code"). In the business year 2023/24, 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."

5.1.8 STAKEHOLDER MANAGEMENT

voestalpine is in contact with all relevant stakeholders and engages with them in a responsible, solution-oriented, and transparent dialogue. Stakeholder management at voestalpine is based on established sustainability criteria and standards.

voestalpine is in regular contact with a wide range of stakeholder groups through its Management Board, as well as its executive and non-executive personnel. Numerous formats such as professional discussions and expert roundtables, conferences and trade shows, as well as analyst and investor meetings are used to this end. Subject to its Code of Conduct, voestalpine actively participates in a wide variety of bodies serving advocacy groups, trade associations, and lobbying campaigns, but also presents the company's concerns to these bodies. voestalpine also supports international and local platforms as well as initiatives that serve to promote climate-neutral and competitive economic centers.

5.1.9 SOCIETY

voestalpine's Group companies are not just successful worldwide: They also engage socially with the environment in which they operate.

The company's relationships with key local stakeholders that have evolved through the years provide insight into social, cultural, and environmental issues facing the given communities. voestalpine reviews specific opportunities for action in order to strengthen the social compact and enhance the well-being of humans and the natural environment that are affected by its activities. voestalpine supports non-profit projects pertaining to educational, youth-centered, cultural, and social affairs. We are committed to a shared set of values and aim to improve the lives of people in the areas surrounding our locations.

5.2 OPPORTUNITY MANAGEMENT

A materiality analysis was used in the 2023/24 business year to systematically identify Group risks and opportunities in connection with social, societal, and environmental aspects, and assess the impact of these. (Further details regarding the material risks can be found in the chapter "Risk management," and further information on the materiality analysis can be found in the chapter "Stakeholder and CR Management").

voestalpine analyzes the current market and competitive environment as well as new technological developments in regular environment analyses as part of the Group-wide strategy process. Risks and opportunities for the Group are derived from this before being evaluated.

This enables opportunities to be seized rapidly and in a targeted manner in a challenging and dynamic market environment. This supports the Group's value-enhancing growth and contributes towards the continuous improvement of voestalpine's competitiveness. Some examples of the opportunities identified for voestalpine in connection with the developments towards decarbonization and the establishment of a circular economy can be found below.

5.2.1 DECARBONIZATION AND GREEN TRANSFORMATION

voestalpine is entering the next generation of steel production with greentec steel. The Group is investing in one green electricity-powered electric arc furnace each in Linz and Donawitz for this purpose. These enable the electrification of energy-intensive processes and the reduction of around 30% of CO_2 emissions. This represents almost 5% of Austria's entire annual CO_2 emissions, making greentec steel the largest climate protection program in Austria.

This flagship project provides an opportunity to participate in the growing market for green products in the long term and to play an active role in shaping this. The transformation towards "net zero" also opens up some attractive options, with many customers already showing a strong interest in climate-friendly steel products, including improvng their own carbon footprint by using high-quality CO_2-reduced premium steel. For example, voestalpine already supplies almost 40 companies from various industries with high-quality steel products from the greentec steel edition, which have a reduced carbon footprint. Direct emissions can be reduced by optimizing the manufacturing process. This is achieved through an innovative mix of raw materials in which coke, for instance, is replaced in part by reducing agents that contain hydrogen.

The green transformation and the increasing focus on sustainability also offer attractive growth potential for voestalpine. This applies to the energy segment, which is characterized by strong growth rates in renewable energies and sustainable technologies, as well as the rise of electromobility and the continuous trend towards rail transportation. In the Railway Systems division, voestalpine is developing into a global rail infrastructure provider with digital plant monitoring and logistics as well as service solutions for all customer segments. In addition, the topic of sustainability and the ESG impact of the value chain is becoming an increasingly important

subject for debate within society as well as in the procurement strategies of many companies and on the financial markets, particularly in Europe. The consistent positioning as an economically and ecologically sustainable company, together with the focus on top-quality products and services with a low ecological footprint, creates opportunities for price premiums and the potential to distinguish us from the competition, as well as in relation to securing public funding in the fight against climate change and promoting the transition.

5.2.2 CIRCULAR ECONOMY

Further development and expansion of the circular economy is an important pillar for voestalpine in terms of reducing emissions, conserving resources, and securing raw materials supplies. voestalpine is pursuing the goal of closing, slowing down, and reducing the loops on three levels, thereby actively contributing towards climate and environmental protection. This is achieved by:

- the further expansion of scrap circuit loops and the increasing use of internal and external scrap in steel production, which is to be increased by 50% by 2030,
- the processing and reuse or marketing of by-products and the extension of the service life of products, e.g., by repairing used turnouts, and
- the increased use of renewable energy sources and the recovery and recycling of energy, e.g., by extracting and utilizing waste heat.

Research and development (see also the chapter "Research and development") plays a key role in promoting the circular economy as it provides an important link between the strategic sustainability goals and voestalpine's products and services. The key tasks here involve identifying and developing future opportunities and new potential for the circular economy in the companies and divisions. The focus is on the treatment and reuse of by-products from production processes, CO_2 reduction, improving resource efficiency, and the development of innovative product and service solutions for voestalpine customers. The recycling and recovery of materials provides economic benefits. In light of growing markets and changing legal standards that support renewable materials, voestalpine aims to successively increase its market share with innovative sustainable products and services. A circular economy can generate business opportunities, create jobs along the entire value chain, and also ensure better living and working conditions.

5.3 voestalpine's VALUES

Shared values are a strong anchor that provides security, support, and orientation. They also are an important and positive factor in the success of our corporate culture and define us as a company. These values provide guidance for employees and strengthen their sense of belonging and unity. They also support implementation of the Group's strategy, reinforce initiatives at the level of its divisions, and represent an important measure of commitment.

This is why the Group's Management Board and Human Resources Management have designated "Values & Culture" as a strategic field of action for the coming years. The following three corporate values were defined in a first step:

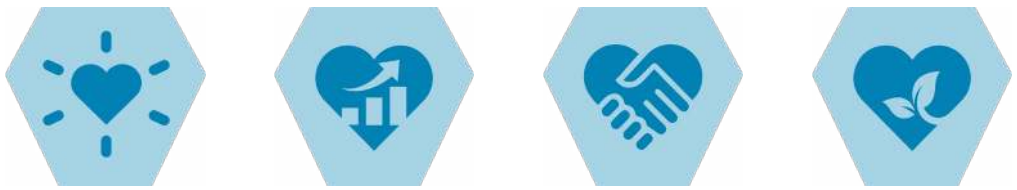
>> **Entrepreneurial Mindset:**
We are guided by success. Our approaches and actions are entrepreneurial. Our passion for solutions and innovation provides the basis for joint action. We are team players primed for success because we always seek the best possible outcome together. In so doing, we always work to our customers' benefit while also considering our other stakeholders. We always strive for excellence in our actions—and let it be our guide.

>> **Appreciation in the Workplace:**
We build upon our diversity as a team. We are respectful and fair toward each other, our customers, and our partners. We trust each other and align with values common to us. We create a motivating work environment infused with team spirit, where respectful cooperation is at the core of our actions, day in and day out.

>> **Sustainable Action:**
We perform our jobs responsibly. In our daily work, all of us act autonomously within defined responsibilities, demanding and fostering high degrees of individual responsibility. We remain curious and do not rest on our laurels; instead, we evolve together to bring about continual improvements. Our actions are sustainable, proactive, and forward looking.

The new value structure has evolved from employees' existing needs and desires. We have extracted the essence of the existing cultural initiatives and identified those values that unite us across the Group and distinguish us as voestalpine. The values that shape the divisions and the company on the whole thus provide the load-bearing walls, so to speak, and the values practiced by the Human Resources department represent the overarching roof.

Values Culture	Entrepreneurial Mindset	The Practice of Respect	Sustainable Practices



It is also important to internalize that all three values are equally important and are a lived reality. No one value can offset another. Defining a shared value system unique to voestalpine and provides the basis for a long-term cultural campaign that is shaped and supported by our employees. This is because instead of just defining them, we need to make the values more visible in our daily activities and work together to bring them to life.

5.4 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.

As part of its business activities, voestalpine actively contributes to the implementation of 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: Sustainable consumption and production
Goal 13: Climate action
Goal 16: Peace, justice, and strong institutions
Goal 17: Partnerships for the goals

greentec
steel

6. PRODUCT SUSTAINABILITY

In Europe, both the political and the regulatory framework are aimed at redirecting the economic system toward a circular economy (also known as "circularity"). This lends particular significance to sustainability all along the supply and value chains.

The concept of circularity requires analyzing products' entire value chain—broken down by environmental, economic, and social factors—across all phases of their life cycle: from the raw materials to the products' manufacture, utilization, and/or consumption, all the way to the end of their life cycle, which brings about the onset of a new life cycle.

voestalpine has been implementing and continually refining the core concerns of circularity at the level of both processes and products in many areas for a long time.

In and of themselves, steel products have a long useful life and contribute to the ongoing development of the circular approach. Modern lightweight steel and production processes (e.g., additive manufacturing) make it possible to reduce the amount of raw materials required for a given product. In their utilization phase, steel products can be repaired and overhauled through various processes, extending their useful lives. Given their resistance and longevity, steel products can also be repurposed and repeatedly recycled. At the end of their useful lives, finally, they serve as secondary raw materials that are used to manufacture new high-value steel products. The cycle is closed and can be repeated any number of times; this is referred to as the "multi-recycling of steel." The use of waste and recycled materials from the company's own steel production also contributes to the circular economy, as does the use of waste and secondary raw materials from external production processes. In turn, the by-products of steel production can be utilized as secondary raw materials to manufacture products in other industries. Different types of blast furnace sand that are generated in the production of steel are examples of this kind of industrial symbiosis. They are used as grinding additives in the cement industry, thus conserving natural resources and lowering CO_2 emissions from the production of cement. voestalpine uses research & development to push the efficient use of alternative and/or secondary sources of raw materials.

The company's current focus on determining products' sustainability lies on environmental issues. Specifically, this involves analyzing the environmental impact of products and their decarbonization. Life cycle assessments (LCAs) are both a core element of this process and a methodological tool. This requires uniform, workable, and globally comparable methods that can help to level the playing field internationally, thus promoting sustainable economic growth.

Environmental product declarations (EPDs) are a critical tool that voestalpine uses to determine and communicate products' environmental impact based on their life cycle assessments. EPDs are based on two international standards—EN 15804 and ISO 14025—and are audited and verified by independent third parties. voestalpine has submitted environmental product declarations (EPDs) for numerous products (e.g., hot-rolled steel strip, hot-dip galvanized steel strip, hot-formed pressed steel parts, pre-stressed concrete turnout sleepers, rails and seamless tubes) from the Group's various divisions to the declarations program of the Institut Bauen und Umwelt e.V. (IBU), a German association of building product manufacturers. EPDs are being prepared on an ongoing basis for various other voestalpine products.

The decarbonization of the steel industry is a considerable challenge for both process and product development and is inseparable from circularity. It is important to ensure that in the transformation toward largely CO_2-free production the products and raw materials retain the same high level of quality. Moreover, a technological transformation also affects existing raw and input materials cycles as well as symbiotic industrial relationships and thus requires the ongoing and/or new development of sectoral and cross-sectoral approaches to circularity.

Regular exchanges with various stakeholders regarding decarbonization and product sustainability along the supply and value chains help voestalpine to continually refine its strategy for CO_2-reduced steel production, which must also be climate neutral in the long term, and to flesh it out step by step. In order to create the greatest possible transparency for its stakeholders and make the stages of the transformation as comparable as possible, the voestalpine Group has committed itself to setting targets for reducing its greenhouse gas (GHG) emissions based on the parameters of the Science Based Targets initiative (SBTi). The target proposals for voestalpine's "Near-Term Science Based Targets" have been reviewed and validated by SBTi and are in line with the "well-below 2°C trajectory" initiative.

As part of its comprehensive decarbonization strategy, voestalpine's Steel Division has already leveraged its "CO_2-reduced steel" climate project to implement short-term decarbonization measures at its plant in Linz in Austria. The aim is to cut direct CO_2 emissions along the Group's existing steelmaking process chain. The environmental effects of the resulting products, particularly their carbon footprint, are determined and reported by way of LCAs carried out in accordance with internationally accepted methods and standards.

Sustainable and decarbonized products are becoming ever more important to the supply and value chains. It is absolutely necessary, therefore, to develop uniform definitions, methodologies, and parameters and thus level the playing field in the international competition for sustainable products.

These developments are supported by cross-sectoral entities, including, for example, the ResponsibleSteel initiative, which voestalpine was one of the first steel companies to join in 2019.

7. CLIMATE ACTION

The greentec steel climate protection program is being implemented according to schedule, with voestalpine aiming to achieve net zero emissions by 2050 at the latest. Certain areas of the political and regulatory framework for European and national energy and climate policy were specified in concrete terms during the reporting period, although this remains open in some key areas.

7.1 POLITICAL FRAMEWORK

A number of key issues were adopted at the EU level in 2023, such as the directives on energy efficiency, and industrial and raw materials policy decisions will be taken in the Northern spring 2024 shortly before the final trilogue agreement between the Commission, Council, and Parliament. These include the Net-Zero Industry Act (NZIA), which is intended to support important industrial activities for the transformation, and the Critical Raw Materials Act (CRMA) to secure the (internal) supply of raw materials.

October 2023 also saw the start of the three-year trial phase of the Carbon Border Adjustment Mechanism (CBAM). The policy aim here is to ensure that imports of certain products into the EU receive comparable treatment in relation to the level of the CO_2 pricing system that applies here. Anyone importing goods into the EU must therefore either provide evidence of a CO_2 pricing system in line with the EU Emissions Trading Scheme (ETS) or must otherwise pay import duties.

The CBAM initially comprises the iron, steel, aluminum, cement, electricity, fertilizer, and hydrogen sectors, as well as selected upstream and downstream products. With the world's first such border adjustment scheduled to go live as of 2026, a gradual phase-out of the free allocation of emissions trading allowances is planned in these sectors by 2034. However, solutions are still outstanding for exports from the EU to compensate for additional costs due to higher climate protection standards compared to other regions, and therefore to create reasonably comparable competitive conditions on the global market.

Despite their intentions which are basically understandable, these European and national regulations share one common drawback in that they often lead to excessive administrative work. Whether they will truly result in positive outcomes in terms of both climate and industrial policy therefore remains to be seen. One thing that is certain is that the reduction in bureaucracy originally promised by the European Commission has not yet materialized.

While important components of the Green Deal have not yet been finally adopted or implemented, the new 2040 climate targets are being discussed at EU level. The European Commission published its ideas on this at the beginning of February. The proposals specifically include a net target of a 90% reduction compared to 1990 in conjunction with an Industrial Carbon Management Strategy for unavoidable residual emissions. This primarily concerns Carbon Capture and Utilization or Storage (CCUS).

Net Zero

Although no more decisions will be taken in the legislative period of the European Parliament or by the current Commission, which ends in the first half of 2024, the implications of a renewed tightening of targets would be considerable, as all issues in the "Fit for 55" package would need to be adapted, including the process for legal implementation at the national level.

Similar discussions are currently taking place in the individual EU member states. Both Austria and Germany are working on a carbon management strategy which voestalpine believes should logically be an integral part of the corresponding EU plans.

The key question for all energy-intensive sectors will be how the industrial transformation can be made commercially viable in the long term. The key aspects remain the future European and national subsidy regime, the development of "green" lead markets for CO_2-reduced products, as well as availability, secure supply, infrastructure, and competitive price levels for renewable energies. These challenges can only be mastered to a limited extent by individual companies themselves and require agreement on a coordinated industrial policy designed to tackle them.

The discussion regarding a new Industrial Deal for the European Union in the coming legislative period, which has been gaining momentum since the beginning of 2024, should not only create greater awareness of the fact that all relevant issues such as climate, energy, competition, trade, finance, and research/innovation need to be considered in an integrated and coordinated manner, but should ultimately also lead to a long-term, sustainable industrial policy agenda for the EU and its member states.

7.2 greentec steel: voestalpine's FORWARD-LOOKING CLIMATE ACTION PROGRAM

With greentec steel, the voestalpine Group is gradually implementing an ambitious phased plan. greentec steel involves all of voestalpine's activities and innovations on the path to steel production with net zero emissions. As part of the Science Based Targets initiative (SBTi), the voestalpine Group is committed to reducing the sum of Scope 1 and Scope 2 emissions by 30% and Scope 3 emissions by 25% by 2029 compared to the reference year 2019. Achievement of the 2029 target is also subject to external factors and influencing variables such as raw materials, energy, and the economic situation. greentec steel provides for various technological options with high potential for reducing CO_2. The phased plan thereby provides a certain degree of flexibility to voestalpine, enabling it to react to changing conditions and at the same time limit the economic risk to a manageable level.

greentec steel comprises an investment volume of around EUR 1.5 billion in the first stage. This will initially involve installing two green electricity-based electric arc furnaces at the Linz and Donawitz sites and decommissioning two coal-based blast furnace units. 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. voestalpine sources the required HBI primarily from the direct reduction plant in Texas, USA. This plant has been majority-owned by a global steel manufacturer since 2022, with voestalpine holding a 20% stake as well as securing long-term procurement contracts.

The decisions on the systems and suppliers have now been taken and construction of the electric arc furnaces has begun. The Austrian federal government had granted funding of around EUR 90 million for this as part of the "Transformation of Industry" program. The environmental impact assessment procedure for the upgrades required to the electricity grid has been completed at the Donawitz site and has almost been completed at the Linz site at the time of writing.

voestalpine's long-term concept for achieving net zero emissions by 2050 at the latest in line with the EU emissions trading target path consists of several modular technology steps and options. These are equally based on the greatest possible CO_2 reduction effect, taking into account actual feasibility (e.g., with regard to the availability of raw and input materials and renewable energies, including the corresponding infrastructure).

An overview of the key elements and milestones of the greentec steel climate action program is provided below (reference year 2019 for Scopes 1 and 2):

- **By 2029: Phase 1 with target of 30% reduction in CO_2 emissions**
  - Investment in two electric arc furnaces powered by renewable electricity in Linz and Donawitz and decommissioning of two coal-based blast furnaces.

- **From 2030 to 2035: Phase 2 with target of 50% reduction in CO_2 emissions**
  - Focus on direct CO_2 avoidance through further replacement of fossil pig iron production and anticipated supplementary use of carbon capture and utilization technologies.

- **By 2050 at the latest: Phase 3 with target of net zero CO_2 emissions**
  - Focus on replacing the remaining fossil pig iron capacities using fossil-free energy sources, such as "green" hydrogen and bioenergy, as well as capturing CO_2 (CCUS) with the aim of achieving the greatest possible flexibility while at the same time making the net zero strategy economically viable.

  - The final decisions will only be taken at a later date in accordance with investment cycles and in line with foreseeable conditions.

8. TRANSPARENCY IN THE SUPPLY CHAIN

voestalpine procures a very wide range of materials and products as well as services from a multitude of suppliers. As part of voestalpine's supply chain management, data on the social and environmental effects and risks of suppliers' activities are systematically collected and integrated into the development of supplier relationships. voestalpine's Sustainability Strategy defines principles that govern both general procurement and raw materials procurement.

General Procurement

Entrepreneurial activity also entails the responsibility to satisfy both corporate and social requirements. For many years now, the steel industry has considered voestalpine to be the benchmark in matters related to the environment and efficiency. The consistent implementation of sustainable supply chains makes an important contribution to the Group's Sustainability Strategy. The purchasing organization is successfully continuing implementation of the roadmap for "Sustainability in the Supply Chain."

Compliance with environmental and social principles is an important factor in the selection of voestalpine's suppliers. Sustainable supplier management is integrated into the procurement processes in the aim of maintaining long-term partnerships.

voestalpine ensures through informational events such as the Purchasing Power Day as well as the three-stage Purchasing Power Academy (which was developed in house) that its employees in procurement are given ongoing training and continued professional development (CPD) opportunities with respect to topics including sustainability and compliance.

Procurement processes are continually updated and optimized in keeping with statutory as well as corporate requirements. voestalpine's relevant economic actions and decisions are based on its Code of Conduct for Business Partners.

Transparent
Supply Chains

Raw Materials Procurement

Applying life cycle approaches in cooperation with our customers guarantees the highest efficiency in the process of recycling our raw and reusable materials.

We face the challenge of continually optimizing our supply chains jointly with our suppliers. Regular visits to the sources of raw materials and pre-materials, especially mines, deposits, and production facilities, are a fixed element of this process. Together, we develop methods for designing an efficient and transparent supply chain. New suppliers are assessed in terms of corporate responsibility, quality, and performance. The suppliers are included in the voestalpine portfolio when the due diligence review is positive. The structured due diligence process involves a step-by-step approach. The review is based on the Code of Conduct for Business Partners. Additional data, allowances and certificates, and evidence are requested in greater detail from suppliers with a significant risk. voestalpine ensures that all of its purchases are subjected to this process, thus mitigating risk over the long term.

Securing the long-term competitive supply of both raw materials and energy remains the key task. A high degree of integration into upstream and downstream processes, scenario planning, and adaptive supply concepts serve to minimize supply risks.

8.1 SUPPLY CHAIN MANAGEMENT

The Purchasing Board is the steering and decision-making body for Group purchasing and is supported by the Purchasing Committee as the implementation body.

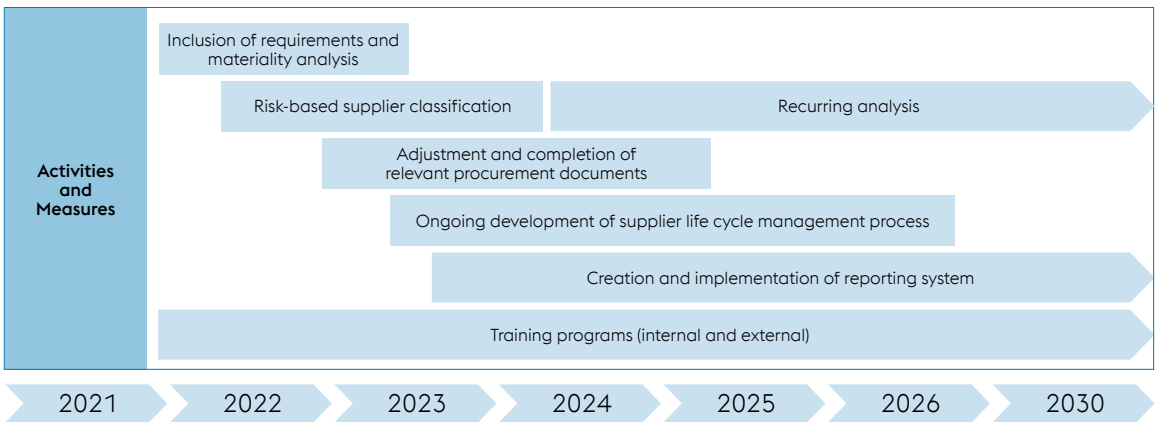
The responsibility of the Group purchasing structure extends across the entire voestalpine Group in relation to the procurement of products and services. Its focus is on the areas listed below, which require Group-wide and overarching management in order to achieve the strategic goals of voestalpine Purchasing (see diagram).

The following areas of responsibility fall within the direct remit of the Group purchasing structure bodies:

- >> Preparation and further development of the purchasing strategy
- >> Governance structure/Group roles and responsibilities incl. Group lead buyer
- >> Shared systems and tools in purchasing
- >> Definition of the uniform and harmonized purchasing process
- >> Development and formation of the purchasing community within the Group and subsequently the purchasing culture and a shared mindset
- >> Training and further education on technical matters (Purchasing Power Academy)

The Purchasing Board and Purchasing Committee have consistently pursued the strategic plan in recent business years in an attempt to ensure transparency and sustainability in the supply chain, thereby achieving important milestones on the roadmap. The focus in the 2023/24 business year was on compliance with the statutory provisions of the German Supply Chain Duty of Care Act while continuously taking developments in the EU Supply Chain Directive into account.

SUSTAINABILITY IN THE SUPPLY CHAIN



voestalpine uses a risk analysis to determine whether and where human rights could be in danger or negative environmental impacts could arise in its supply chains.

The first step in the risk analysis involved developing a filter system based on country-specific information as well as industry-specific and product group-specific risk factors. Application of the filter system allows inspection mechanisms to be applied specifically to suppliers that are subject to risk and preventive measures to be derived. The defined filter system among other things includes the following factors:

>> Human rights violations
>> Child labor
>> Fair remuneration
>> Forced or compulsory labor

Based on the risk assessment, voestalpine, as already stated, requests specific proof from its business partners regarding the extent to which they meet the requirements of the Code of Conduct for Business Partners. voestalpine supports them in implementing the requirements if required. Where necessary, training measures are carried out at suppliers' premises or on-site visits are made to increase suppliers' understanding and ensure that improvement measures are being carefully implemented. This requires the cooperation and participation of the business partners.

voestalpine reserves the right to take appropriate measures in the event of violations and an unwillingness to cooperate on the part of suppliers, which may ultimately lead to suspension or termination of the supply relationship. This risk analysis is updated annually and the due diligence review is currently only carried out in full by those companies that are required to report in accordance with the German Supply Chain Act. The review is carried out on a random basis based on spot checks for the remaining voestalpine companies.

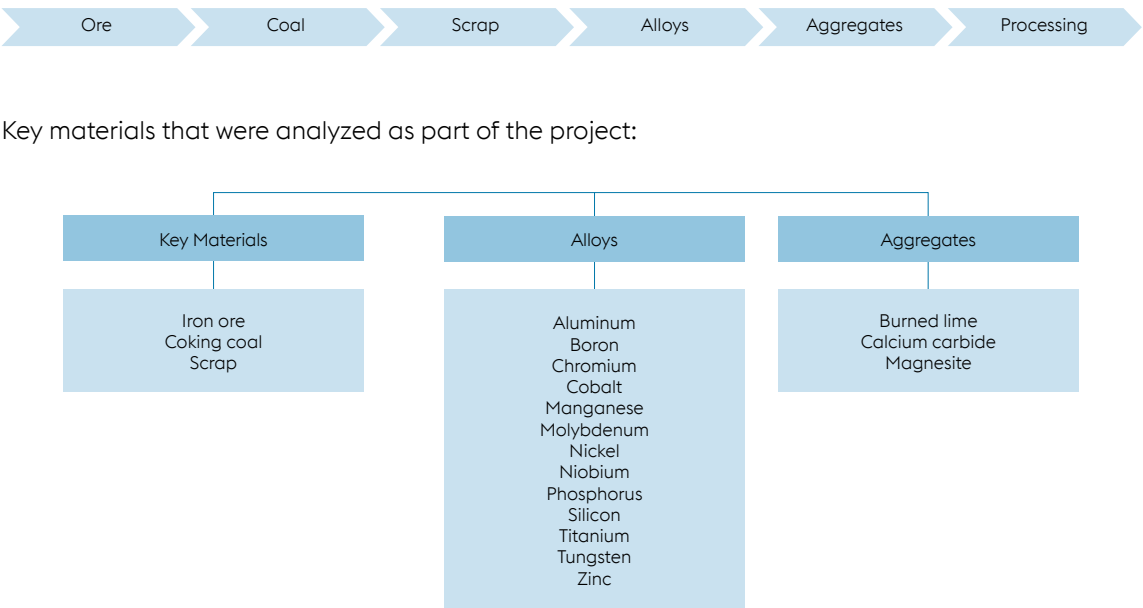
8.2 SUSTAINABLE SUPPLY CHAIN MANAGEMENT (SSCM)

Both voestalpine's purchasing terms and conditions and its Code of Conduct for Business Partners, which apply to all suppliers, contain numerous criteria aimed at sustainable procurement and, in particular, compliance with human rights.

In addition, voestalpine has implemented a process in connection with the procurement of raw materials that serves to identify sustainability risks in the supply chain and to avoid and/or minimize potentially adverse effects.

This was based on the SSCM Project that examined a typical supply chain in steelmaking for risks associated with materials, countries of origin, and suppliers. voestalpine included both external and internal experts in the project as early as in 2016 and has conducted personal conversations with many long-term suppliers since then in order to identify potentially negative effects in the supply chain.

EXAMPLE OF A SUPPLY CHAIN: STEEL PRODUCTION



The following source countries (listed alphabetically) for these materials were included in the examination of the supply chain:

Albania • Australia • Austria • Brazil • Canada • China • Czechia • Finland • Germany • Norway • Poland • South Africa • Sweden • Türkiye • Ukraine • USA

Raw materials, countries of origin, and suppliers were examined with respect to:

Environmental Issues

Waste & recycling
Wastewater
Biodiversity
Soil emissions
Air emissions
Energy consumption
Water consumption

Human Rights

Discrimination
Child labor
Forced labor
Collective bargaining and freedom of association
Health and safety of the local population

Working Conditions

Working hours
Occupational health & safety
Fair compensation

Governance

Compliance
Anti-corruption work

The insights gained in the project were entered into a matrix that highlights potential risks, i.e., so-called hot spots. This made it possible to rule out human rights hot spots, particularly regarding child labor and forced labor, for all suppliers.

Whenever there are challenges among suppliers with respect to environmental issues, the suppliers concerned are asked to clarify the situation and suggest solutions; on-site supplier visits are conducted for verification purposes. The majority of suppliers (if they are producers) have already obtained their ISO 14001 or ISO 45001 certification.

8.3 COMPLIANCE CHECKLIST

voestalpine has developed the questionnaire from the SSCM project further in order to meet the requirements under the German Supply Chain Due Diligence Act. Detailed questions were included on various sustainability topics such as human rights, occupational safety, environmental aspects, and compliance, in addition to the general company information. This checklist is regularly evaluated and adapted to changing conditions and regulations.

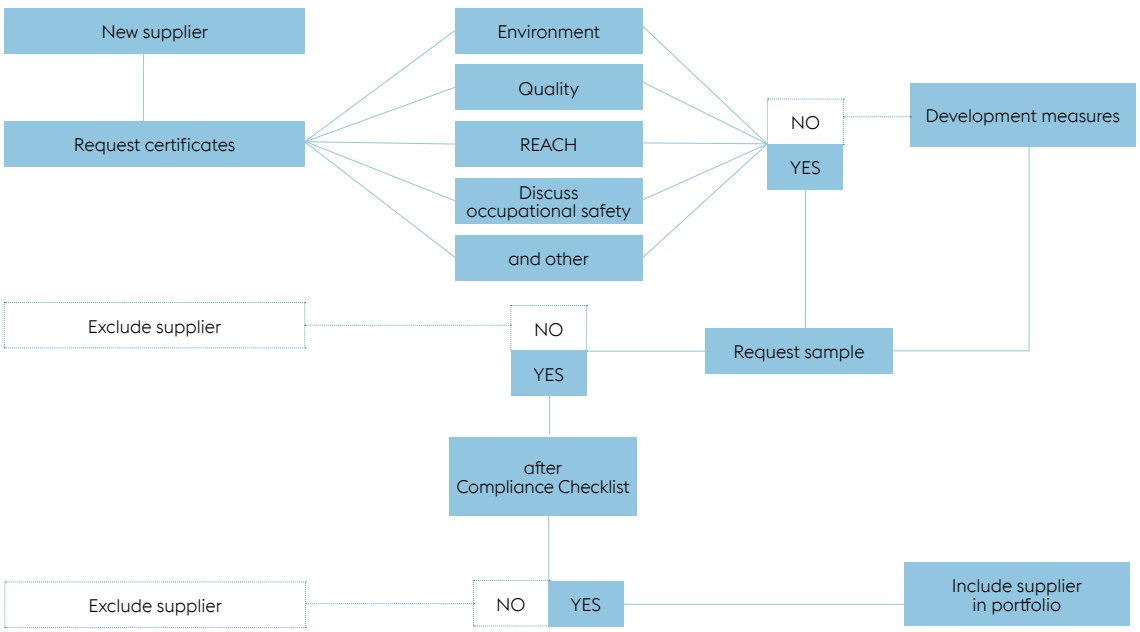
Communication with the suppliers on compiling the questions, further development, and evaluating the questionnaires is based on user-friendly IT systems.

8.4 SUPPLIER ASSESSMENT

A systematic process based on personal meetings, a standardized questionnaire, and a quality assessment of the materials is used to select companies commissioned to supply those raw materials, products, and services to the voestalpine Group that directly affect the end products.

Suppliers must also undergo a mandatory acceptance process pursuant to the Responsible Sourcing Policy for them to be included in the supplier portfolio of voestalpine Rohstoffbeschaffungs GmbH. Deliveries to voestalpine are precluded until this process has been successfully completed.

Schematic overview of the process:



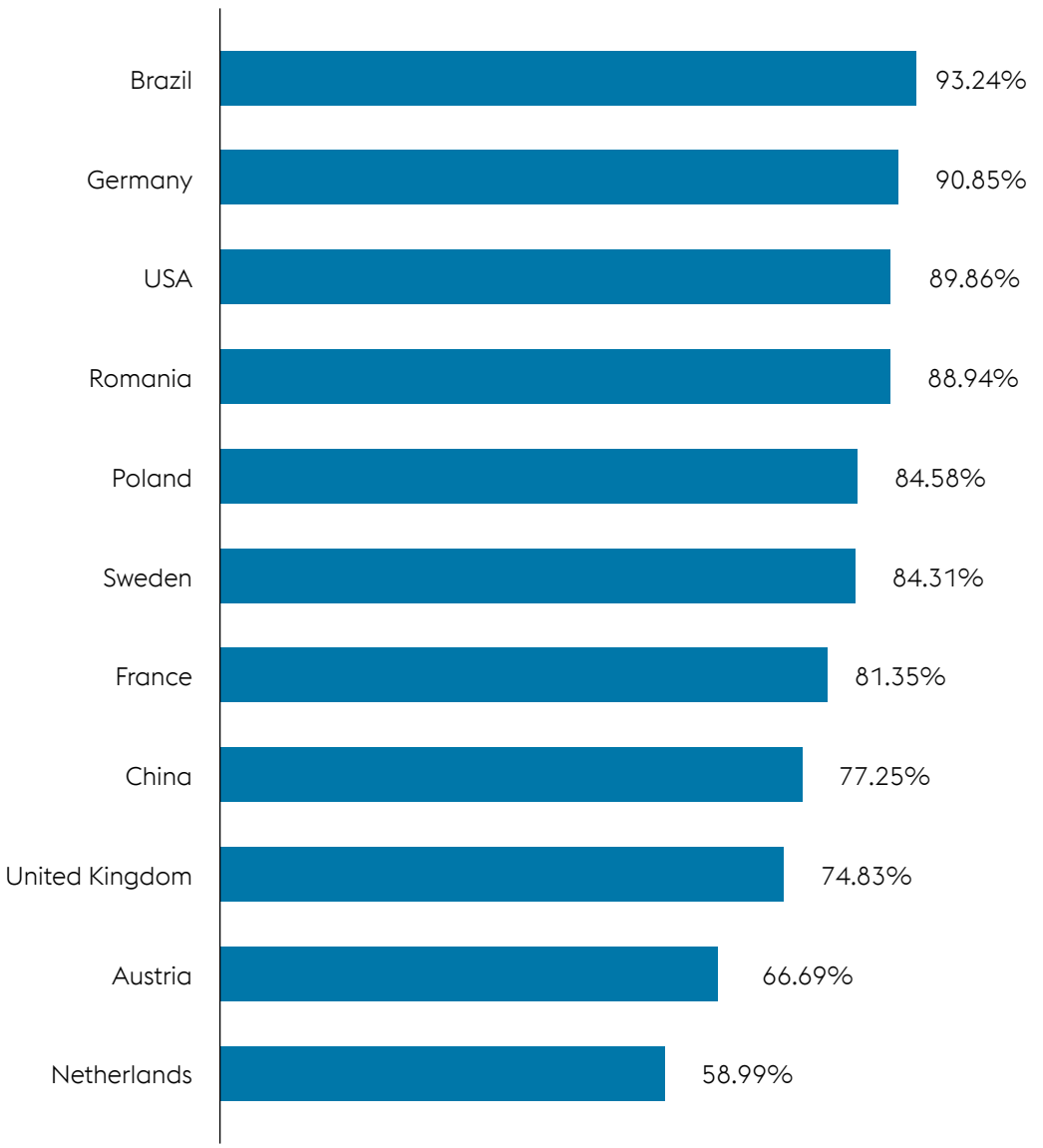
The raw materials suppliers are evaluated once a year and subsequently rated as A, B, or C suppliers. Depending on the raw materials category, different parameters are used to this end, e.g., environmental management, innovation, and quality management, or even flexibility and ability to stick to deadlines.

Suppliers that achieve an A or B rating are given preference in the procurement process. Corrective measures are jointly defined with B and C suppliers and set forth in writing; they must be implemented within one year.

8.5 LOCAL SUPPLIERS

For the most part, voestalpine Group companies procure the range of products they need from producers, traders, and wholesalers. Whenever possible, the companies make their purchases regionally, thus boosting host country economies. Regional proximity is pronounced, especially in connection with the procurement of services. The following graph shows the respective share of local suppliers. Suppliers whose businesses are domiciled in the same country as the voestalpine company they supply are considered local.

LOCAL SUPPLIERS BUSINESS YEAR 2023/24



8.6 CODE OF CONDUCT FOR BUSINESS PARTNERS

The Management Board of voestalpine AG adopted an updated Code of Conduct for Business Partners effective as of the end of business year 2022/23. This Code defines voestalpine's principles and requirements. It is designed to ensure that business partners' practices conform to both voestalpine's values as well as applicable laws and regulations.

The principles and requirements are rooted in the Human Rights Policy and the voestalpine Code of Conduct as well as on the UN Guiding Principles (UNGPs) on Business and Human Rights; the principles enshrined in the UN Global Compact (UNGC); the International Bill of Human Rights; and the United Nations Convention against Corruption.

The Code of Conduct for Business Partners regulates the following issues:

>> **Compliance and responsible corporate governance**
- Compliance with laws
- Prohibition of active and passive corruption
- Prohibition of bribery (e.g., making gifts to employees)
- Money laundering
- Fair competition
- Protection of information, intellectual property, and data
- Trade restrictions and sanctions

>> **Social responsibility**
- Respect for human rights and fair working conditions
- Prohibition of child labor
- Prohibition of forced and bonded labor, human trafficking, and modern slavery
- Collective bargaining and right to freedom of association
- Diversity, equal opportunity, and prohibition of discrimination
- Compensation and working hours
- Health and workplace protections
- Training of security staff
- Local communities and indigenous peoples

>> **Environmental protection and climate action**
- CO_2 footprint

>> **Supply Chain Management**
- Raw materials and source minerals

>> **Misconduct reporting**

>> **Cooperation and collaboration**

8.7 ADVOCACY ORGANIZATIONS AND SUPPLY CHAIN TRANSPARENCY PROJECTS

voestalpine is active in a number of advocacy organizations that work on issues of supply chain transparency. For example, experts from a number of different departments participate in working groups set up by ResponsibleSteel in order to help develop both the organization's certification standard and product-specific requirements, related in particular to input materials and greenhouse gas (GHG) emissions. In November 2021, voestalpine's plant in Linz in Austria was awarded the ResponsibleSteel Certificate following a detailed audit conducted by independent auditors. The ResponsibleSteel surveillance audit was successfully completed in March 2023.

The collaboration of the World Steel Association with TD International (TDI)—which provides a platform for the systematic compilation of risks related to materials and source countries—also allows voestalpine to contribute its expertise.

Internally, the Group has already established appropriate working groups tasked with analyzing current supply chain transparency regulations and preparing the company for the EU's forthcoming supply chain legislation.

In the past business year, voestalpine's suppliers were informed of the company's basic policies on responsible procurement and notified of the steps it intends to take with respect to climate action and environmental protection as well as human rights. Over the course of the business year 2024/25, suppliers will be asked to confirm that their business activities are in line with the voestalpine Code of Conduct for Business Partners in accordance with the risk analysis described and internal sets of priorities.

9. ETHICAL CORPORATE GOVERNANCE

Ethical corporate governance means responsible corporate management of the Group that is geared, for one, to creating sustainable value in the long term and, for another, to ensuring that the conduct of all Group employees complies with both statutory requirements and internal guidelines as well as fundamental moral and ethical values (Compliance).

Ethical Corporate Governance

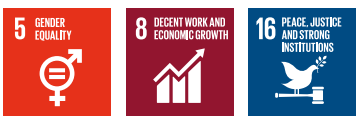
In order to ensure that managing and controlling the Group responsibly serves to create sustainable shareholder value in the long term, the Group's Management Board and Supervisory Board undertook as early as in 2003 to comply with the Austrian Corporate Governance Code (the "Code").

Compliance

We commit to complying with all applicable laws in all the countries in which voestalpine operates. We believe, furthermore, that Compliance is the expression of a culture rooted in ethical and moral principles.

Human Rights

We commit to upholding human rights in accordance with the International Bill of Human Rights and the UN Guiding Principles (UNGPs) on Business and Human Rights, and we support the UN Global Compact (UNGC).



Compliance

9.1 COMPLIANCE

voestalpine requires its companies and all of its employees to comply with absolutely all applicable laws in all of the countries in which it operates. For voestalpine, however, Compliance means more than just acting legally and in accordance with other external requirements. It is the expression of a culture that is also rooted in ethical and moral principles. The principles of this corporate culture as it relates to the treatment of customers, suppliers, other business partners, and employees are expressly spelled out in the voestalpine Code of Conduct. Likewise, voestalpine requires its suppliers to comply, without limitation, with all applicable laws in the respective country and, in particular, to respect and uphold human rights as fundamental values.

9.1.1 THE CODE OF CONDUCT

The voestalpine Code of Conduct was enshrined in writing in 2009. It is the result of numerous conversations and discussions at the level of the Management Board as well as among the managing directors and department heads of the voestalpine Group. It is based on the Group's corporate values and provides the basis for ethically and legally sound conduct on the part of all of the Group's employees. The Code of Conduct is evaluated on an ongoing basis and adapted where necessary in order to take account of growing social requirements and at the same time to further develop voestalpine's value system in a sustainable manner. Most recently for instance, implementation of the EU Directive on protection for whistleblowers and changes required in connection with supply chain management were anchored within the voestalpine Code of Conduct. The Code of Conduct has been published in more than 20 languages and may be downloaded from the Internet: https://www.voestalpine.com/group/en/group/compliance

The voestalpine Code of Conduct covers the following areas:

Compliance and responsible corporate governance

- >> Compliance with laws and other regulations
- >> Competition and antitrust law
- >> Corruption, bribery, and acceptance of gifts
- >> Money laundering
- >> Conflicts of interest
- >> Prohibition of abuses of insider information
- >> Data privacy and protection
- >> Trade restrictions and sanctions
- >> Conflict minerals
- >> Secrecy of confidential information
- >> Intellectual property
- >> Protection of corporate property and IT usage
- >> Corporate communications

Social responsibility

- >> Respect for human rights and working conditions
- >> Prohibition of child labor
- >> Prohibition of forced and compulsory labor, human trafficking, and modern slavery
- >> Collective bargaining and the right to freedom of association
- >> Diversity, equal opportunities, and ban on discrimination
- >> Remuneration
- >> Working hours
- >> Local communities and indigenous peoples
- >> Security personnel
- >> Donations and sponsorships
- >> Workplace protections
- >> Human Rights in the Supply Chain
- >> Environmental protection and climate action
- >> Reporting of misconduct

The Code of Conduct applies to all members of the management boards, the managing directors, and the non-executive employees of all entities in which voestalpine AG has a direct or indirect interest of at least 50% or which it controls in some other way. As regards all other companies in which voestalpine AG has a direct or indirect stake of at least 25% but does not control them, the Code of Conduct is brought to their attention with the request that they enforce it by having their corporate decision-making bodies recognize it of their own volition.

Disciplinary consequences can be expected if they violate statutory provisions, internal guidelines, regulations, and instructions, or the provisions of the voestalpine Code of Conduct. Moreover, violations may also have consequences under criminal and/or civil law, e.g., claims to compensation and claims for damages.

voestalpine aims to have the Code of Conduct apply throughout its sphere of influence. Suppliers and consultants are required to comply with the Code of Conduct for Business Partners. Additionally, Group companies are urged to bring the Code of Conduct to the attention of their customers and to strongly encourage them to commit to compliance therewith. All of voestalpine's business partners are also requested to reasonably promote adherence to the Code of Conduct among their own business partners along the supply chain.

voestalpine AG has adopted several Group guidelines that serve as a helpful tool for employees in applying the Code of Conduct. The Compliance rules and regulations associated with the voestalpine Code of Conduct currently comprise the following:

Business Conduct

These guidelines supplement and flesh out the Code of Conduct with respect to issues of corruption, bribery, acceptance of gifts, and conflicts of interest. For example, they regulate the permissibility of gifts, invitations, and other benefits; donations and sponsoring; secondary employment as well as the private purchase of goods and services by voestalpine employees from customers and suppliers. The section entitled "Business Conduct" also addresses the prohibition of political contributions. The voestalpine Group does not allow donations to politicians, political parties, organizations affiliated with political parties, or political front organizations. This does not apply to political precursor organizations that are devoted solely to social issues and have been individually approved by the Management Board of voestalpine AG.

Dealings with Brokers and Consultants

This guideline provides additional information on the topics of corruption, bribery, and the acceptance of gifts. It defines the procedure to be complied with prior to engaging sales representatives, agents, and other marketing consultants. An objective analysis of business partners' environment and scope of activities before establishing business relationships with them serves to ensure that the business partners also comply with both applicable law and the voestalpine Code of Conduct.

Antitrust law

This guideline describes the prohibition of agreements restricting competition, establishes rules for dealing and interacting with industry associations, professional associations, and/or other sector organizations, and defines particular rules of conduct for employees of the voestalpine Group. Additionally, manuals have been developed with respect to issues of information sharing and benchmarking, procurement alliances, and supplier relationships with competitors, which provide employees with information on these topics from an antitrust perspective.

Compliance Manual and Compliance Violation Prevention Program

These rules and regulations provide information on the Group's compliance strategy and compliance structure. They also provide information on steps taken to prevent and identify Compliance violations as well as on the potential reactions and sanctions such violations may trigger. Information on the web-based whistleblower system, which allows compliance violations to be reported anonymously, can be found in the Compliance Manual.

Code of Conduct for voestalpine's Business Partners

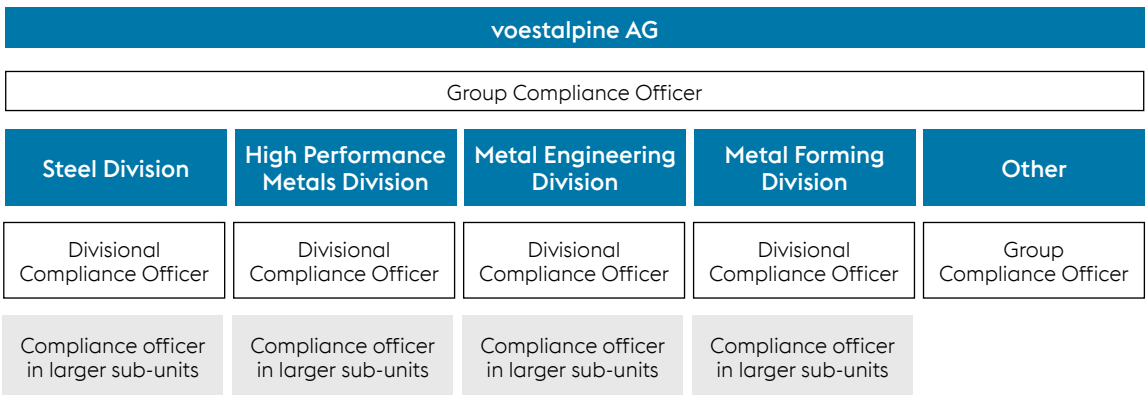
These rules and regulations that are directed toward suppliers of goods and services as well as toward brokers, consultants, and other business partners define the principles and requirements for doing business with voestalpine and were most recently comprehensively revised and expanded in the business year 2022/23. Among others, voestalpine requires its business partners to respect and comply with human rights as fundamental values in accordance with the International Bill of Human Rights, the UN Guiding Principles (UNGPs) on Business and Human Rights, and the Core Labor Conventions of the International Labor Organization (ILO). In particular, this applies to the prohibition of child and forced labor; the prohibition of human trafficking in any way, shape, or form; the equal treatment of employees; and the right to employee representation and collective bargaining. Business partners must also undertake to comply with environmental protection standards and to set scientifically verifiable targets for reducing their CO_2 footprint. In fact, the business partners must abide by their commitments not just in their own sphere of activity; they must also require their own suppliers to act accordingly and must verify compliance with these commitments in the supply chain.

Code of Conduct for voestalpine's Lobbyists (Lobbying Code of Conduct)

voestalpine's Lobbying Code of Conduct regulates dealings with stakeholders in Austria as well as in Europe and internationally in accordance with the Austrian Lobbying and Advocacy Transparency Act in order to provide a clear and transparent framework for lobbying activities. Just as with the general Code of Conduct, the Lobbying Code of Conduct is also binding on all members of the Management Board, the managing directors, and the non-executive employees of all entities in which voestalpine AG has a direct or indirect interest of at least 50% or which it controls in some other way. Care must be taken to ensure in cases where voestalpine's lobbying activities are supported by third parties that the latter commit to compliance with the Lobbying Code of Conduct.

9.1.2 COMPLIANCE ORGANIZATION

Responsibility for adherence to Compliance regulations rests with the respective management. The voestalpine Group comprises a Compliance organization to help management fulfill this responsibility and set up the processes required to that end. Aside from a Group Compliance Officer, a Divisional Compliance Officer has been appointed for each division; additional Compliance Officers are appointed in particular divisional sub-units. The Group Compliance Officer reports directly to the Chairman of the Management Board and is not bound by instructions. The Divisional Compliance Officers report to both the Group Compliance Officer and the respective division heads who are members of the Management Board.



Compliance officers are responsible for the following areas:

- Antitrust law
- Corruption
- Compliance with capital market regulations
- Fraud (internal cases of theft, fraud, misappropriation, or embezzlement)
- Conflicts of interest
- Special topics assigned to the Compliance organization by the Management Board of voestalpine AG (e.g., in connection with issues related to UN or EU sanctions)

All other Compliance issues—e.g., environmental law, taxes, accounting, labor law, protection of employees, or data privacy—do not fall under the purview of the Compliance Officers' powers. Other organizational units are responsible for these Compliance issues.

9.1.3 PREVENTIVE MEASURES

As part of its Compliance activities, voestalpine places particular importance on preventive measures. Employees' knowledge of ethical values and principles is of strategic importance to voestalpine. Employees learn how to deal with issues that include invitations, gifts, and potential conflicts of interest in training courses, training sessions, and management meetings on the topic of business ethics (compliance training). Employees are also trained in dealing with business intermediaries. The voestalpine Group already introduced e-learning courses on the subject of Compliance back in 2009. This e-learning curriculum is available in 15 languages and has been repeatedly revised and expanded over time. In addition to the learning units, they now also present case studies and require a final test.

KEY E-LEARNING TOPIC: "COMPLIANCE BASICS"

What is Compliance?	Compliance at voestalpine	Day-to-day Compliance	Consequences of violations	Case studies and final test

KEY E-LEARNING TOPIC: "FAIR COMPETITION"

Overview of antitrust law	Legal basics and consequences	Collusion between competitors	Collusion between suppliers and buyers	Case study: Sharing market information	Final test

KEY E-LEARNING TOPIC: "RECAP – FAIR COMPETITION"

Collusion between competitors	Abuse of market position	Case study: Pricing policies	Case study: Sales prices

KEY E-LEARNING TOPIC: "PROTECTION AGAINST CORRUPTION"

Code of Conduct, contact persons, and whistleblowing	What is corruption?	Legal basics and consequences	Favors and payments	Final test

The e-learning training course Compliance Basics (business ethics) must be completed as mandatory for all employees (white collar workers). A total of 19,031 employees, or 96.7% of active employees, had successfully completed this training as of the reporting date of March 31, 2024.

Participants in the e-learning training course on antitrust law offered by voestalpine are selected based on risk-specific criteria. In addition to all managers, employees in sales and marketing departments, this training must also be completed by employees who represent the company in trade associations and employees who come into contact with competitors.

The two refresher courses must be repeated by the relevant employees in a particular training cycle. The allocation of training courses and the allocation within the training cycle are carried out centrally on a weekly basis by the learning management system used in the voestalpine Group.

The learning management system also monitors the implementation of the e-learning training courses. This ensures that employees receive comprehensive and regular training on compliance and antitrust law.

The e-learning courses are continually supplemented Group-wide by face-to-face and online training tailored to target groups, particularly sales and purchasing personnel. This training is generally focused on adherence to the law and internal guidelines as well as on (anti)corruption and antitrust law as it applies to the participants' respective sphere of activity. Compliance training is mandatory for young executives: Six to seven face-to-face training sessions are conducted per year for up to 40 employees each.

Face-to-face training on issues of compliance with capital market regulations is also provided to employees of voestalpine AG.

Compliance is a regular topic in Group communications and is addressed repeatedly—including by top management—during major employee events at the level of the Group and the divisions.

9.1.4 REPORTING COMPLIANCE VIOLATIONS

Reports of Compliance violations should be made openly for the most part, i.e., divulging the whistleblower's name. Pursuant to the Code of Conduct, such reports may be addressed to the individual's direct supervisor; the appropriate legal or human resources department; the management of the respective Group company; the Internal Audit and risk management departments of voestalpine AG; the Group Compliance Officer; or one of the Divisional Compliance Officers. Upon request, whistleblowers are ensured of absolute confidentiality.

An option to anonymously report violations via a Web-based whistleblower system has been available since 2012. Initially, only a few issues could be reported through this whistleblower system; since the business year 2022/23, however, reports may be filed with respect to all of the following:

- >> Antitrust, corruption, fraud, conflicts of interest, capital market compliance
- >> Discrimination, sexual harassment, bullying, human rights
- >> Data privacy and protection
- >> Technical compliance, in particular compliance with technical standards and certifications in production processes; IT security
- >> Environment
- >> health & safety
- >> Violations in other areas

The system enables communication with whistleblowers while maintaining absolute anonymity.

9.2 CORPORATE GOVERNANCE

The Austrian Corporate Governance Code (the "Code") provides Austrian stock corporations with a framework for managing and monitoring their companies. It is based on the provisions of Austrian stock corporation, stock exchange, and capital market law as well as, generally, on the OECD Principles of Corporate Governance.

The Code was most recently revised in January 2023. It achieves validity when companies voluntarily undertake to comply with it and serves to establish a system for managing and controlling companies and groups in ways that are accountable and geared to creating sustainable, long-term value. By voluntarily undertaking to abide by the Code, voestalpine supports these objectives and commits to providing a high degree of transparency to all of the company's stakeholders.

The Management Board and the Supervisory Board of voestalpine AG resolved as early as in 2003 to recognize the Code, and they have also implemented all of the amendments thereto that were introduced in the meantime. In the business year 2023/24, 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."

The Code specifies that non-compliance with its C Rules ("Comply or Explain") must be explained and justified. By explaining the following deviation, therefore, voestalpine AG is complying with the Code.

C Rule 39:

Pursuant to C Rule 39, the majority of committee members shall satisfy the independence criteria stipulated 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 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 appointment, therefore, the two Committees are deviating from Rule C 39 of the Code, because the majority of the Committee members elected by the Annual General Meeting is not 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 absolutely 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.

Business transactions with associated companies and parties are reported in the semi-annual and annual financial statements of voestalpine AG.

9.3 TAXES

The Group Tax Strategy, which the Management Board of voestalpine AG adopted as part of the Group Tax Guideline, represents the voestalpine Group's commitment to comply with the tax rules and regulations applicable in a given country in connection with all of its business activities and decisions.

The key principles governing the Group's tax strategy are as follows:

>> **Tax policy:**
As part of its global strategy, the voestalpine Group pursues the goal of minimizing its total costs. This is why tax election options are utilized to the extent allowed by law in order to lower the Group's tax liabilities unless doing so adversely affects the Group's business. In any case, the Group's tax policies are designed to comply with tax law.

>> **Corporate responsibility:**
The voestalpine Group pays taxes wherever it generates value added. Transfer pricing within the Group is based on the OECD Transfer Pricing Guidelines. Transfer prices are not used to design tax policy.

>> **Relationships with government agencies:**
The voestalpine Group fulfills all cooperation duties under tax law. In particular, it complies with all tax-related retention and recording requirements, whether temporal or geographical. The voestalpine Group collaborates proactively in the processes associated with assessments of new laws within the institutions established for that purpose.

Each Group company's executive management is responsible for implementing and complying with tax rules and regulations as well as the Group Tax Guideline. voestalpine AG and its divisions' lead companies regularly review and update the Group Tax Guideline and monitor implementation thereof and compliance therewith in the Group companies. The functional responsibility for these activities at the Management Board level rests with the CFO of voestalpine AG. To ensure compliance with the Group Tax Strategy, steering processes and monitoring measures were developed for voestalpine AG and the divisions' lead companies regarding the key tax processes in the Group companies that are integral to the Group Tax Guideline.

Furthermore, appropriate actions were taken to ensure compliance with the Group Tax Guideline in the long term. Among other things, this includes reviews of employees' qualifications, clear job descriptions, regular sharing of information related to task-specific matters, and employee training.

The Group companies, the divisions' lead companies, and voestalpine AG regularly exchange information in order to identify tax risks early on. Discussions within Controlling are carried out to this end on a regular basis, with the aim of monitoring the implementation of measures related to material tax issues. Changes in tax laws or modifications of business models are coordinated with the divisions' lead companies. The given Group company analyzes the effects thereof and develops suitable measures based thereon, as necessary in collaboration with the division's lead company or voestalpine AG.

If a Group company realizes that a tax return or tax declaration previously filed with the tax authorities is incorrect or incomplete, this Group company must immediately notify the relevant tax authority of this in accordance with national statutory requirements and must make the necessary adjustments. The respective division's lead company or the Group tax department are notified if such events are discovered, and steps are taken to fix and/or eliminate problems of this nature. Group companies are required to engage an external tax consultant in order to obtain their assessment of material facts and thus to mitigate any tax risks. The voestalpine Group has commissioned KPMG to serve as its global tax partner with respect to assurance of tax compliance within the voestalpine Group.

Any concerns regarding unethical or unlawful conduct may be reported using the Web-based whistleblower system. This system is also available for stakeholders to voice their concerns.

9.3.1 COUNTRY-BY-COUNTRY REPORTING

As a multinational Group with consolidated revenue in excess of EUR 750 million, voestalpine AG as the Group's parent annually submits a Country-by-Country Report to the appropriate Austrian tax authority.

See the chapter "Investments" in voestalpine's Annual Report 2023/24 for Group companies' names and domiciles.

The country-specific disclosures in the Country-by-Country Report (see table on pages 170-171) concern entities that are included in the Consolidated Financial Statements by virtue of being fully consolidated (see the chapter "Investments" of the Annual Report 2023/24). Hence information on entities measured at equity (classified as "KEA" or "KEG" in the aforementioned chapter) as well as on unconsolidated entities (K0) are not included in this Report. The data concern the period from April 1, 2023, through March 31, 2024.

10. HUMAN RIGHTS

In its absolute commitment to safeguarding human rights, voestalpine bases its activities on the UN's Universal Declaration of Human Rights and the European Convention for the Protection of Human Rights and Fundamental Freedoms (EHCR). Since 2013, voestalpine has supported the UN Global Compact (UNGC) whose ten principles address labor standards, environmental protection, and the fight against corruption besides the promotion of human rights.

Respecting and upholding human rights is of great importance to voestalpine. voestalpine does not tolerate child or forced labor, nor discrimination of any kind—neither within the Group nor at its business partners.

The company's commitment to respecting and upholding human rights is enshrined in detail in the chapter of the voestalpine Code of Conduct entitled "Respect and Integrity." The obligation to uphold human rights is also firmly established in the company's binding Code of Conduct for Business Partners.

HUMAN RIGHTS TRAINING COURSES FOR EMPLOYEES

All employees of the voestalpine Group are required to complete a Human Rights e-learning course. The aim of the three-part training course is to raise awareness on this sensitive subject. The e-learning course consists of three modules:

- >> Module 1: Fundamentals of Human Rights
- >> Module 2: Human Rights in Day-to-Day Work
- >> Module 3: Human Rights in the Supply Chain

The protection of human rights is reflected in the new Supply Chain Act, which also imposes obligations on voestalpine's suppliers. Module 3, which will be rolled out in 2024, contains information about supply chain management at voestalpine. Case studies are also used to show how the Group fulfills its duty of care with regard to respecting human rights along the supply chain.

The e-learning course is available in 14 languages.

In the 2023/24 business year, 91% of employees successfully completed module 1 of the e-learning program. Module 2 was rolled out on a mandatory basis at the beginning of April 2023 and has already been completed by 88% of all employees. The third part of the human rights training has been available to voestalpine employees as an e-learning module since April 1, 2024.

HUMAN RIGHTS POLICY

voestalpine's Management Board adopted a Human Rights Policy in March 2023. voestalpine requires not only its executive and non-executive employees, but also all of its business partners to uphold human rights.

HUMAN RIGHTS TRAINING FOR SECURITY PERSONNEL

voestalpine's plant security staff largely comprises the company's own employees, who are subject to the voestalpine Code of Conduct. All third-party security personnel used are subject to the Code of Conduct for Business Partners. Both documents mandate compliance with human rights. voestalpine provides human rights training for its own employees; external security personnel are trained by their own employers.

COLLECTIVE BARGAINING AND THE RIGHT TO FREEDOM OF ASSOCIATION

voestalpine champions every employee's freedom and their right to join unions. About 75% of all of the voestalpine Group's employees are in an employment relationship that is governed by a collective agreement or comparable industry-wide agreements. The Group also has a European Works Council and a Group Works Council, both of which maintain good levels of communication with management.

COMPENSATION AND WORK HOURS

Work hours must comply with national legislation and prevent employees from experiencing excessive physical and mental fatigue. Employees should be entitled to at least one day off per week.

Employees must be compensated in accordance with applicable legal regulations and collective agreements, and this compensation must be sufficient to meet the basic needs of both employees and their families and to provide them with a decent standard of living.

CHILD LABOR

voestalpine absolutely rejects any form of child labor. Furthermore, care must be taken to ensure that the employment of young people does not jeopardize their health, safety, and development.

FORCED AND BONDED LABOR, HUMAN TRAFFICKING, AND MODERN SLAVERY

voestalpine does not tolerate any kind of forced or bonded labor, human trafficking, or modern slavery. Forced and bonded labor refer to all work or services performed by individuals coerced to do so under threat of punishment. This also includes the withholding of identification documents and passports, restrictions on the freedom of movement, and debt bondage.

Both the voestalpine Code of Conduct and the company's Code of Conduct for Business Partners explicitly mention and expressly prohibit human trafficking and modern slavery.

RIGHTS OF INDIGENOUS PEOPLES

As voestalpine operates solely in developed industrial areas, its business operations do not impinge on the rights of indigenous peoples and/or local communities. Suppliers are required to comply with the rights of indigenous peoples as part of their supply chain management.

DIVERSITY, EQUAL OPPORTUNITIES, AND BAN ON DISCRIMINATION

voestalpine is committed to respecting all people with whom it has a relationship irrespective of gender, skin color, nationality, ethnicity, religion or worldview, disability, age, sexual orientation, and identity. This commitment and corresponding actions promote a climate of acceptance, equal opportunity, and mutual trust. As laid out in the "Respect and Integrity" chapter of the voestalpine Code of Conduct, the Group does not tolerate any form of discrimination.

HUMAN RIGHTS IN THE SUPPLY CHAIN

As part of the company's review of the supply chain (Sustainable Supply Chain Management, SSCM), suppliers are evaluated in a targeted fashion with respect to compliance with human rights and, specifically, the prohibition of child, forced, and compulsory labor. In case of violations, voestalpine takes appropriate measures that may ultimately lead to the suspension or termination of the supply relationship.

REPORTS OF VIOLATIONS

Reports of human rights violations can always be submitted in person to supervisors, the local and Group Human Resources as well as the Group Sustainability departments at voestalpine AG as well as to the Management Board. Violations may also be reported to the Human Rights Officer (see below) or via voestalpine's online whistleblower system at https://www.bkms-system.net/voestalpine. This Web-based whistleblower system allows reports to be submitted anonymously.

HUMAN RIGHTS OFFICER

voestalpine has created the position of a Human Rights Officer. In addition to the whistleblower system mentioned above, the email addresses:

humanrights@voestalpine.com and
menschenrechte@voestalpine.com

are monitored by the Human Rights Officer, who will promptly forward incoming reports to the relevant authorities for review. Depending on the incident in question, this may be the local company management, local HR departments, or relevant procurement departments. Compliance with human rights is also reviewed as part of the risk management process to be applied on a regular basis.

UN GLOBAL COMPACT— THE 10 PRINCIPLES

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 compulsory 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.

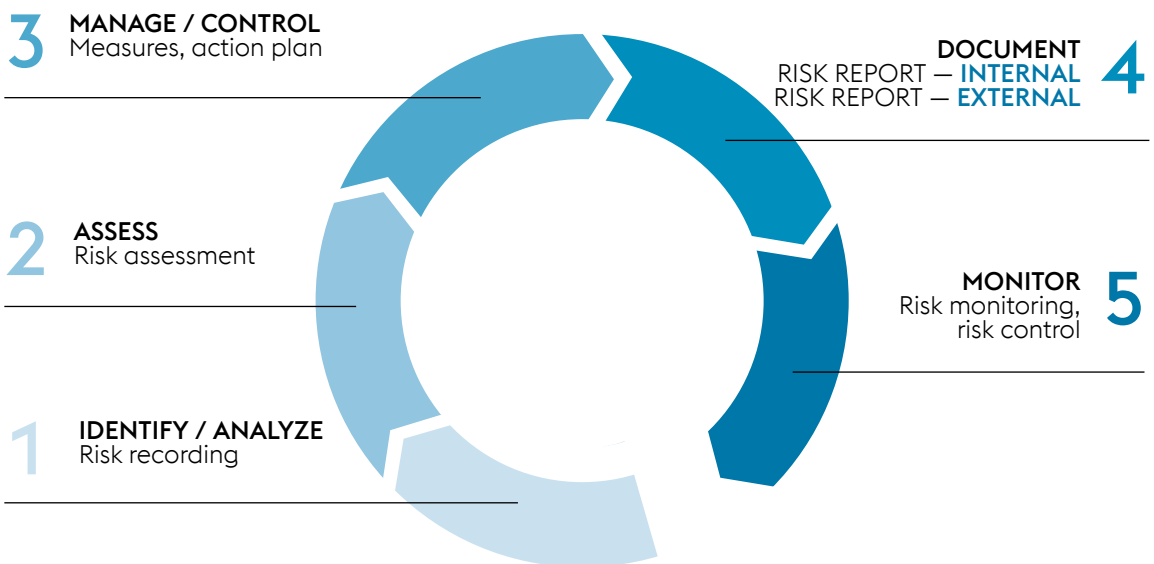
By signing the Code of Conduct for Business Partners as required, voestalpine's business partners undertake to respect and comply with human rights as fundamental values on the basis of the European Convention on Human Rights and the UN Charter. In particular, this applies to the prohibition on child and forced labor, equal treatment of employees, and the right to employee representation and collective bargaining.

11. RISK MANAGEMENT

Proactive risk management—as it has been understood by and regularly practiced in the voestalpine Group for many years—serves to ensure the Group's existence as a going concern in the long term and to boost its value; it is thus key to the success of the voestalpine Group. Risk management at voestalpine also covers sustainability risks.

Material risks are identified, analyzed, and assessed systematically and early on via both the uniform risk management process (which all Group companies undergo several times a year) and the internal control systems (which also are integral components of the organizational and operational structure). Taking both risk appetite and risk capacity into account, actions taken to control risk entail different strategies. This includes wording such as "avoid/avert," "mitigate," and "secure" as well as combinations thereof; the wording, "to bear risk," comes into play to the extent that financial considerations preclude any other actions. Local management is responsible for defining and implementing the measures.

voestalpine's risk management covers all divisions and all hierarchy levels—both strategically and operationally. The risk management process follows several steps; its structure is similar to the recommendations in the guidelines of the Organization for Economic Cooperation and Development (OECD) for multinational groups.



Impact, Risks &
Opportunities

The operating units have access to a risk management questionnaire specific to voestalpine in the form of a checklist, which supports identification of potential risks. The current RMQ comprises 13 chapters that cover, inter alia, strategic risks, financial risks, compliance risks as well as risks related to human rights, the environment, and climate change. The risk management questionnaire is reviewed at least once a year to ensure that it is up to date, and supplemented if necessary.

As part of an update of the materiality analysis based on the principle of dual materiality (see the chapter "Stakeholders and CR Management" for more information), voestalpine used a multi-stage and holistic approach in the business year 2023/24 to identify the material topics relating to a sustainable business model. Each sustainability topic is assigned opportunities and risks in the areas of employee matters, combating corruption and bribery, environmental matters, social matters and respect for human rights, which are taken into account in Group strategy and risk management and successively incorporated into medium-term business planning.

The identification and further development of opportunities are an integral part of the Group's strategy management process. The Group strategy provides the strategic framework. Building on this, opportunities are identified and analyzed as part of the strategy review process and subsequently implemented in the business units. Targeted processing together with the Group's holding company enables strengths to be outlined and strategic growth potential to be tapped. Management at the individual companies is directly responsible for identifying, analyzing, and implementing operational opportunities.

The following sustainability-related risks have been identified as material for voestalpine.

Risks in connection with climate change and decarbonization

Physical climate risks

The short and medium-term physical vulnerabilities associated with climate change from natural hazards—such as flooding or low water, snow load, drought, storms and strong winds or temperature fluctuations—were identified and reported as part of the implementation of the EU Taxonomy Regulation (for more information, see the chapter "Environment"). To this end, voestalpine prepared detailed climate risk and vulnerability analyses for all relevant operating sites in order to determine their resilience to physical risks associated with climate change. Physical climate risks were identified, quantified, and disclosed with the help of simulation-based software. The scenarios used were those of the Intergovernmental Panel on Climate Change (IPCC) that correspond with the time horizon proposed by the EU taxonomy. Heavy rainfall, flooding, and mudslides, for example, are significant physical climate risks for the voestalpine Group.

Extensive precautionary measures were taken as a result. Among other things, this includes construction measures, fire alarms, sprinkler systems, flood protection as well as logistical adjustments in case of low water levels. Existing preventive measures are evaluated as to their current appropriateness and/or completeness and adjusted to new circumstances or expanded as necessary in connection with regular run-throughs, tests of existing emergency plans as well as physical inspections and risk surveys carried out with insurance companies. The Group's existing insurance policies for natural disasters and other risks are regularly reviewed as to their current relevance in cooperation with voestalpine Insurance Services GmbH (the Group's internal insurer).

In addition to the steps taken within the company, regular information sharing with internal and external insurance companies helps to minimize the fallout from any such risks for the Group as much as possible.

With regard to the supply of raw materials (e.g., deliveries by ship at the Linz site), any climate-related fluctuations in water levels and the resulting difficulties in navigating rivers (e.g., the Danube) are taken into account in the number of ships used and the freight volumes.

Risk of rising GHG emission costs

A potential cost risk from increases in the price of emission allowances will continue to exist due to a possible shortage of allowances and the implementation of the EU climate targets by 2030. voestalpine makes use of needs-based hedges with a term of up to 12 months in order to hedge short-term price fluctuations.

The three-year trial phase of the Carbon Border Adjustment Mechanism (CBAM) and the associated reporting obligation began in October 2023. The CBAM is part of the European Union's "Fit for 55" package. The main political objective is the comparable treatment of imports of certain products into the EU with regard to climate protection standards and the reduction of net greenhouse gas emissions by at least 55% by 2030 compared to 1990. This is accompanied by a gradual abolition of the free allocation of CO_2 allowances in the steel and other industries, which is increasingly taking place towards the end of the current emissions trading period.

"Live operation" of the world's first such border adjustment from 2026 means that the gradual phasing out of the free allocation of emissions trading certificates is planned by 2034.

voestalpine counters this risk with its ambitious greentec steel climate protection program (see the chapter "Climate Action" for more information). The greentec steel phased plan encompasses all activities and innovations of the voestalpine Group on the journey towards steel production with net zero emissions. In a first step, around EUR 1.5 billion will be invested to reduce CO_2 emissions from Scope 1 and Scope 2 by 30% by 2029.

Risk in connection with the greentec steel climate protection program

For the forward-looking greentec steel climate protection program, which extends over several years, risks of varying degrees cannot be ruled out due to the complexity of the overall project, changes to the schedule, and with regard to internal and external financing options. The company generally relies on experienced plant engineers for important sub-projects, such as the construction of electric arc furnaces, in order to minimize technology and implementation risks. In particular, detailed risk analyses of anticipated cost increases are continuously documented in a project organization and measures are developed and evaluated. Regular reports are submitted to the Management Board and Supervisory Board of voestalpine AG for this purpose. voestalpine currently considers a financial burden beyond the estimated investment volume to be unlikely. The project management organization that has been installed for greentec steel also monitors the basic assumptions underlying the investment decision, such as sales expectations, raw material and energy price assumptions as well as their availability, and regulatory changes. The developments are continuously compared with the current situation and the progress of the project. greentec steel offers various technological options (such as electrification, hydrogen technologies, use of biogenic energy sources, etc.) with high CO_2 reduction potential. The phased plan thus allows voestalpine a certain degree of flexibility in achieving its targets in order to be able to react to changing framework conditions and at the same time keep the business risk at a manageable level.

Environmental risks

The risk of negative environmental impacts, e.g., with regard to wastewater, waste, soil contamination, air emissions or future site-specific heat, wind, or water stress, is minimized through strict compliance with statutory and regulatory requirements. Compliance with these requirements is ensured and continuously monitored by environmental management systems implemented on a wide scale. A total of 76% of the production plants, which account for 96% of the Group's entire production volume, have imple-

mented an environmental management system pursuant to ISO 14001 or the EU's Eco-Management and Audit Scheme (EMAS). A total of 28% of the entities are subject to certified energy management pursuant to ISO 50001, which ensures continuous improvement in terms of energy efficiency.

Human Rights Risks

Risks for voestalpine that may arise in connection with potential human rights violations are explicitly addressed in the risk management questionnaire. Analyses of any human rights violations by customers or suppliers, for instance, form part of market monitoring efforts. Attention is also paid to compliance with international standards relating to occupational safety, respect for diversity, and the protection of human rights. voestalpine pays particular attention to ensuring that there is no child or forced labor or incidents of discrimination within the Group or among its business partners.

Other Material Sustainability Risks

Risks that may arise in connection with employee matters, corruption, or competition law violations are covered by voestalpine's risk management and are also minimized by the company's corporate governance and compliance management. Further information can be found in the relevant sections of this CR Report.

Risk of pandemic

The Group-wide crisis management initiated in the wake of the COVID-19 pandemic had already been put on hold by the end of the 2022/23 business year. The crisis management measures were evaluated and the findings compiled as general pandemic guidelines. These serve as instructions for action in order to ensure that relevant parties are prepared in the event of an epidemic or renewed pandemic, and to counteract risks to employees and negative effects on the company as effectively as possible.

In the event that epidemics occur in countries in which the Group operates, or if pandemics also emerge elsewhere, voestalpine will monitor developments closely. The crisis management system will be reinstated in an adapted form if necessary.

12. RESEARCH & DEVELOPMENT

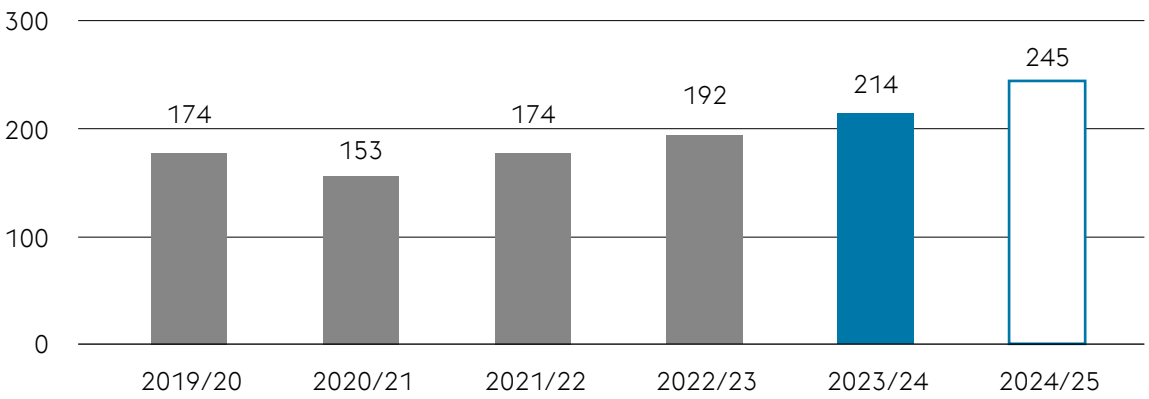
Environmentally speaking, our Sustainability Strategy focuses on lowering CO_2 emissions, conserving resources, and implementing the circular economy. The aim is to bring about climate-neutral steel production by 2050. Life cycle assessments (LCAs), the digital transformation, sustainable products, and expanded material and energy cycles help us achieve our goals regarding resource conservation and the circular economy. This requires intensive research and development (R&D) work.

12.1 RESEARCH & DEVELOPMENT AND INNOVATION

voestalpine's corporate strategy focuses on leadership in innovation, technology, and quality. Research and development therefore plays a central role in the business model, which is also reflected in the continuous increase in the R&D budget.

R&D EXPENSES IN MILLIONS OF EUROS

(gross, not including R&D investments)



Transformation

12.2 R&D NETWORKS

Research & development at voestalpine is decentralized and located close to both the respective production facilities and the market. This global network of over 70 sites is controlled by the Research Board and through Research Coordination.

A variety of formats are used to exchange knowledge: Information is exchanged between the R&D managers in the Research Committee, Group projects link the knowledge available in several divisions, R&D expert clusters offer platforms for researchers to exchange ideas on a specific topic, and the R&D Day—an annual Group-internal conference—supports knowledge transfer, as well as providing the opportunity for people to meet and network. This Group-wide network is supplemented by cooperation with outside partners. This means that knowledge and resources supplied by scientific partners can be used for necessary application-oriented research.

The global cooperation partners include around 100 university institutes, research institutes, and competence centers. Cooperation is also maintained with customers in order to develop products that meet their needs. Our strategy lies in striving for long-term cooperation based on mutual trust.

12.3 R&D AIMS FOR SUSTAINABILITY

The continual development of new products and production processes is indispensable for voestalpine as it aims to stand out from the global competition and maintain its role as a technology leader. Innovation driven by R&D thus ensures the company's success in the long term. The principle of sustainability is a key decision-making criterion for actions within the company.

voestalpine's sustainability strategy covers the three pillars of the economy, environment, and society. Research & development establishes the link between climate and environmental protection and the development of sustainable products and services, and is therefore an important component in the cross-functions "Sustainable processes" and "Sustainable business activities" (see the chapter "Sustainability strategy").

Steel will continue to play a major role in the future and form the basis for sustainable solutions in infrastructure, the energy industry, and mobility. One focus of R&D activities is therefore further developments in steel production. Life cycle assessments, digitalization, increased efficiency, and expanded material and energy cycles help to achieve the goals of resource conservation and the circular economy.

12.4 NEW TECHNOLOGIES IN STEEL PRODUCTION

The technology transition, as the basis for the production of steel with reduced CO_2 emissions through to steel production with net zero CO_2 emissions by 2050, poses major challenges for the entire European steel industry. voestalpine presented greentec steel in 2022 as its ambitious phased plan for green steel production. The existing blast furnace routes in Linz and Donawitz will be partially replaced by one green electricity-powered electric arc furnace at each site as a first step from 2027. This will reduce CO_2 emissions at the two sites by 30% compared to 2019. A further blast furnace at each of the sites in Linz and Donawitz are scheduled to be replaced from 2030.

The aim is to ensure that even after the conversion of the production routes in Linz and Donawitz to electric steelworks, all of the high-quality and sophisticated steel grades can continue to be produced as before in order to continue to meet customer expectations as effectively as possible.

The most important input materials in an electric arc furnace are scrap and sponge iron. Scrap is available in limited quantities and comes with unwanted companion elements. Ongoing R&D projects involve voestalpine working on producing high-quality steel products from the available scrap. On the one hand, methods of smart scrap sorting are being developed in order to improve scrap quality, while on the other, numerous test melts are being used to investigate how the metallurgy needs to be adapted in order to guarantee the usual material and processing properties of the product. Smart methods such as artificial intelligence (AI) and machine learning are providing support here. In order to achieve the goal of net zero emissions by 2050, new technologies are being researched in the medium term where hydrogen is proving to be a promising option.

The test program at the hydrogen electrolysis plant as part of the H2FUTURE project was successfully completed at the end of 2022. In addition to producing green hydrogen, the electrolysis plant provides grid services through its participation in the balancing energy market.

The H2FUTURE Follow-up project subsequent to this was launched in the reporting year and includes the planning, installation, and operation of a system for compressing and purifying the hydrogen produced in the PEM electrolyser. Commissioning is planned for mid-2025. This hydrogen can be used to supply R&D pilot plants for steel production, for example.

voestalpine is involved in the Carbon Cycle Economy Demonstration cooperation project, which aims to demonstrate a closed CO_2 cycle with the help of sector coupling. voestalpine is also a partner in the Underground Sun Storage project, which is investigating underground seasonal storage for hydrogen.

This makes H2FUTURE Follow-up a key project for the Upper Austrian government's Hydrogen Campaign 2030. The HYFOR (hydrogen-based fine-ore reduction) research project is developing the hydrogen-based reduction of low-grade fine ores—a breakthrough technology from Primetals Technologies. The applicability of the process in batch operation was successfully demonstrated at the Donawitz site during the reporting period. During the reporting period, the SuSteel (Sustainable Steelmaking) basic research project demonstrated the technical feasibility of producing crude steel directly from iron ore using hydrogen plasma.

12.5 R&D FOCUS ON SUSTAINABILITY

The focus on sustainability encompasses all R&D activities aimed at increasing resource, energy, and general process efficiency, circular economy projects and the development of materials and components for sustainable products, e.g., for lightweight automotive construction or renewable energy generation.

Digitalization can go a long way towards increasing efficiency. Robots, data-based algorithms, model-based controls, state-of-the-art sensor technology in combination with machine learning and artificial intelligence (AI) help to optimize processes and support employees at the plants in such a way that product quality can be increased significantly.

Optical systems are already being used successfully in many voestalpine companies, using AI to detect defects. This allows surface defects such as cracks on the product or component to be detected at an early stage. OCR (Optical Character Recognition), i.e., algorithms for optical character recognition supported by artificial intelligence (AI), enables parts to be clearly identified and their path tracked. These are two development examples for the application of innovative key technologies which are used to ensure the outstanding quality of voestalpine products.

Artificial intelligence (AI) is also being used successfully in condition monitoring, to enable predictive maintenance of voestalpine systems using forecasting models (lean smart maintenance). The improvements in plant availability and capacity utilization as well as optimization of the process chain also lead to a reduction in energy requirements and therefore CO_2 emissions.

However, the use of artificial intelligence (AI) is not just limited to production processes, but also enables intelligent product solutions. The latest generation of turnouts, for instance, uses AI to assess their condition from the data collected and to decide whether there is a risk of a turnout failure and therefore a line closure. The flawless functionality of this essential system component can be ensured with a high degree of accuracy, and predictive maintenance can be initiated.

12.6 SUSTAINABLE PRODUCTS

Steel is one of the most widely used materials in the world. It is durable and can be recycled repeatedly, making it integral to a sustainable society. Intelligent lightweight steel construction offers the optimum balance between cost, weight, and crash safety, and therefore continues to be an important material solution in automotive engineering. The high-strength and ultra-high-strength steels this requires are constantly being developed and adapted to customer requirements.

The new tailor-made functional steel technology turns steel into a smart material that offers additional functions and application options. The conductor tracks integrated directly into the coating film mean that fewer components are required, saving important resources and therefore also protecting the environment. At the same time, the electronic components and the steel substrate can be easily separated at the end of their service life before being returned to their respective material cycles. An initial application in heating panels was implemented successfully together with a customer. Further customer applications are in progress.

Rail steels are constantly being developed in order to achieve high resistance to different wear-and-tear mechanisms. Most recently, a rail steel was developed with optimum resistance to denting on the rail surface. The process for approving this steel with increased toughness has already been successfully completed, and the track tests as part of Europe's Rail will start in calendar year 2024.

Modular profile systems and standardized racking solutions for different autonomous robots in high-bay warehouses result in optimized material usage and the best cost/benefit ratio.

The development of the substructure for agrivoltaic applications, such as vertical solar and roofing structures, e.g., over fruit trees, has lead to the implementation of a first pilot system. The optimal use of land for agriculture and energy purposes with minimal impact on agricultural yields is still being investigated in collaboration with a research center. A patent has already been granted.

13. ENVIRONMENT

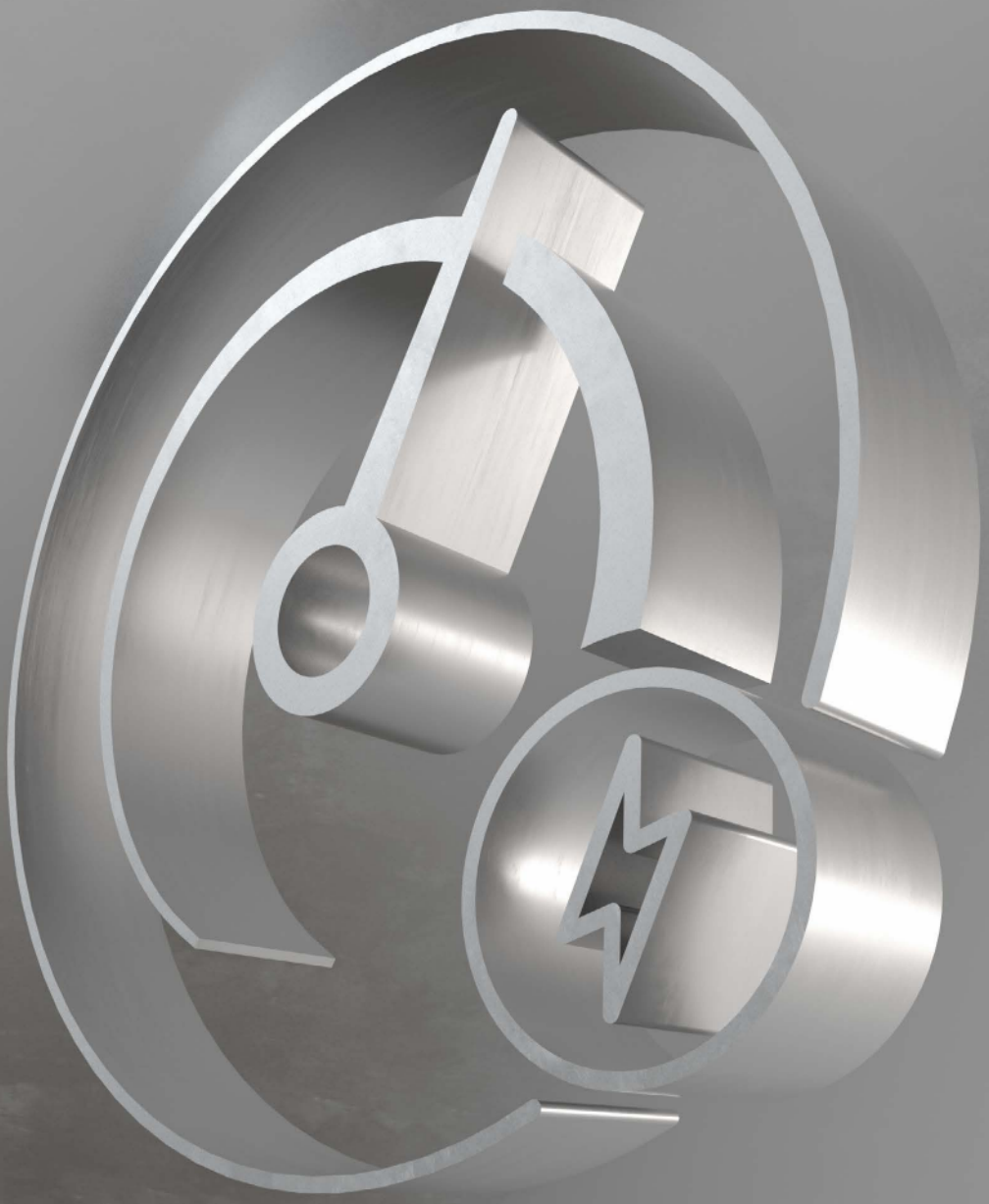
Environmentally conscious action is firmly integrated into the voestalpine Group's corporate philosophy. Hence the company endeavors not only to use resources such as raw materials and energy economically along the entire production chain but also to minimize the environmental impact of processes and products.

To achieve these goals, voestalpine utilizes the best available technologies in its production plants and continually works to boost efficiency, lower emissions, and reduce the consumption of energy subject to the parameters of the existent steel production system. Our intensive work to research new, more environmentally friendly production processes and, not least, to refine materials and products alike makes decisive contributions to the company's environmental footprint as well.

All of these activities are supported by transparent and efficient environmental management systems (EMSs) that have already been implemented more or less across the entire voestalpine Group.

voestalpine is committed to the following principles at all production sites:

- >> Take comprehensive responsibility for products
- >> Optimize the production processes
- >> Establish environmental management systems
- >> Integrate employees into these processes and ensure environmentally-conscious conduct
- >> Engage in open and professional dialogues



Energy

Environmental protection is a core component of voestalpine's Sustainability Strategy. It encompasses the following principles:

Emissions in the Air, Soil, and Water: Minimize using the best available technologies

Process-related emissions cannot be entirely avoided due to the chemical-physical properties of existent production processes. We operate our production facilities based on the principle that the best available technologies must be applied as appropriate and in economically viable fashion. We also develop new approaches that aim to mitigate environmentally relevant effects on the air, soil, and water as best as possible.

Circular Economy and Life Cycle Assessments (LCAs)

We support holistic, comprehensive, and integrated analyses and assessments of materials (LCAs) as well as of all process and value chains within the parameters of the circular economy, also known as circularity.

Energy and Climate Policy: Commitment to net zero production

We commit to achieving net zero emissions in production, especially through comprehensive research and development of new technologies via cross-sector cooperation agreements and projects. We support the transformation toward a largely fossil-fuel-free society thanks also to our product innovations that are used, for example, in e-mobility, railway systems, and renewable energy generation. We also engage in an open and constructive dialogue with stakeholders such as political decision makers, advocacy and interest groups, civil society as well as the scientific community and environmental organizations.

13.1 ENVIRONMENTAL MANAGEMENT SYSTEMS

voestalpine's environmental data management covers 115 production companies and sites worldwide. This includes all steel producing and processing (and therefore all energy and emissions-intensive) business segments that are relevant to the Group's carbon footprint.

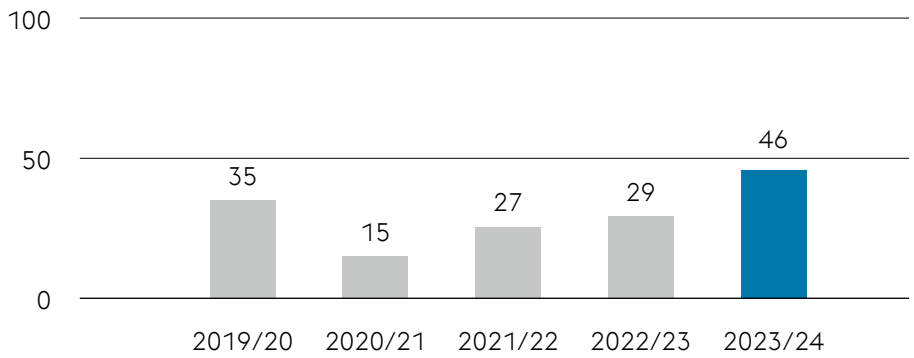
The Group periodically compiles about 150 key figures, for instance, those related to air emissions; energy and materials efficiency; water, waste, and recycling management; as well as environmentally relevant investments and expenditures. These data are used for external reporting and fulfillment of reporting obligations as well as, in particular, for environmental assessments of processes, products, and materials. Moreover, the metrics compiled as part of environmental data management provide the basis for strategic planning and operational implementation of environmental activities. The voestalpine Group has established management systems across the board worldwide. A total of 82% of the production sites, which account for 97% of the total production volume, have an environmental management system in accordance with ISO 14001 or EMAS, while 30% of the companies are subject to certified energy management in accordance with ISO 50001. A total of 16% of the companies carry out activities in accordance with the Industrial Emissions Directive (EU/2010/75) and are subject to regular controls (environmental inspections by the local authorities) and continuous emissions monitoring. These companies cover 75% of the Group's total production volume.

13.2 ENVIRONMENTAL INVESTMENTS

At EUR 45.8 million, investments in environmentally relevant facilities in 2023/24 were significantly higher than in the previous business year (EUR 28.9 million). These investments served primarily to expand captive renewable energy production, boost energy efficiency, and further reduce emissions.

ENVIRONMENTAL INVESTMENTS

In millions of euros



The High Performance Metals Division's sites are continuously working to reduce energy consumption and increasingly cover their needs from renewable sources. Among other projects, a 187.5 kWp photovoltaic system was installed at the Johannesburg site in South Africa in the 2023/24 business year. Initiatives to replace fossil fuels with sustainable alternatives are also underway at production sites. These include projects for the production of biomethane and the evaluation of the effects of hydrogen as an energy source on the products and processes of the High Performance Metals Division. At the Hagfors plant in Sweden, 50% of natural gas requirements are already covered by biomethane, and the process of converting heat treatment furnaces to electricity is being accelerated.

The High Performance Metals Division is continuously driving forward improvements in energy efficiency. Around 70 GWh of energy was saved this way in the last year. The measures implemented include the optimization of combustion technology, the conversion of heating technology in ovens, the installation of efficient LED lighting systems, various optimizations of the system control, and numerous process improvements.

The High Performance Metals Division has set itself the target of reducing CO_2 emissions (Scope 1 and Scope 2) by 50% by 2029 compared to 2019. Progress and target achievement are monitored using a detailed roadmap based on individual projects.

The new stainless steel plant in Kapfenberg in Austria makes a significant contribution towards reducing the environmental impact and sets new standards worldwide with its highly efficient technology, closed water circuits, and efficient heat extraction. Options for leveraging the remaining energy-saving potential at sites that produce crude steel conventionally are

limited. Nevertheless, significant progress has been made at the Metal Engineering Division's Donawitz site in Austria. A newly installed system for preheating combustion air results in energy savings of 27,000 MWh per year. In addition, the implementation of a natural gas expansion machine reduces the annual energy requirement by a further 2,200 MWh by converting the energy from the pressure difference between the external and internal gas network into electricity, thereby enabling this to be used. Measures were also implemented to generate our own renewable electricity at the site. PV systems were installed e.g. on the plant restaurant and an industrial building, which feed the electricity generated directly into the plant grid.

The expansion of PV system capacity is underway at the Metal Engineering Division's site in Kindberg in Austria. Heat losses were minimized in the reporting period by optimizing processes and improving exhaust gas recirculation at various heating units. Another highlight at the site is the extraction of district heating, which will be able to feed up to 15,000 MWh into the district heating network of the town of Kindberg when completed, significantly reducing the use of primary energy in the region.

PV systems were also installed at various sites in the Metal Forming Division. Elevated tracks produced by us ("iFIX" and "Sadef Solar Structures") were used in many cases. Several locations also switched to energy-saving LED hall lighting, which further reduced electricity consumption.

In addition, voestalpine Precision Strip GmbH has increased the proportion of electricity generated in-house by modernizing the company's own hydroelectric power plants and installing a PV system. The use of waste heat from the company's own facilities and waste heat from the neighboring company (sector coupling) for hall heating reduced natural gas consumption and thus CO_2 emissions.

Work on greentec steel is already well underway in the Steel Division. Construction of the electric arc furnace began in the past calendar year. Work has already begun on the new power supply using the microtunneling method and a new conveyor belt bridge has been installed for raw materials supplies.

In addition to greentec steel, the division also focused on expanding its own renewable energy generation. A further PV system with an output of almost 1,400 kWp was commissioned for instance in the past 2023 calendar year on the foundry's production hall.

Another key focus was on the CO_2-reduced product portfolio. voestalpine already started back in calendar year 2021 to offer all flat steel and heavy plate products manufactured at the Linz (Austria) plant in a greentec steel edition also. These products have a carbon footprint that is around 10% lower thanks to optimization measures in process management, such as the use of scrap and reducing agents, and the use of renewable electricity, thereby enabling more than 200,000 tons of CO_2 to be saved along the entire value chain since the start of the project. In addition to the automotive industry, steel produced this way is already being used by customers in areas that include façade construction, building technology, crane construction, and the heating and heat pump industries.

13.3 ENVIRONMENTAL EXPENDITURES

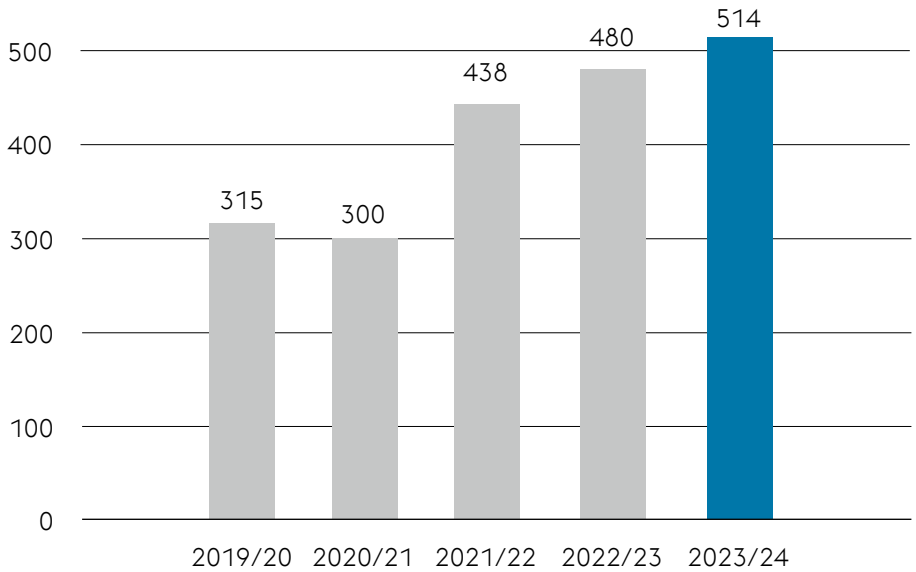
The voestalpine Group's environmental expenses reached a new record level in the 2023/24 business year, increasing by 7.2% to EUR 514.4 million. voestalpine's environmental expenditures have already come to around EUR 3.3 billion in total over the past 10 years.

The investments were directed primarily at the following main areas during the business year ended:

- >> 69% were invested in clean air activities including EU emissions trading allowances (see also the chapter "Climate Action")
- >> 14% were invested in waste recycling, reuse, and disposal
- >> 16% were invested in protecting the waterways
- >> 1% were spent on noise abatement and other projects

ENVIRONMENTAL EXPENDITURES

In millions of euros



13.4 AIR EMISSIONS

Due to both processes and raw materials, conventional production of pig iron and steel generates various emissions such as carbon dioxide (CO_2), but also sulfur dioxide (SO_2) and nitrogen oxides (NO_x).

voestalpine fully complies with the relevant statutory thresholds. These parameters are verified and the annual loads determined by means of continuous measurements, periodic tests, and material flow analyses. State-of-the-art scrubbing facilities (end-of-pipe measures) are utilized in addition to continual process optimization (process integrated (PI) measures) to minimize any remaining emissions.

Over the last few decades, the voestalpine Group substantially lowered its emissions thanks to extensive environmental measures and innovations in process technology. Given existent steel production technologies, the residual air emissions are the minimum achievable.

13.4.1 GREENHOUSE GAS EMISSIONS

13.4.1.1 Science Based Targets

voestalpine committed to setting targets for reducing greenhouse gas (GHG) emissions in 2022, as part of the Science Based Targets Initiative (SBTi). The proposed targets for voestalpine's "Near-Term Science Based Targets" have been reviewed and validated by the SBTi and are in line with the "well-below 2°C trajectory" initiative.

voestalpine has committed to reducing its absolute Scope 1 and Scope 2 emissions by 30% by 2029 compared to the reference year of 2019. The Group has committed to a 25% reduction in Scope 3 emissions for the same period. Achievement of the 2029 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.

The ambitious savings targets are another important step for voestalpine. The challenge is that the decarbonization measures required to achieve the climate protection targets must also be economically viable.

The plan is for voestalpine's climate strategy to be gradually developed towards net zero emissions and a 1.5 degree reduction trajectory. An initial step towards narrowing this gap is the ambitious target to reduce Scope 3 greenhouse gas emissions.

13.4.1.2 Scope 1 and Scope 2 reduction potentials

Investments as part of the greentec steel climate protection program and other measures in all divisions and companies of the voestalpine Group are aimed at increasing the reduction potential. It is expected that this will reduce Scope 1 and Scope 2 emissions across the Group by 30%, thereby achieving the Near-Term Science Based Targets in 2029.

An important step on the path towards achieving the science-based targets for Scope 1 and Scope 2 emissions is the initial phase of the transformation of the metallurgical processes for crude steel production at the Linz and Donawitz sites. Two coal-based blast furnaces in Linz and Donawitz will each be replaced by an electric arc furnace powered by renewable electrical energy by 2027.

Measures are also planned in the following areas: Reduction of GHG emissions in the processing and refining processes, a further increase in the energy efficiency of existing processes, the use of renewable resources and renewable energy as well as measures involving the circular economy.

Significant changes to the GHG balance resulting from disposals or acquisitions of companies from the reference year 2019 onwards are not included in the savings targets and must be deducted when evaluating achievement of the targets. voestalpine has begun developing a rescaling process since publication of the targets by the SBTi and intends to establish this in the coming business year.

13.4.1.3 Scope 3 reduction potentials

In order to reduce indirect greenhouse gas emissions (Scope 3) by 25% by 2029, voestalpine has identified the raw materials used (iron carriers, energy sources, alloys, input materials, coatings), auxiliary and operating materials as well as existing and future approaches towards the circular economy as offering significant reduction potential. Upstream and downstream transportation can also play a part in reducing the voestalpine Group's indirect emissions.

Involving and cooperating constructively with companies along the supply chains in the area of raw materials and the circular economy is a prerequisite for determining Scope 3 emissions and for identifying and implementing reduction potential. voestalpine relies on the support and cooperation of its suppliers and business partners.

The availability and quality of data on GHG emissions from upstream and downstream activities along the value chain still includes some gaps. Determining Scope 3 emissions therefore remains a challenge. voestalpine only uses verified data sets and emission factors from recognized sources. Plans are in place for a gradual expansion and extension of the proportion of specific data from the supply chains.

The GHG balances of recent years have shown that the ongoing development of emission factors and the increasing availability of data sets for various material flows and input materials influence the quantification of Scope 3 emissions and can lead to an increase in the absolute amount of GHG emissions. It seems necessary for voestalpine to take these changes in data availability and quality into account in

connection with the reduction targets (science-based targets) in the future.

Significant changes to the GHG balance resulting from disposals or acquisitions of companies from the reference year 2019 onwards are not included in the savings targets and must be deducted when evaluating achievement of the targets. voestalpine has begun developing a rescaling process since publication of the targets by the SBTi and intends to establish this in the coming business year.

13.4.1.4 Greenhouse Gas Emissions 2023

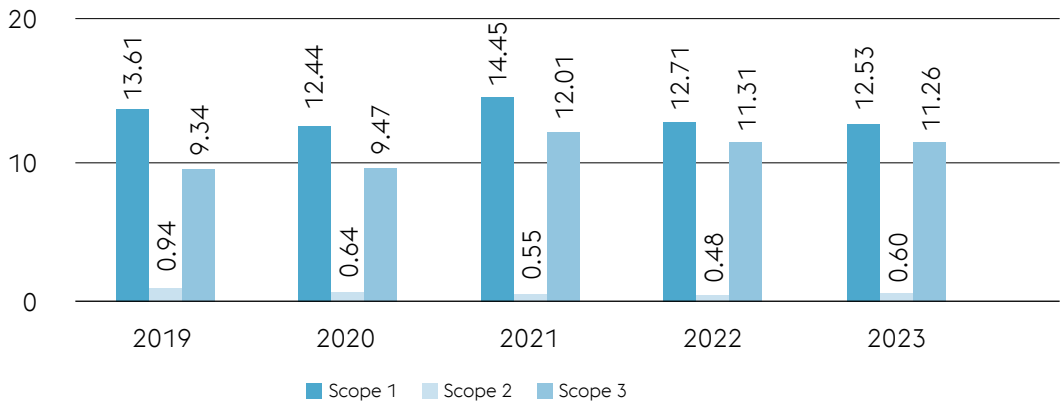
Direct greenhouse gas emissions (Scope 1) from the voestalpine Group's 115 production sites fell to 12.5 million tons of CO_2 equivalents in 2023 (previous year: 12.7 million tons).

The majority of direct greenhouse gas emissions are generated in Austria at the Linz (8.7 million tons) and Donawitz (2.9 million tons) sites, where crude steel is produced via the blast furnace route. In addition to the direct emissions (Scope 1), we also collected data on the indirect greenhouse gas emissions (Scope 2 and Scope 3) and analyzed the data using the "EF 3.0 Climate Change total" method. voestalpine only uses verified data sets and emission factors from known sources (sphera LCAFE®) and primary data from suppliers to determine indirect GHG emissions. Besides carbon dioxide, the direct and indirect emissions data also include the greenhouse gases methane and nitrous oxide.

In addition to the greenhouse gas accounting for the 115 production companies, an evaluation was also carried out of the direct and indirect greenhouse gas emissions of other sites in the voestalpine Group that perform customized processing and services. These additional emissions are not included in the overall result shown on the following page and amounted to the following in 2023: Scope 1 = 0.01 million t CO_2e; Scope 2 – market-based = 0.08 million t CO_2e; Scope 2 – site-based = 0.10 million t CO_2e and Scope 3 – raw material procurement = 0.26 million t CO_2e.

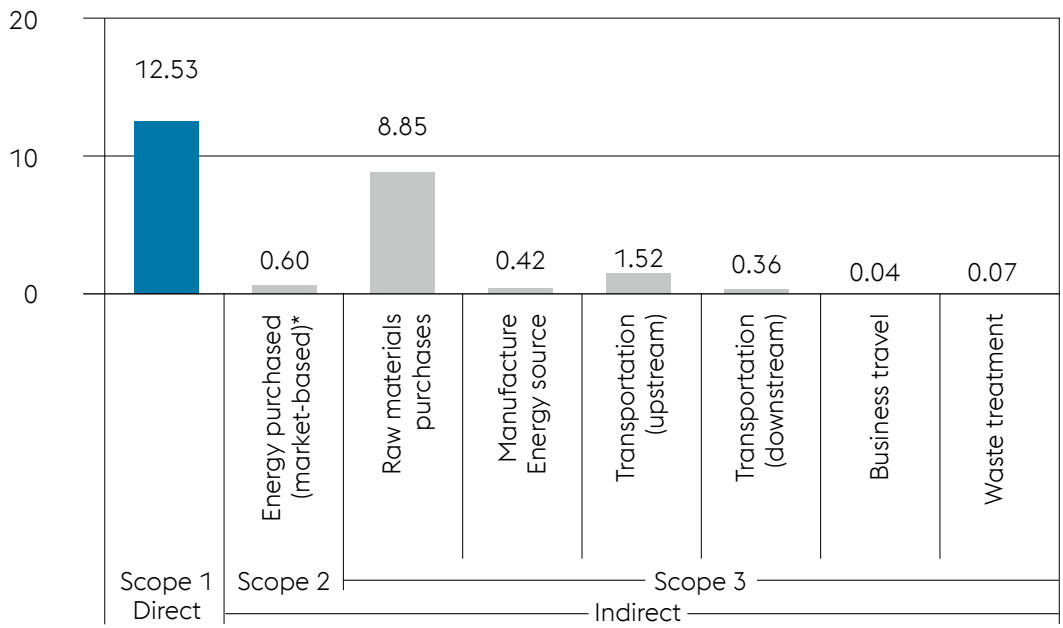
DEVELOPMENT OF SCOPE 1, 2, 3 EMISSIONS

In million tons of CO_2e



DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS 2023

In million tons of CO_2e



* Scope 2 market-based: 0.60 million tons of CO_2e
Scope 2 site-based: 0.53 million tons of CO_2e

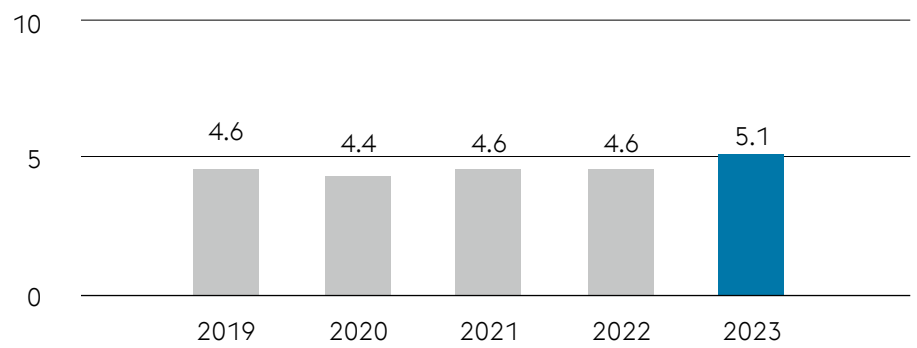
13.4.2 SO_2 EMISSIONS

The use of particular raw materials—especially coal and coke—introduces sulfur into the production process. Additional processing steps and the use of by-products such as coke oven gas (COG) and blast furnace gas (BFG) for thermal recycling turn sulfur into sulfur dioxide.

At 0.62 kg per ton of product, specific SO_2 emissions in the 2023 calendar year were higher than the previous year's figure of 0.54 kg. The reason for the increase is the slight rise in emissions at the main sites in Linz and Donawitz. Absolute SO_2 emissions rose to 5.1 kt.

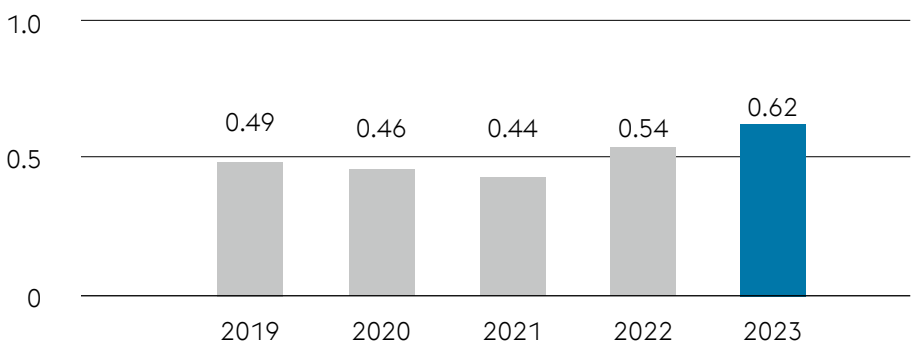
SO_2 EMISSIONS

kt



SPECIFIC SO_2 EMISSIONS

kg/t product



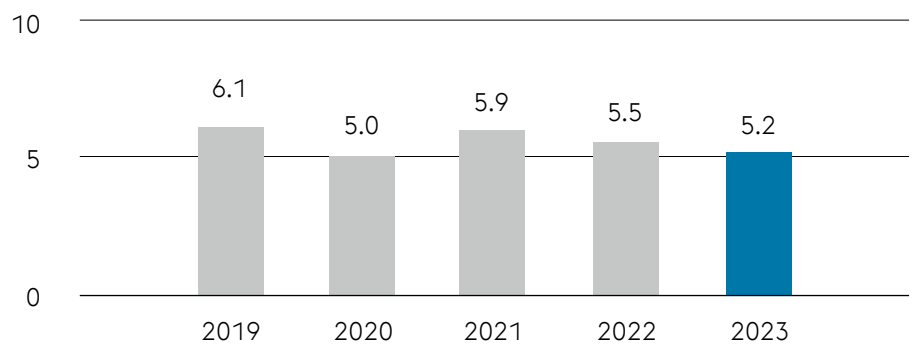
13.4.3 NO_X EMISSIONS

Nitrogen oxides are generated through the operation of industrial furnaces and the thermal recycling of by-product gases.

voestalpine's absolute NO_x emissions fell to 5.2 kt (previous year 5.5 kt). As in the previous year, specific NO_x emissions per ton of product were 0.64 kg.

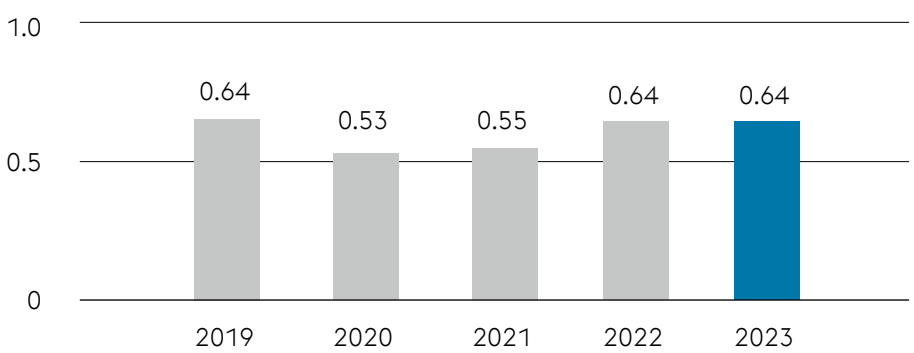
NO_X EMISSIONS

kt



SPECIFIC NO_X EMISSIONS

kg/t product



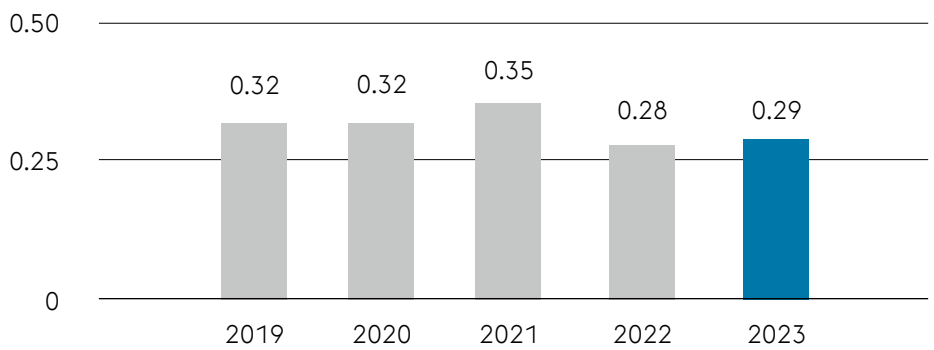
13.4.4 CAPTURED DUST EMISSIONS

Dust-laden exhaust air and exhaust gases that occur during production are captured and channeled to dedusting systems using state-of-the-art processes and equipment.

Captured dust emissions increased in absolute terms to 0.29 kt in 2023. In specific terms, the value increased slightly to 35 g per ton of product.

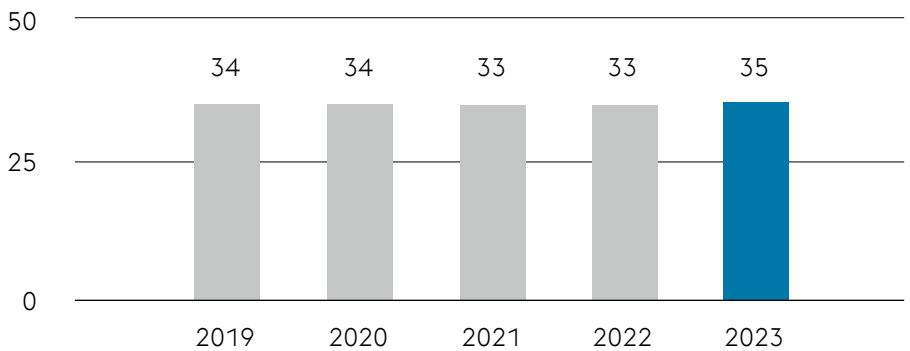
CAPTURED DUST EMISSIONS

kt



SPECIFIC CAPTURED DUST EMISSIONS

g/t of product



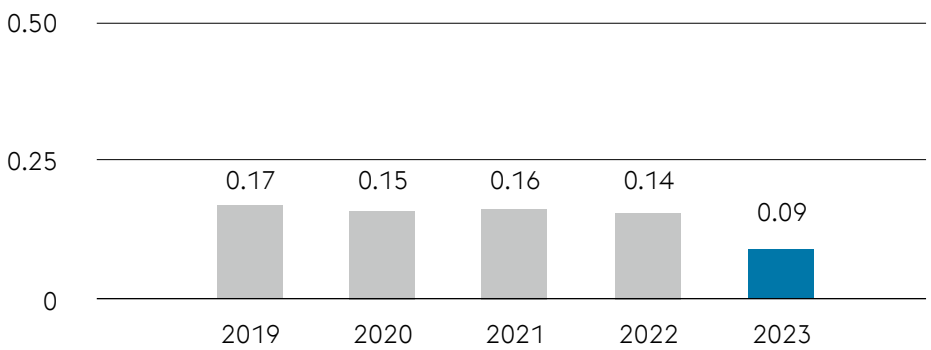
13.4.5 ORGANIC AIR POLLUTANTS

Organic air pollutants (i.e., volatile organic compounds, VOC) are generated primarily during the thermal process stages of crude steel production as well as during the associated combustion processes.

voestalpine commissioned several technically sophisticated pieces of equipment in recent years to cut VOC emissions. This enabled a substantial decline in the emission of organic air pollutants. VOC emissions amounted to 0.09 kt (2022: 0.14 kt) in absolute terms and 11 g (2022: 17 g) per ton of product in specific terms in 2023.

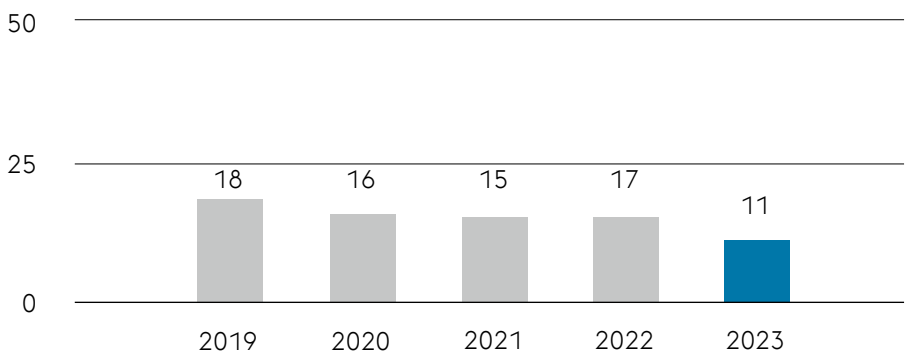
VOC EMISSIONS

kt



SPECIFIC VOC EMISSIONS

g/t of product



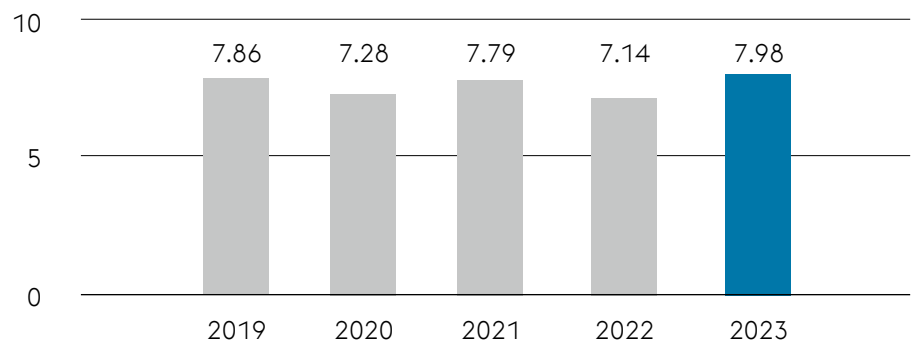
13.4.6 HAZARDOUS AIR POLLUTANTS (HAPs)

The overall parameter of hazardous air pollutants (HAP) covers a range of air pollutants. Benzene emissions account for the largest proportion of hazardous air pollutants at voestalpine.

Absolute HAP emissions amounted to 7.98 t and specific emissions to 0.97 g per ton of product in 2023.

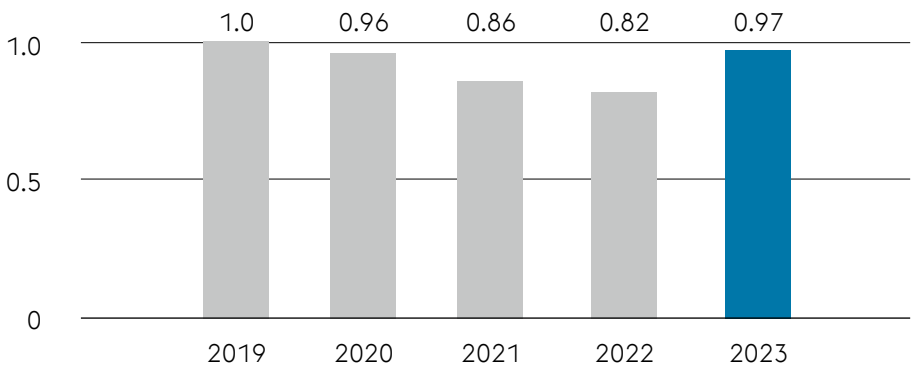
HAP EMISSIONS

in tons



SPECIFIC HAP EMISSIONS

g/t



13.5 WATER MANAGEMENT

Water is used to cool the units and to generate steam used for energy and is therefore an important operating and auxiliary resource in the entire production and manufacturing process. Water resources are used as sparingly as possible at voestalpine by means of circulation systems and multiple use of process water. In keeping with ISO 14046 and the integrated LCA approach, assessments of the water circulation systems are performed across all production steps and sites.

The volume of water used from 2022 to 2023 fell from 741 million m^3 to 739 million m^3 (1 m^3 corresponds to 0.001 megaliters). Most of this (85%) was sourced from surface water for cooling purposes and returned back to the source in the same quality. The voestalpine water sources meet the freshwater standard with <1,000 mg filtrate dry residue per liter.

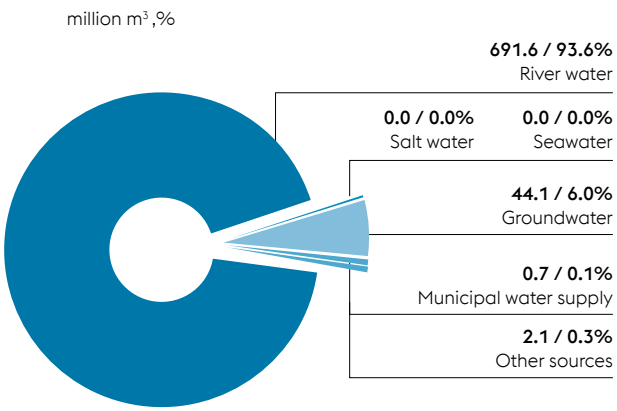
More than 95% of the cooling and wastewater discharge streams of voestalpine Group companies were subjected to both quantitative and qualitative parameter monitoring. This periodic and continuous monitoring ensures compliance with applicable national and regional standards.

Direct net fresh water consumption amounted to 15.6 million m^3 (previous year: 11.4 million m^3), which corresponds to 1.89 m^3 per ton of product. The indirect consumption of 66.8 million m^3 (2022: 43.6 million m^3) in absolute terms, or 8.11 m^3 per ton of product, was primarily attributable to the upstream steel production chain.

voestalpine's water consumption in production and processing has a minor impact on local water systems and does not aggravate conditions in regions already affected by water scarcity. This is the finding of an externally verified study that determined the water scarcity footprint based on an analysis of all production activities across the entire value chain ("cradle to gate"). Determining the "blue water consumption" (i.e., the net consumption of freshwater) and/or the water scarcity footprint of each and every production facility involves analyzing the ways they contribute to the given region's water scarcity in detail, also taking local hydrogeological conditions into account.

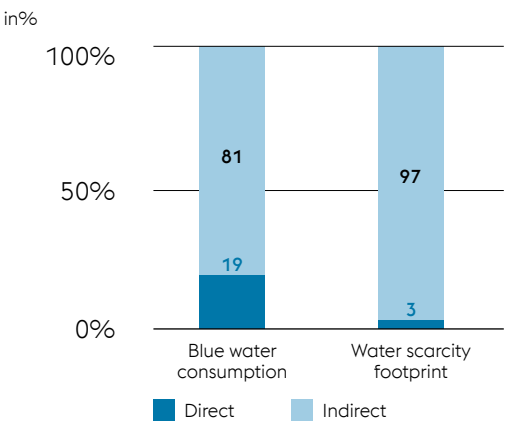
WATER EXTRACTION 2023

million m^3,%



WATER FOOTPRINT 2023

in%



13.6 WASTE & RECYCLING MANAGEMENT

Steel is considered a permanent material thanks to its longevity, ease of repairability, and the possibility of converting it as scrap any number of times into new steel products. As such, steel can already make an important contribution to the circular economy that the European Union aims to achieve by 2050.

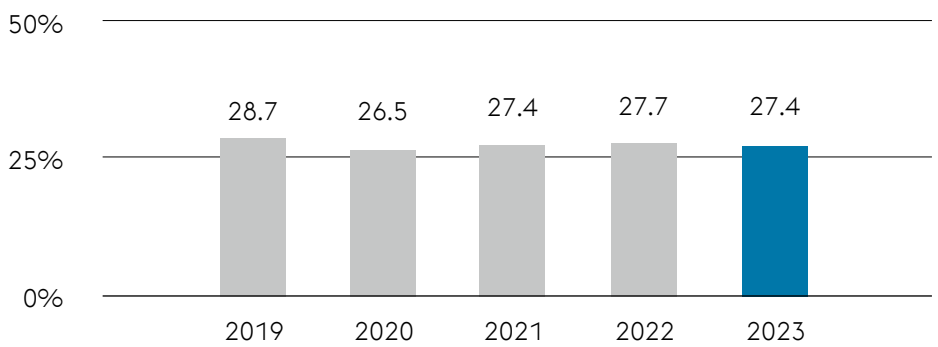
Decoupling the economy from the consumption of resources requires both extending the useful life of products and repurposing them in different ways at the end of their service life. voestalpine is responding to this challenge. Hence own and third-party scrap have become a primary raw material for the Group, for one, in connection with conventional technology, where scrap is used especially in the Linz and Donawitz steel plants and, for another, in connection with the envisioned shift to electric furnaces at these two facilities (also see the "Climate Action" chapter).

Furthermore, scrap is already being used to manufacture special steel grades in the electric furnaces of the High Performance Metals Division.

Overall, the recycling rate measured against product output was 27.4% in 2023 (2022: 27.7%). This metric concerns the product's iron content that is derived from secondary raw materials such as scrap iron.

RECYCLING RATE

As a percentage of product output



voestalpine implements numerous measures to promote internal circularity as well as external utilization of residual products and waste from both the production plants and downstream facilities. For one, process management in the integrated steel mills is subject to continual improvement. For another, internally and externally generated products as well as residual products and waste such as scrap and plastic are re(used) in the production plants.

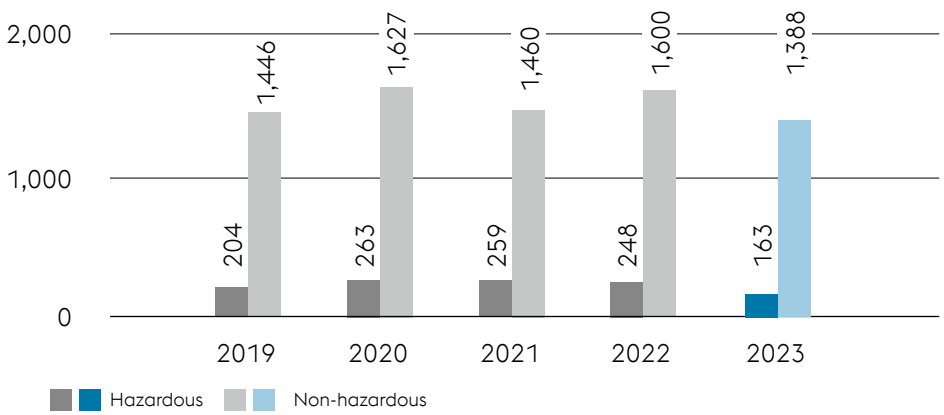
By-products such as steel mill dust or slag are utilized in the zinc industry or in the production of cement.

Agreements with third parties serve to ensure professional and state-of-the-art downstream processing in connection with the transfer of waste to them. Waste streams are monitored and accounted for in accordance with legal requirements and on an electronic basis.

The specific volume of hazardous waste in calendar year 2023 was 20 kg per ton of product (2022: 29 kg/t) and that of non-hazardous waste 169 kg per ton of product (2022: 184 kg/t).

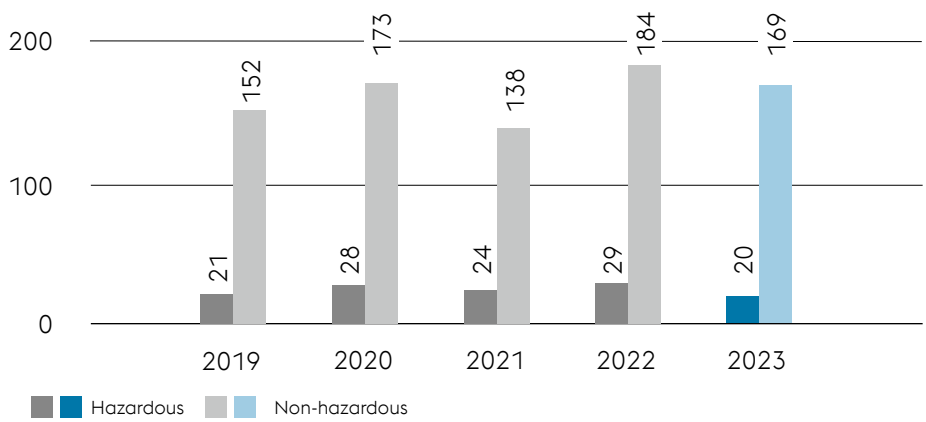
WASTE VOLUME

kt



SPECIFIC WASTE VOLUME

kg/t product

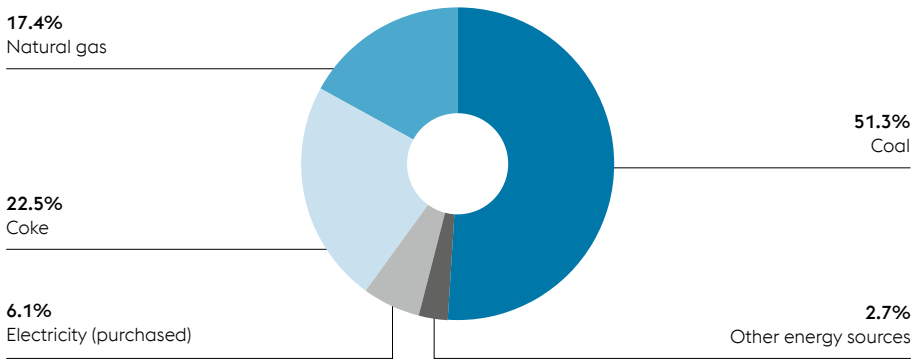


13.7 ENERGY

As already presented in detail in previous reports, the currently still prevailing blast furnace route is based on a mixture of fuels and raw materials both from fossil sources. Most of this energy is converted: For example, voestalpine generates electricity in its captive power plants from process gases and uses it to drive 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.

Only 6.1% of total energy consumption is currently procured from the power grid. The remainder is obtained through the conversion of coal (51.3%), the resulting coke (22.5%), and natural gas (17.4%).

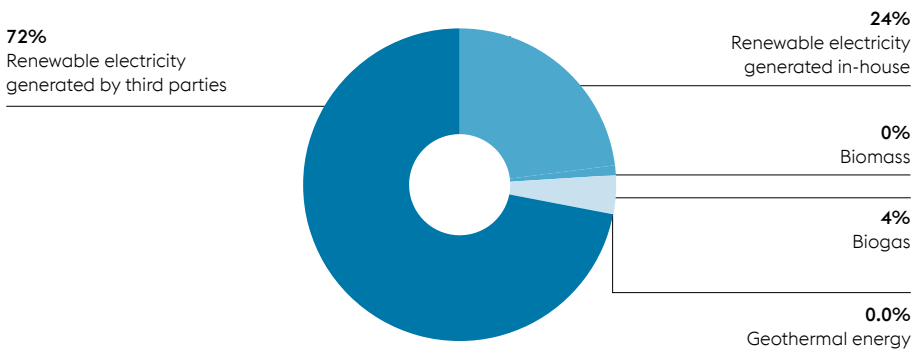
PERCENTAGE OF ENERGY SOURCES 2023



Renewable energy sources play a key role in voestalpine's long-term climate protection goal of achieving net zero emissions by no later than 2050. voestalpine already uses renewable energy in the form of green electricity and biogas. These are included in the "Electricity (purchased)" and "Other energy sources" items in the above diagram. The share of these amounted to around 3% of total energy consumption in the reporting period, which also includes the reducing agents coal and coke.

The renewable energy sources used can be broken down as follows:

PROPORTION OF RENEWABLE ENERGY SOURCES 2023

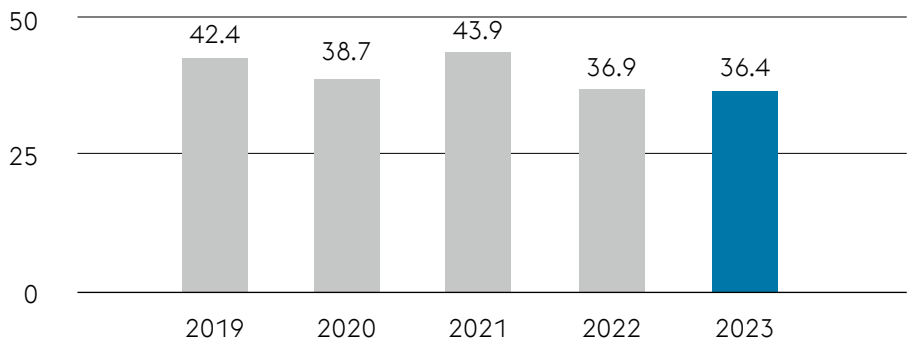


The largest share of renewable energy sources procured is generated by third parties, supplemented by renewable electricity generated in-house as well as biogas and biomass.

The voestalpine Group's total energy consumption fell slightly from 36.9 TWh to 36.4 TWh in 2023.

TOTAL ENERGY CONSUMPTION

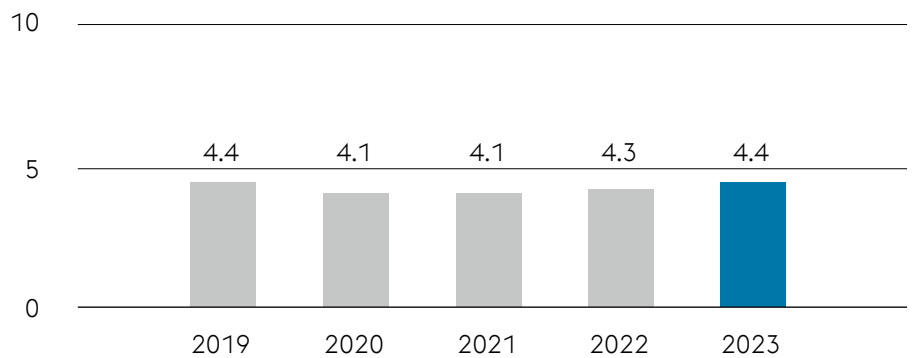
TWh



Energy consumption increased to 4.4 MWh per ton of product in the specific analysis. The largest consumers in 2023 were also the steel production sites in Linz (24.9 TWh) and Donawitz (6.2 TWh).

SPECIFIC TOTAL ENERGY CONSUMPTION

MWh/t of product



1 MWh corresponds to 3.6 GJ.

13.8 EU TAXONOMY

13.8.1 GENERAL INFORMATION ON THE TAXONOMY

Since January 1, 2022, listed companies in the EU must classify their economic activities in accordance with the EU Taxonomy Regulation and publish the results thereof in their consolidated non-financial statements or in their consolidated non-financial report (pursuant to the requirements of Section 267a and Section 243b Austrian Commercial Code). All economic activities are to be classified as to their environmental sustainability. When classifying its economic activities, voestalpine at times refers to the FAQs on the application of the EU taxonomy published in the EU Official Journal on October 20, 2023.

Assessment of compliance with the taxonomy regulations is carried out in a multi-stage process in which it is first determined whether an economic activity is taxonomy-eligible (i.e. in principle covered by the Taxonomy Regulation), and subsequently whether it is also taxonomy-compliant. Economic activities of a company that are not covered by the Taxonomy Regulation are not taxonomy-eligible.

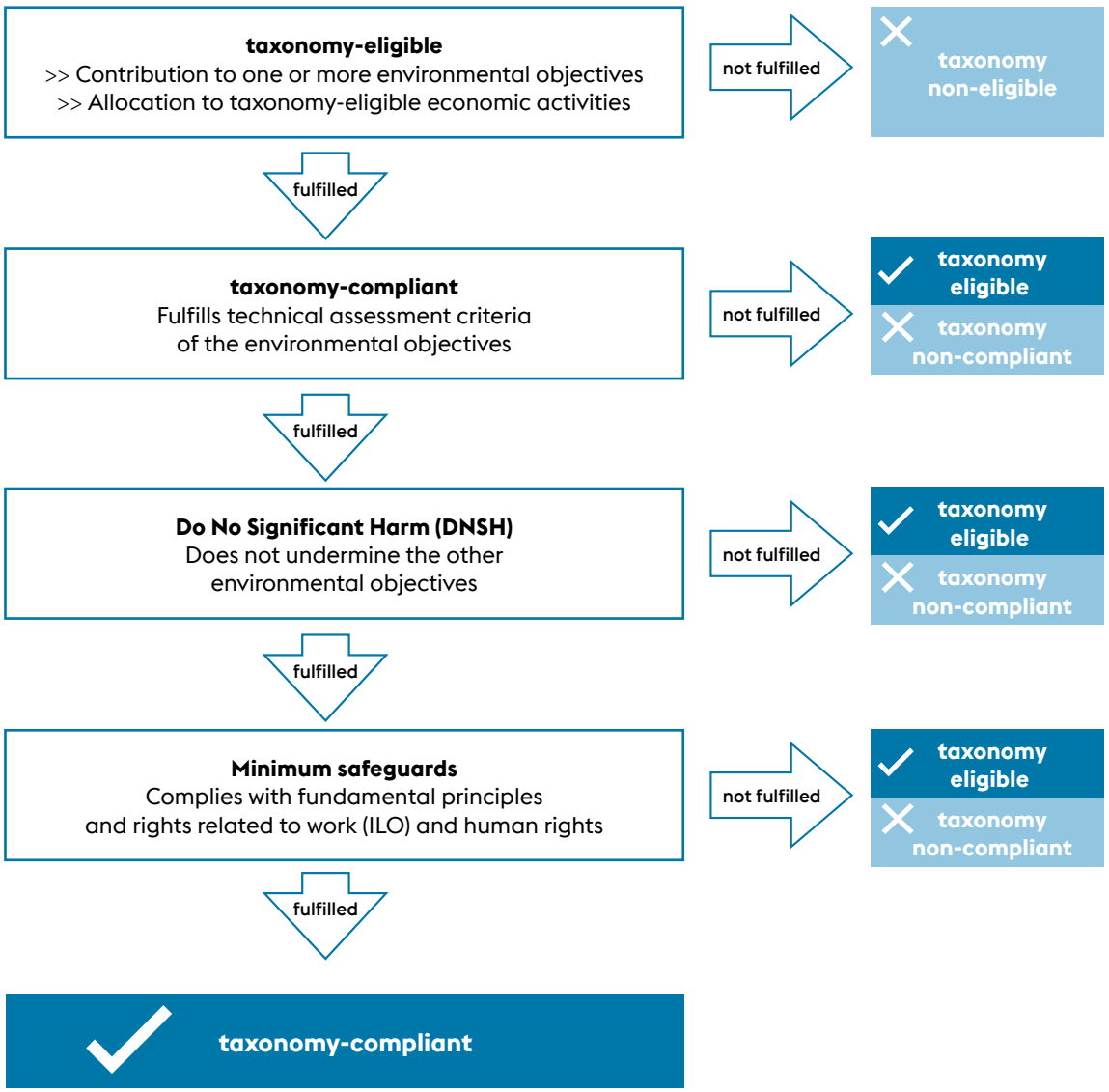
The taxonomy-eligible economic activities must make a significant contribution to at least one of the environmental objectives listed below in order for them to be classified as taxonomy-compliant. In addition, they must not significantly impair the achievement of other environmental goals (Do No Significant Harm; DNSH) and minimum social protection criteria must be met (minimum safeguards), e.g., with respect to occupational safety and human rights.

The EU Regulation identifies six environmental objectives:

a. Climate change mitigation
b. Climate change adaptation
c. Sustainable use and protection of water and marine resources
d. Transition to a circular economy
e. Pollution prevention and control
f. Protection and restoration of biodiversity and ecosystems

In implementing the Regulation, voestalpine classified all of its economic activities as related to the “climate change mitigation” objective. This also prevents activities from being counted twice.

Description of the multi-stage taxonomy process



13.8.2 IMPLEMENTATION OF TAXONOMY ELIGIBILITY IN THE voestalpine GROUP

The assessment of voestalpine's economic activities with regard to their taxonomy eligibility had already been carried out in the 2021/22 business year. Environmental goals 3 to 6 were also analyzed and evaluated with regard to their taxonomy eligibility as part of this year's reporting.

A project team comprising personnel from the Group's Finance, Investor Relations, Environment, and Corporate Responsibility departments along with experts from each division was set up to this end. External experts were also consulted, including technical experts and scientific experts. In addition, clarifying interpretations and statements from European industry associations, such as the rail industry association UNIFE, were taken into account in the assessment.

The implementation process included reviewing the taxonomy eligibility of all Group entities. This analysis identified economic activities of the voestalpine Group as taxonomy-eligible and allocated them to the following categories under the climate change mitigation objective:

>> **3.9. Manufacture of iron and steel**
The voestalpine Group engages in steel production based on the blast furnace route in Linz, Austria (Steel Division), and in Donawitz, Austria (Metal Engineering Division). The High Performance Metals Division engages in steel production based on electric arc technology at a total of three plants in Europe (Kapfenberg, Austria; Wetzlar, Germany; and Uddeholms, Sweden) and one in South America (Sumare, Brazil).

>> **3.18. Manufacture of automotive and mobility components**
voestalpine acts as a supplier to some well-known automobile manufacturers. With its Automotive Components business unit, the Metal Forming Division offers the complete range of pressed parts in the exterior body part segment as well as highly innovative structural parts, hot-formed parts, laser-welded blanks and complex assemblies with a focus on lightweight solutions at more than a dozen sites worldwide, e.g., in Linz (Austria), Bunschoten (Netherlands), Shenyang (China), Cartersville (USA), Dettingen and Schwäbisch Gmünd (Germany). The Tubes & Sections business unit manufactures tubes, profiles, and components that are also supplied to the automotive industry.

>> **6.2. Freight rail transport**
The voestalpine Group operates a rail transportation entity that uses the European railway network in Linz, Austria (Steel Division).

>> **6.14. Infrastructure for rail transport**
Worldwide, the voestalpine Group produces material components for railway infrastructure (Metal Engineering Division). These components include rails, turnout systems (from components to pre-assembled complete systems including drives, locking systems, and monitoring equipment), diagnostic and monitoring systems, as well as railway infrastructure services (logistics, rail treatments, rail welding, rail grinding, recycling, etc.).

13.8.3 DETERMINATION OF TAXONOMY COMPLIANCE

The underlying technical assessment criteria must be fulfilled in order for an economic activity to be classified as "environmentally sustainable" under the taxonomy regulations. These are quantifiable guidelines (environmental targets) on how an activity should be assessed in terms of its contribution to the respective environmental target. The Taxonomy Regulation specifies this significant contribution to the respective environmental objective and also defines whether these economic activities cause significant harm to any of the relevant environmental objectives. The DNSH criteria (Do No Significant Harm) must therefore also be observed in addition to the significant contribution criterion. This review must provide evidence that a given economic activity does not undermine the other environmental objectives.

voestalpine makes comprehensive contributions to climate change mitigation. As far as the business activities related to the production and downstream processing of steel as well as the transportation of freight by rail are concerned: They are generally deemed to contribute substantially to climate action as long as they fulfill the technical assessment criteria pursuant to Category 3.9 and/or 6.2 or are lower than the predefined CO_2 limits on emissions. As far as the business activities of voestalpine Railway Systems are concerned, they are generally deemed to make a substantial contribution to climate change mitigation as long as they fulfill the technical assessment criteria set forth in that category. The services of voestalpine Railway Systems fulfill the requirement that they are suitable for the use of trains with no direct CO_2 exhaust emissions. Services for rail tracks that are only intended for the transportation of fossil fuels are not included.

A comprehensive DNSH conformity assessment was carried out for the relevant economic activities (3.9, 3.18, 6.2, 6.14).

The review of the DNSH criterion regarding the EU environmental objective "climate change adaptation" was conducted using a simulation-based software tool for identifying, quantifying, and disclosing physical climate risks to the relevant operating sites. A detailed climate risk and vulnerability analysis was performed for all relevant sites based upon this. The representative concentration pathways RCP 2.6, RCP 4.5, RCP 6.0 and RCP 8.5 of the future scenarios used by the Intergovernmental Panel on Climate Change (IPCC), the assessment reports on climate change by the IPCC and central Copernicus services of the European Commission are used as the methodological basis. Adaptation solutions were determined as necessary and implemented based on the findings of this climate risk and vulnerability assessment.

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 worldwide, to fulfill the DNSH criteria. These systems ensure that environmental impacts are identified and reviewed as to their relevance to a given operating site's 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).

In order to prevent and reduce environmental pollution, the voestalpine Group has created processes in its companies that ensure the production, use and marketing of substances in accordance with national laws and European legislation on chemicals.

Substances with properties of very high concern are only used if no other technically and economically suitable alternative substances or technologies are available on the market. If such a replacement is not yet possible, these substances are used under controlled conditions.

The Group-wide review of the DNSH compliance criteria came to the conclusion that these are already met to a very high degree at the sites carrying out the relevant economic activities. Non-compliant sub-areas were excluded from the calculation of the relevant key figures. Appropriate measures have been introduced to increase the degree of fulfillment on a continuous basis. The dynamic development of EU Taxonomy Regulations may lead to adjustments to economic activities and adaptations to the assessment criteria in the future.

13.8.4 MINIMUM SAFEGUARDS

All economic activities that contribute substantially to at least one of the six environmental objectives, do not adversely affect another objective, and fulfill the (social) minimum safeguard requirement are recognized as being environmentally sustainable. In accordance with Article 18 of the EU Taxonomy Regulation, the minimum protection review is also the final review stage for taxonomy compliance. This serves to ensure that a given economic activity also fulfills international human rights standards as well as rules and regulations regarding issues such as bribery, corruption, taxation, and fair competition. The standards specified in Article 18 identify four core topics in regards to which compliance with minimum safeguards is defined.

The following guidelines and standards must be complied with:

- >> OECD Guidelines for Multinational Enterprises
- >> UN Guiding Principles (UNGPs) on Business and Human Rights
- >> ILO Declaration on Fundamental Principles and Rights at Work ("ILO Core Conventions on Labor")
- >> International Charter of Human Rights

The Platform on Sustainable Finance (PSF) takes up the following central issues as they apply to social minimum safeguards:

- >> Human rights (incl. rights of workers)
- >> Avoidance of bribery and corruption
- >> Taxation
- >> Fair competition

voestalpine has already surveyed the aforementioned topics on a Group-wide basis in the past. This is also reported in detail in this CR Report. For more information on human rights, please see the chapter of the same name. Issues pertaining to the rights of workers and employees are taken up in the "Human Resources" chapter, among others.

For information on fair competition and taxation, please see the subsections "Compliance" and "Taxes". No legal violations of the above points were identified in the reporting period.

13.8.5 SIGNIFICANT CHANGES FROM THE PREVIOUS YEAR

13.8.5.1 Publication of the delegated act on environmental objectives 3 to 6

The European Commission published two delegated acts on the EU Taxonomy Regulation (Regulation EU 2020/852) on June 13, 2023. The new technical assessment criteria for the four non-climate-related environmental objectives of the EU taxonomy are central to this (see also 13.8.1 "General information on the Taxonomy Regulation"). In addition, new economic activities that were not previously included in the Taxonomy Regulation were added for the two climate targets "climate change mitigation" and "climate change adaptation".

13.8.5.2 Economic activity 3.18 Manufacture of automotive and mobility components

New economic activities were added to the Climate Law Act at the same time as the technical assessment criteria for environmental targets 3 to 6 were published. voestalpine initiated a screening process to identify relevant economic activities after the new non-climate-related environmental targets came into force. The economic activity 3.18 "Manufacture of automotive and mobility components" was identified as significant. With this economic activity, suppliers to the automotive industry are now included in the taxonomy. Following a Group-wide screening, a process was started with the companies concerned to collect the key taxonomy-eligible figures. As part of this survey, only the taxonomy eligibility is reported in the current business year. Disclosure of taxonomy compliance takes place in the following business year, as provided for in Regulation 2023/3850.

13.8.5.3 CAPEX PLAN

voestalpine has developed an ambitious phased plan for green steel production with greentec steel. As part of the first stage of the phased plan, one green electricity-powered electric arc furnace (EAF) will be built in Linz and one in Donawitz. This will make it possible to produce around 2.5 million tons of CO_2-reduced steel each year from 2027 following the ramp-up. The greentec steel flagship project is also included in the CapEx plan. The individual processes within the scope of future EAF production are to be regarded as independent production units, which will be integrated into the existing plant configurations at the Linz and Donawitz sites. Taxonomy compliance within the context of economic activity 3.9 "Manufacture of iron and steel" can also be determined for electric arc furnaces as an independent production unit with the corresponding technical evaluation criteria under the environmental objective of climate change mitigation. The tracking and coding of sales must be ensured and double counting must be avoided. In the course of the preparation of the CapEx plan, which began in the business year and is expected to run for five years, the total amount of capital was estimated at EUR 1.5 billion. In the current business year, the CapEx plan was classified as taxonomy-compliant at an amount of EUR 64.3 million.

13.8.5.4 CHANGE IN ECONOMIC ACTIVITIES

Due to the clarification of Regulation 2023/3850, which specifies that assembled stationary track material is to be subsumed under economic activity 6.14 "Rail transport infrastructure", the classification of rail production was updated from 3.9 "Manufacture of iron and steel" to 6.14. The rail production could thus be evaluated as taxonomy-eligible and subsequently also as taxonomy-compliant.

13.8.6 RESULTS OF THE KPIS

The following summarizes the performance indicators of revenue, investment and operating expenses from taxonomy-eligible economic activities of voestalpine for each environmental target.

Share of revenues/total revenues

In each case as of the March 31 reporting date

	taxonomy-compliant per target	taxonomy-eligible per target
CCM (climate change mitigation)	26.6%	71.0%
CCA (climate change adaptation)	0.0%	0.0%
WTR (water and marine resources)	0.0%	0.0%
CE (circular economy)	0.0%	0.0%
PPC (pollution prevention and control)	0.0%	0.0%
BIO (biodiversity)	0.0%	0.0%

CapEx share/total CapEx

In each case as of the March 31 reporting date

	taxonomy-compliant per target	taxonomy-eligible per target
CCM (climate change mitigation)	23.3%	77.9%
CCA (climate change adaptation)	0.0%	0.0%
WTR (water and marine resources)	0.0%	0.0%
CE (circular economy)	0.0%	0.0%
PPC (pollution prevention and control)	0.0%	0.0%
BIO (biodiversity)	0.0%	0.0%

OpEx share/total OpEx

In each case as of the March 31 reporting date

	taxonomy-compliant per target	taxonomy-eligible per target
CCM (climate change mitigation)	26.3%	79.5%
CCA (climate change adaptation)	0.0%	0.0%
WTR (water and marine resources)	0.0%	0.0%
CE (circular economy)	0.0%	0.0%
PPC (pollution prevention and control)	0.0%	0.0%
BIO (biodiversity)	0.0%	0.0%

Water, Air, Soil
& Biodiversity

13.8.6.1 Taxonomy-Eligible/Taxonomy-Compliant Revenue

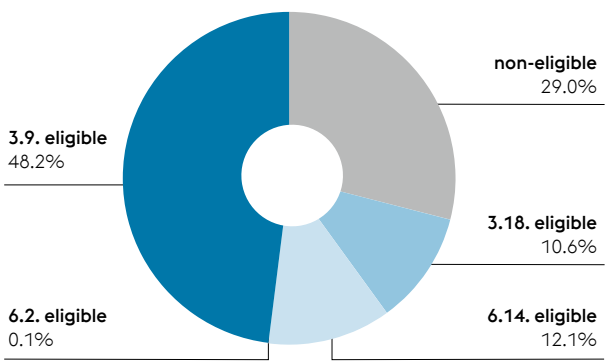
Pursuant to the EU Taxonomy Regulation, revenue as per IAS 1.82(a) must be used to determine the taxonomy-eligible revenue. The revenue figures equate to the revenue shown in the Consolidated Income Statement of the Annual Report 2023/24 and thus are used as the denominator in the following table to determine taxonomy eligibility. The numerator comprises revenue from contracts with customers for the purposes of IFRS 15 that were generated with economic activities covered by the EU Taxonomy Regulation. The current review for compliance in the 2023/24 business year resulted

In millions of euros Economic activities	Code	Revenue	Proportion of revenue 2023/24	Substantial Contribution Criteria: Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (taxonomy-aligned)									
Manufacture of iron and steel	CCM 3.9	2,688.1	16.1%	J	N	N/EL	N/EL	N/EL	N/EL
Freight rail transport	CCM 6.2	19.6	0.1%	J	N	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	1,722.0	10.4%	J	N	N/EL	N/EL	N/EL	N/EL
Revenue from environmentally sustainable activities (taxonomy-compliant)		**4,429.7**	**26.6%**	**26.6%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Of which Enabling				**10.4%**	**N**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
Of which Transitional				**16.1%**					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)									
Manufacture of iron and steel	CCM 3.9/ CCA 3.9	5,356.7	32.1%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of automotive and mobility components	CCM 3.18	1,777.4	10.6%	**EL**	N/EL	N/EL	N/EL	N/EL	N/EL
Freight rail transport	CCM 6.2/ CCA 6.2	2.2	0.0%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14/ CCA 6,14[2]	273.5	1.7%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Revenue from taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)		**7,409.8**	**44.4%**	**44.4%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
A. Revenue of taxonomy-eligible activities (A.1+A.2)		**11,839.5**	**71.0%**	**71.0%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
B. Taxonomy non-eligible activities									
Revenue of taxonomy non-eligible activities		**4,844.8**	**29.0%**						
Total		**16,684.3**	**100.0%**						

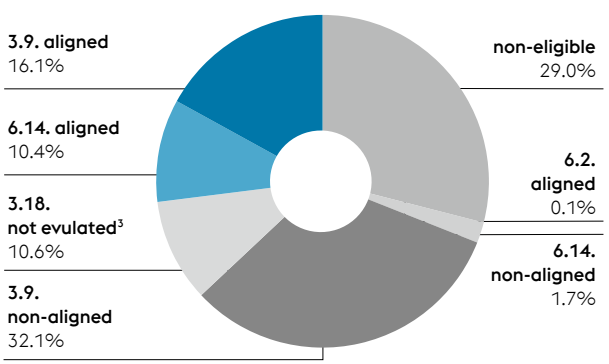
in 26.6% taxonomy-compliant revenue, which is mainly attributable to revenue from the "Rail infrastructure" 6.14 segment and the economic activity 3.9 "Manufacture of iron and steel" using electric arc processes. voestalpine's taxonomy-compliant revenue amounted to EUR 4,429.7 million. For the economic activity 3.18 "Manufacture of automotive and mobility components", taxonomy-eligible revenue of EUR 1,777.4 million was calculated for the first time in the current business year. This leads to the following classification for the voestalpine Group:

	DNSH criteria									
	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) revenue 2022/23[1]	Category enabling activity	Category transitional activity
	J	J	J	J	J	J	J	17.8%		T
	J	J	J	J	J	J	J	0.1%		
	J	J	J	J	J	J	J	6.5%	E	
	J	**J**	**J**	**J**	**J**	**J**	**J**	**24.4%**		
	J	J	J	J	J	J	J	6.5%	E	
	J	J	J	J	J	J	J	17.8%		T
								34.6%		
								0.0%		
								0.2%		
								34.8%		
								59.2%		

TAXONOMY ELIGIBILITY BY ECONOMIC ACTIVITY



TAXONOMY COMPLIANCE BY ECONOMIC ACTIVITY



1 Figures from previous years were adjusted retrospectively due to a site-related specification of the economic activity 3.9.

2 Due to the limited availability of auditors, the verification of the DNSH assessment for Annex B and C in North America could not yet be finalized for one company as of the reporting date. For this reason, these revenues were not classified as taxonomy-compliant in the current business year.

3 For the economic activity 3.18, only the taxonomy eligibility had to be reported in the reporting period. Taxonomy compliance will be ascertained in the 2024/25 business year.

13.8.6.2 Taxonomy-Eligible/Compliant Capital Expenditure (CapEx)

Additions to assets—including additions from business combinations to property, plant and equipment; intangible assets; and right-of-use assets under leases—were utilized as the basis for determining the taxonomy-eligible CapEx. Investments via joint ventures, investments in financial instruments as well as additions to goodwill were not considered. Due to the clarification of FAQ 2023/305 point 31, which stipulates that capital expenditure should only be recognized when it is recognized in accordance with the relevant accounting standards, the additions to advance payments made were excluded from the additions to the CapEx KPI. When the underlying property,

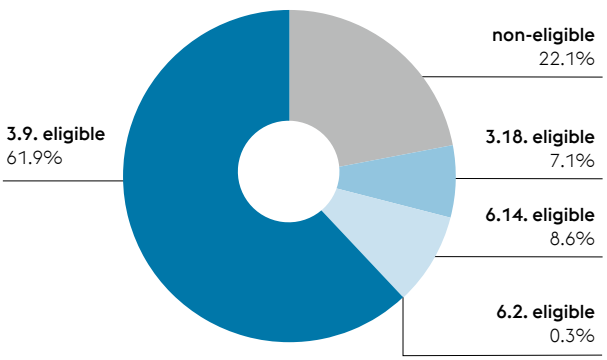
In millions of euros Economic activities	Code	CapEx	Proportion of CapEx 2023/24	Substantial Contribution Criteria Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (taxonomy-aligned)									
Manufacture of iron and steel	CCM 3.9	172.0	15.5%	J	N	N/EL	N/EL	N/EL	N/EL
Freight rail transport	CCM 6.2	3.7	0.3%	J	N	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	83.1	7.5%	J	N	N/EL	N/EL	N/EL	N/EL
CapEx from environmentally sustainable activities (taxonomy compliant)		**258.8**	**23.3%**	**23.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Of which Enabling				**7.5%**	**N**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
Of which Transitional				**15.5%**					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)									
Manufacture of iron and steel	CCM 3.9/ CCA 3.9	5,356.7	32.1%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of automotive and mobility components	CCM 3.18	1,777.4	10.6%	**EL**	N/EL	N/EL	N/EL	N/EL	N/EL
Freight rail transport	CCM 6.2/ CCA 6.2	2.2	0.0%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14/ CCA 6,14[2]	273.5	1.7%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
CapEx from taxonomy eligible but not environmentally sustainable activities (not taxonomy-aligned activities)		**608.4**	**54.6%**	**54.6%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
A. CapEx of taxonomy-eligible activities (A.1+A.2)		**867.2**	**77.9%**	**77.9%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
B. Taxonomy non-eligible activities									
CapEx of taxonomy non-eligible activities		**245.6**	**22.1%**						
Total		**1,112.8**	**100.0%**						

The taxonomy-compliant eligible CapEx of EUR 258.8 million is made up of additions to property, plant and equipment and intangible assets of EUR 252.8 million and the change in advance payments of EUR EUR 6.0 million. There are no additions to property, plant and equipment and intangible assets from business combinations. The total CapEx of EUR 1,112.8 million is made up of additions to property, plant and equipment and intangible assets of EUR 1,208.9 million, additions to property, plant and equipment and intangible assets from business combinations of EUR 20.7 million and the change in advance payments of EUR -116.8 million.

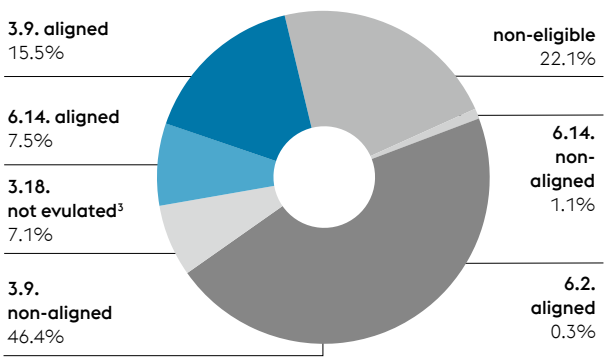
plant and equipment/intangible assets are capitalized, the advance payments made on the respective asset are reclassified and also allocated to the additions to the CapEx KPI. The change in approach may result in a shift between the business years. The difference between the capital expenditure used here in the denominator and the data published in the "Operating segments" section of the 2023/24 Annual Report relates to goodwill additions and the above-mentioned change in advance payments made. The numerator includes capital expenditure generated by economic activities covered by the EU Taxonomy Regulation. In the area of investment expenditure, the taxonomy-compliant share is 23.3% (EUR 258.8 million). This leads to the following classification for the voestalpine Group:

	DNSH criteria									
	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) CapEx 2022/23[1]	Category enabling activity	Category transitional activity
	J	J	J	J	J	J	J	16.8%		T
	J	J	J	J	J	J	J	0.1%		
	J	J	J	J	J	J	J	7.3%	E	
	J	**J**	**J**	**J**	**J**	**J**	**J**	**24.2%**		
	J	J	J	J	J	J	J	7.3%	E	
	J	J	J	J	J	J	J	16.8%		T
								38.8%		
								0.0%		
								0.1%		
								38.9%		
								63.1%		

TAXONOMY ELIGIBILITY BY ECONOMIC ACTIVITY



TAXONOMY COMPLIANCE BY ECONOMIC ACTIVITY



1 Figures from previous years were adjusted retrospectively due to the clarification of FAQ 2023/305 point 31 and a site-based specification of economic activity 3.9.

2 Due to the limited availability of auditors, the verification of the DNSH assessment for Annex B and C in North America could not yet be finalized for one company as of the reporting date. For this reason, capital expenditure in the current business year was not classified as taxonomy-compliant.

3 For the economic activity 3.18, only the taxonomy eligibility had to be reported in the reporting period. Taxonomy compliance will be ascertained in the 2024/25 business year.

13.8.6.3 Taxonomy-Eligible/Compliant Operating Expenditures (OpEx)

Unlike the revenue and the capital expenditure, the figure for the operating expenditure cannot be taken directly from the Annual Report 2023/24. This is because only a few expense categories are relevant to the determination of the denominator for the operating expenditure. These include building renovation measures, maintenance and repair of property, plant and equipment, research and development expenses, training expenses in the course of tax-compliant business

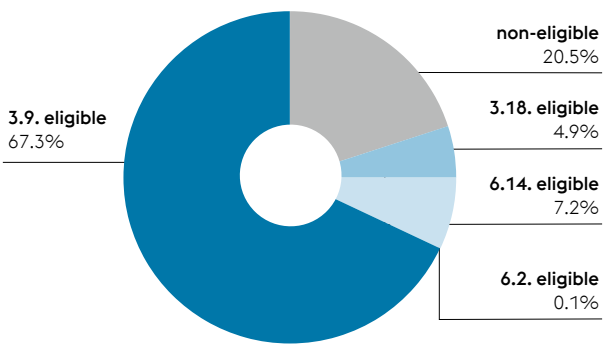
In millions of euros				Substantial Contribution Criteria					
Economic activities	**Code**	**OpEx**	**Proportion of OpEx 2023/24**	**Climate Change Mitigation**	**Climate Change Adaptation**	**Water**	**Pollution**	**Circular Economy**	**Biodiversity**
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (taxonomy-aligned)									
Manufacture of iron and steel	CCM 3.9	202.0	19.7%	J	N	N/EL	N/EL	N/EL	N/EL
Freight rail transport	CCM 6.2	1.3	0.1%	J	N	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	66.5	6.5%	J	N	N/EL	N/EL	N/EL	N/EL
OpEx from environmentally sustainable activities (taxonomy-compliant)		**269.8**	**26.3%**	**26.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Of which Enabling				**6.5%**	**N**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
Of which Transitional				**15.5%**					
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)									
Manufacture of iron and steel	CCM 3.9/ CCA 3.9	489.2	47.6%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Manufacture of automotive and mobility components	CCM 3.18	50.0	4.9%	**EL**	N/EL	N/EL	N/EL	N/EL	N/EL
Freight rail transport	CCM 6.2/ CCA 6.2	0.1	0.0%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14/ CCA 6,14[2]	7.6	0.7%	**EL**	EL	N/EL	N/EL	N/EL	N/EL
OpEx from taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)		**546.9**	**53.2%**	**53.2%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
A. OpEx of taxonomy-eligible activities (A.1+A.2)		**816.7**	**79.5%**	**79.5%**	**EL**	**N/EL**	**N/EL**	**N/EL**	**N/EL**
B. Taxonomy non-eligible activities									
OpEx of taxonomy non-eligible activities		**211.1**	**20.5%**						
Total		**1,027.8**	**100.0%**						

The taxonomy-compliant eligible OpEx of EUR 269.8 million is made up of expenses for research and development of EUR 39.8 million, building renovation measures of EUR 13.1 million, current leasing of EUR 3.1 million, maintenance and repair of property, plant and equipment of EUR 202.9 million and staff training of EUR 10.9 million. The total OpEx of EUR 1,027.8 million is made up of expenses for research and development amounting to EUR 213.9 million, building renovation measures amounting to EUR 45.2 million, current leasing amounting to EUR 8.0 million, maintenance and repair of property, plant and equipment amounting to EUR 723.8 million and staff training amounting to EUR 36.9 million.

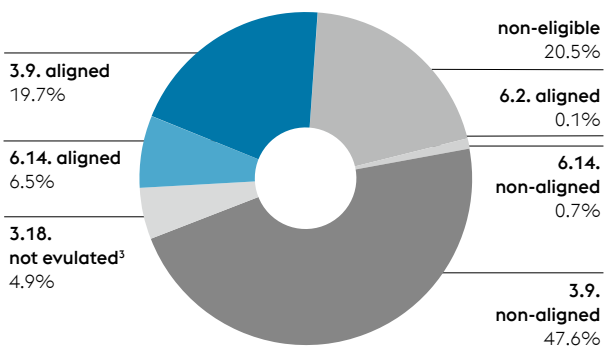
activities for employees and current leasing expenses. The numerator includes operating expenses generated by economic activities covered by the EU Taxonomy Regulation. Operating expenses from taxonomy-compliant economic activities amount to EUR 269.8 million. This corresponds to 26.3% of operating expenses according to the Taxonomy Regulation. This leads to the following classification for the voestalpine Group:

	DNSH criteria									
	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum Safeguards	Proportion of taxonomy-aligned (A.1.) or eligible (A.2.) OpEx 2022/23[1]	Category enabling activity	Category transitional activity
	J	J	J	J	J	J	J	22.3%		T
	J	J	J	J	J	J	J	0.2%		
	J	J	J	J	J	J	J	4.5%	E	
	J	**J**	**J**	**J**	**J**	**J**	**J**	**27.0%**		
	J	J	J	J	J	J	J	4.5%	E	
	J	J	J	J	J	J	J	22.3%		T
								46.5%		
								0.0%		
								0.0%		
								46.5%		
								73.5%		

TAXONOMY ELIGIBILITY BY ECONOMIC ACTIVITY



TAXONOMY COMPLIANCE BY ECONOMIC ACTIVITY



1 Figures from previous years were adjusted retrospectively due to a site-related specification of the economic activity 3.9.

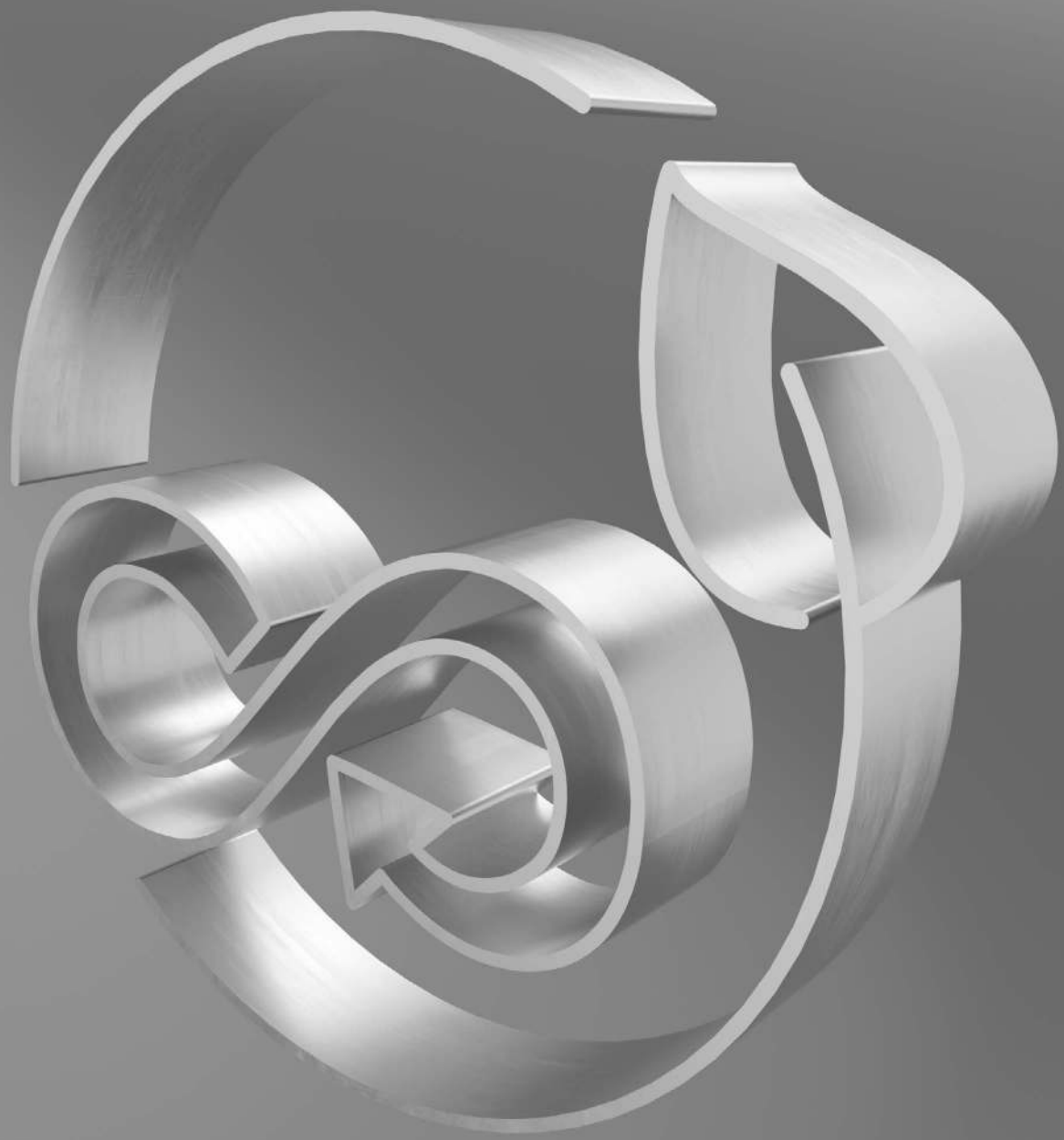
2 Due to the limited availability of auditors, the verification of the DNSH assessment for Annex B and C in North America could not yet be finalized for one company as of the reporting date. For this reason, these operating expenditures were not classified as taxonomy-compliant in the current business year.

3 For the economic activity 3.18, only the taxonomy eligibility had to be reported in the reporting period. Taxonomy compliance will be ascertained in the 2024/25 business year.

FURTHER INFORMATION IN THE CONTEXT OF TAXONOMY REPORTING

The voestalpine Group has been involved in the international "Science Based Target Initiative" since 2022. Associated activities have led the Group to define internal greenhouse gas (GHG) emissions reduction targets that conform to the Paris Agreement on Climate Change.

voestalpine's greentec steel serves to pursue an ambitious step-by-step plan for the decarbonization of steelmaking in the long term. This will involve a reduction in CO_2 emissions by 30% in a first step by 2029. To this end, both the Steel Division and the Metal Engineering Division are replacing the existing blast furnace route in part with hybrid electric arc technology. The latter will make it possible to produce high-quality, CO_2-neutral steel products in future. The voestalpine Group is also conducting intensive research into breakthrough technologies at the same time. One example of this is the H2FUTURE® pilot plant, which is being used to research the industrial production of green hydrogen in order to gradually increase the use of this promising energy source in steel production. Other research projects are dedicated to the storage and reuse of unavoidable residual emissions. For more information thereon, see the "Product Sustainability" chapter.



Circularity &
Resources

14. HUMAN RESOURCES

Our success as a steel and technology group is based on our employees' particular expertise and high motivation. Hence voestalpine places great value in a respectful corporate culture, the diversity and individuality of its employees as well as their qualifications—all of which is reflected in the guiding principles of our Sustainability Strategy.

Corporate Culture

We create a respectful corporate culture in which we expect and encourage trust, diversity, self-determination, and personal responsibility. voestalpine's culture, as a symbol of our Group-wide identity, is continually being refined in this sense.

Diversity

We value the individuality of all our employees and their capabilities—irrespective of gender, age, origin, religion, sexual orientation, or potential disability—and create the conditions for equal opportunities as well as work that maintains people's health and is appropriate to life's different phases.

Training and Continuing Professional Development (CPD)

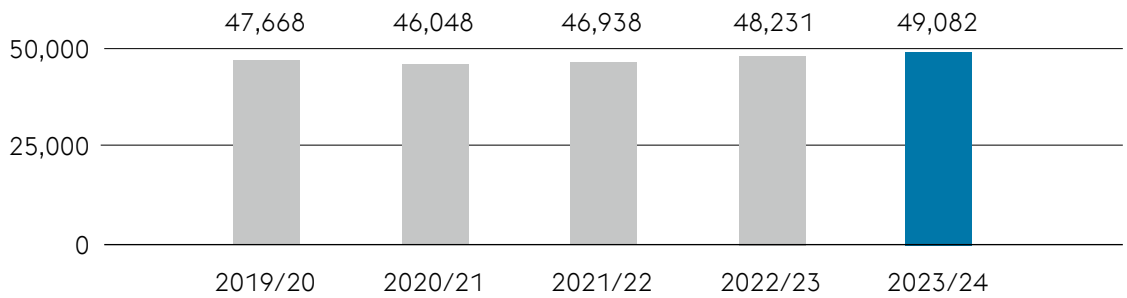
Targeted measures help voestalpine employees gain qualifications and thus broaden their career opportunities. We believe, furthermore, that both training young people and encouraging lifelong learning are long-term determinants of the company's success.

14.1 WORKFORCE STRUCTURE

As of the annual reporting date (March 31, 2024), the voestalpine Group had a global workforce of 49,082 employees (head counts). When 1,513 apprentices and 2,822 temporary employees are included, this number rises to 51,589 full-time equivalents (FTEs).

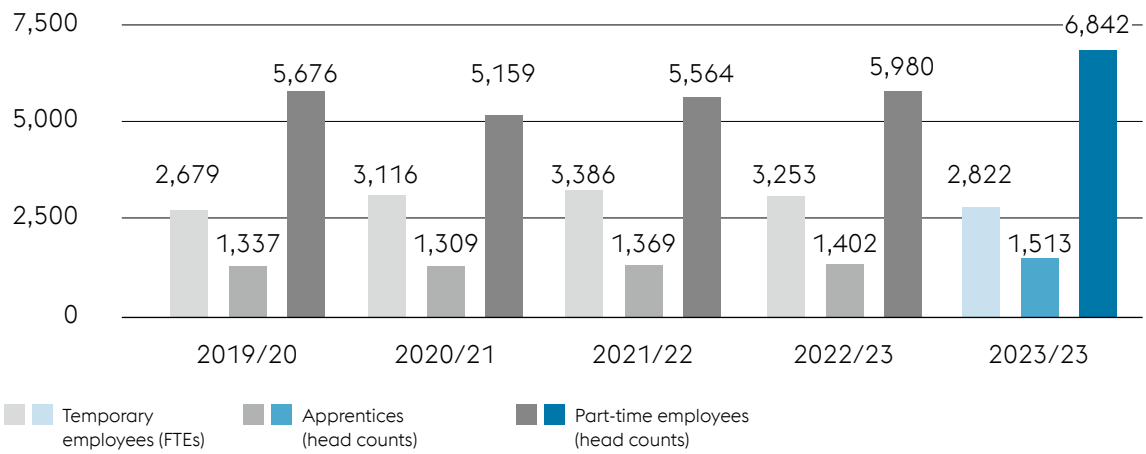
DEVELOPMENT OF THE NUMBER OF EMPLOYEES

Personnel (excl. apprentices and temporary employees, head counts) as of the March 31 reporting date



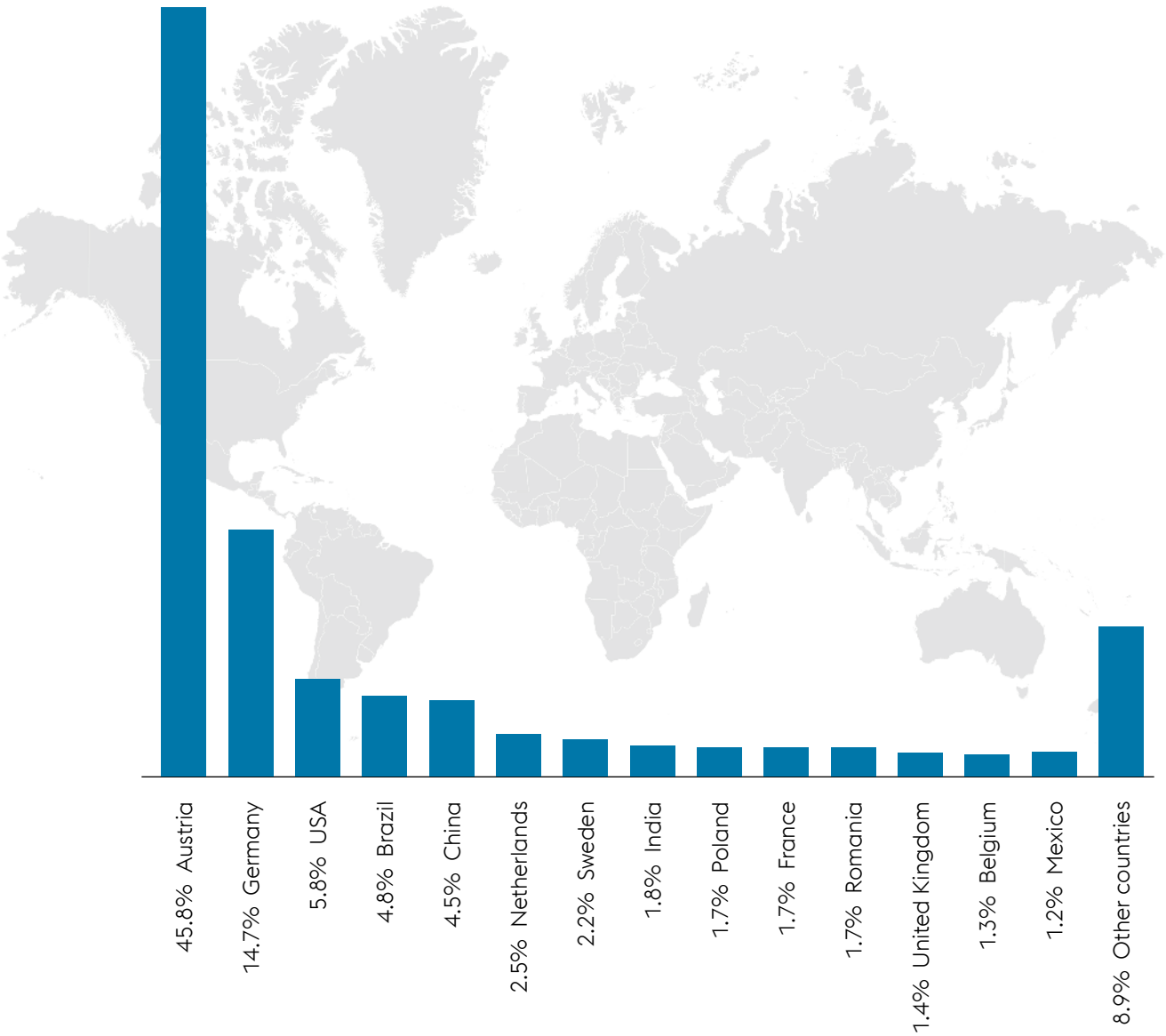
EMPLOYEE STRUCTURE BY EMPLOYMENT CONTRACT

In each case as of the March 31 reporting date; excl. full-time employees



14.1.1 EMPLOYMENT BY COUNTRY AND REGION

voestalpine comprises about 500 Group companies and sites in 49 countries on five continents. A total of 45.8% of the company's employees (FTEs) are based in Austria, and 54.2% work at facilities outside of the country.



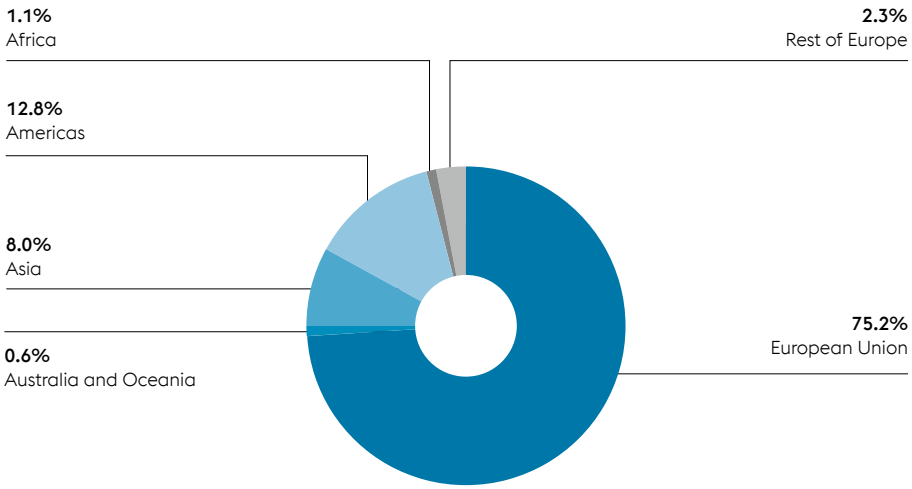
WORKFORCE BY REGION AND GENDER (FROM 10 HEAD COUNTS)

Personnel (excl. apprentices and temporary employees, HEAD COUNTS), as of the March 31 reporting date

voestalpine is considered an attractive employer in the countries in which it works. This facilitates local recruiting, with the result that most employees at any given location are local residents.

WORKFORCE BY REGION

As of the March 31, 2024 reporting date, based on FTEs



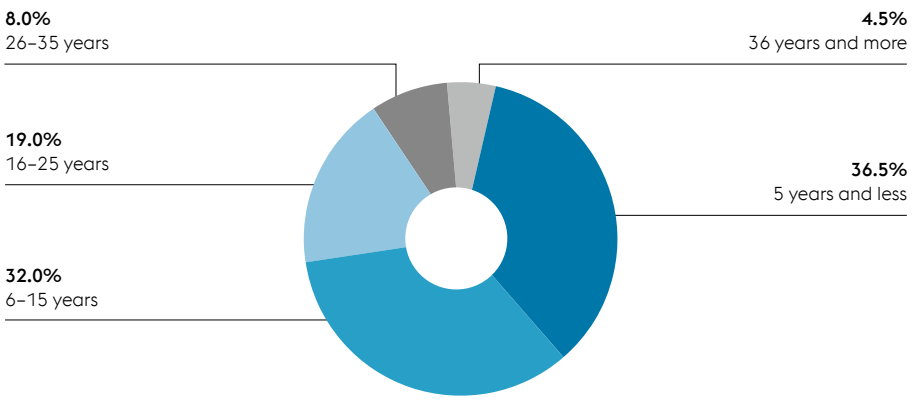
German and English are the predominant languages in the voestalpine Group. Hence voestalpine's most important publications such as the present Corporate Responsibility Report, the Annual Report, and the quarterly reports are published in these two languages. The Code of Conduct, internet posts as well as brochures and magazines are translated into numerous other languages.

14.1.2 YEARS OF SERVICE AND EMPLOYEE TURNOVER

In the business year 2023/24, employees who had been with the Group for up to five years constituted the largest group, followed by employees who had been with voestalpine for six to fifteen years.

YEARS OF SERVICE

As of the March 31, 2024 reporting date
All employees excluding apprentices, interns, freelancers, and master's/doctoral degree candidates



Numerous measures ensure that the knowledge and experience of employees are utilized in the best possible way while also increasing employee satisfaction. This also keeps the employee turnover rate as low as possible. In the business year 2023/24, the turnover rate for employment contracts terminated by mutual agreement or by the employee was 7.9%. The collection of data regarding departures takes all employees into account (managing directors, Management Board members, and temporary absentees are included; but apprentices, interns, freelancers, and master's/doctoral degree candidates are excluded). There were 28 applications on average for each job opening, thus illustrating voestalpine's attractiveness as an employer. The following table shows the number of departures by region, further broken down by employment contract and gender.

DEPARTURES BY REGION

Number of employees who left the company after no more than three years of service, broken down by employment contract and gender, business year 2023/24

14.2 EQUALITY AND DIVERSITY

Approximately 51,600 employees (FTEs) work for the voestalpine Group worldwide. Each and every person is valuable and must be respected for their individual strengths and skills. The fact that voestalpine's then CEO signed the company's "Diversity Charter" in February 2018 underscores the Group's approach to both diversity and equal treatment. voestalpine values all of its stakeholders, regardless of gender, skin color, nationality, ethnic origin, religion or ideology, disability, age, sexual orientation or identity. This commitment and corresponding actions create a climate of acceptance and mutual trust. As laid out in the chapter "Respect and Integrity" of the voestalpine Code of Conduct, the Group does not tolerate any discrimination, whatever form it may take.

FEMALE EMPOWERMENT AS A STRATEGIC SPHERE OF ACTION

The initiatives launched in the strategic area of female empowerment were further expanded. For example, new topics are continually being added to a specially dedicated intranet area, and the quarterly newsletter is very popular. Following its introduction in Austria in 2023, the mandatory e-learning course "Dealing with sexual harassment in the workplace" was also rolled out in Germany and Switzerland after the content was adapted to their legal situations and statutory provisions. The next step is to make an adapted version available worldwide.

Furthermore, one division is testing a newly developed mentoring concept specifically for women, and another is focusing on the topic of parental leave and returning to work.

14.2.1 PERSONS WITH DISABILITIES

In Austria, companies with more than 25 employees are required to make jobs available for people with disabilities. As of March 31, 2024, a total of 594 voestalpine employees in Austria reported that they were subject to the relevant "beneficiary" classification under the Austrian Disability Employment Act (Behinderteneinstellungsgesetz). For data protection reasons, many countries do not record employees' disabilities. It goes without saying that voestalpine fulfills all applicable statutory requirements regarding the employment and integration of disabled individuals that may apply at any given location. A range of measures ensures, furthermore, that everybody within the Group engages in mutually respectful conduct. voestalpine also supports integration measures outside of the Group's purview.

14.2.2 WOMEN AT voestalpine

It is voestalpine's stated goal to increase the percentage of women on all levels, from apprentices to executives. In particular, the proportion of women in management positions is to be increased from the current 14% to 18% by 2030.

"We create the general framework for equal opportunity and aim to raise the percentage of women in technical fields and/or among technical apprentices by 2025. We help to make mathematics, informatics, natural sciences, and technology (MINT) more attractive for women and seek to increase the percentage of women in both job applications and employment." (In the English-speaking world, MINT is known as "science, technology, engineering, and mathematics" – STEM.)

voestalpine ensures through measures adapted to individual companies and regional circumstances that potential female applicants are interested in the company and that female employees are given good development opportunities.

STEM EXPERIENCES FOR WINNERS OF THE STEM GIRLS CHALLENGE

Every year since 2022, voestalpine companies at various locations in Austria have been taking part in the STEM Girls Challenge, a joint initiative of the Federation of Austrian Industries, the Federal Chancellery, and the Ministry of Economy, which aims to get girls interested in STEM subjects (science, technology, engineering, and mathematics).

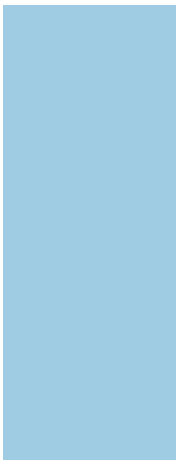
In this nationwide competition, girls and young women contribute their ideas for tackling the major challenges facing our society with the help of STEM. The winners receive STEM experiences in companies that support the initiative as a prize. For example, a student from HTL Eisenstadt was able to shadow an employee in the Research & Development department at voestalpine Wire Technology and learn about all facets of this area. Another STEM experience was offered by voestalpine Böhler Welding in Kapfenberg, where 14 schoolgirls from Graz not only learned about the Group itself, the plant and the products, they were also able to try out welding for themselves at the Welding Academy.

As of the annual reporting date (March 31, 2024), women accounted for 16.0% of all employees in the voestalpine Group. The percentage of female workers among wage employees was 7.1%; among salaried employees it was 29.8%. A total of 14.1% of all managers (salaried employees with permanent responsibility to manage others, including forepersons but excluding members of the Management Board) were women.

A slight increase in the proportion of women was therefore recorded in all categories. The percentage of women among apprentices completing non-technical training is especially high: Fully 49.6% of all individuals in the category "Apprentices (Other)" were female.

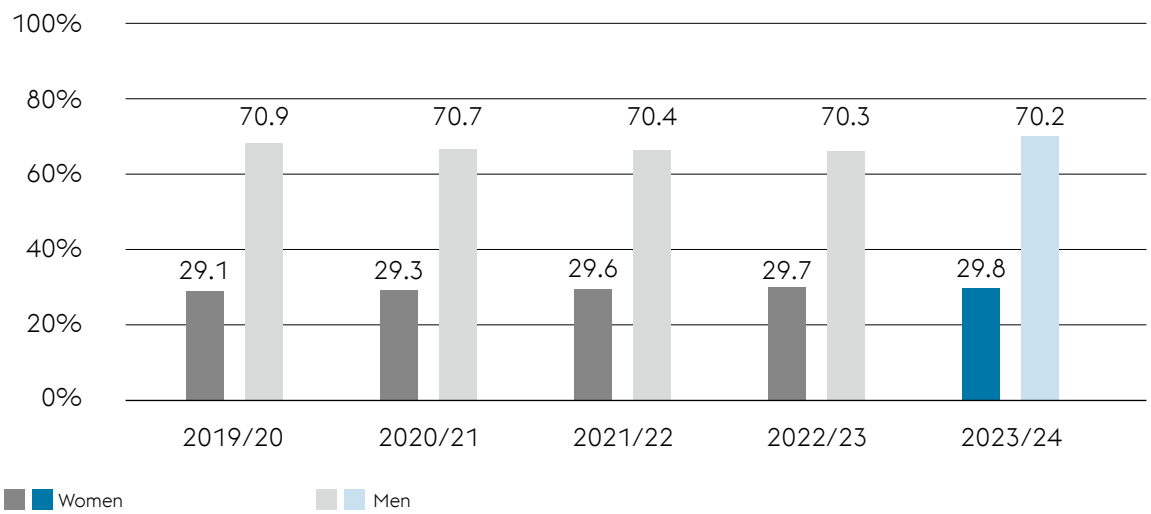
PERCENTAGE OF FEMALE EMPLOYEES

In each case as of the March 31 reporting date



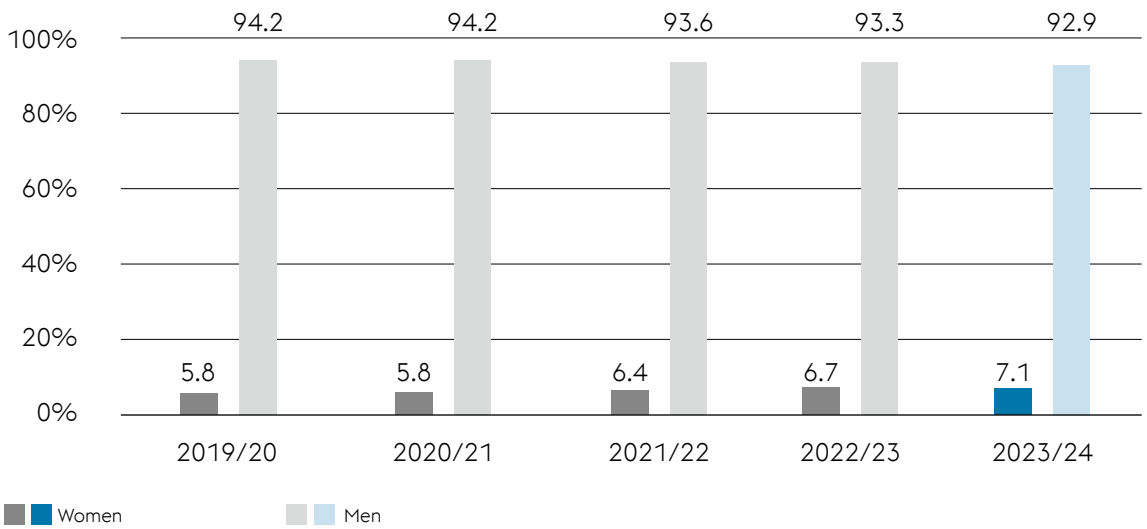
SALARIED EMPLOYEE STRUCTURE BY GENDER

In each case as of the March 31 reporting date



WAGE EMPLOYEE STRUCTURE BY GENDER

In each case as of the March 31 reporting date



14.2.3 AGE STRUCTURE OF EMPLOYEES

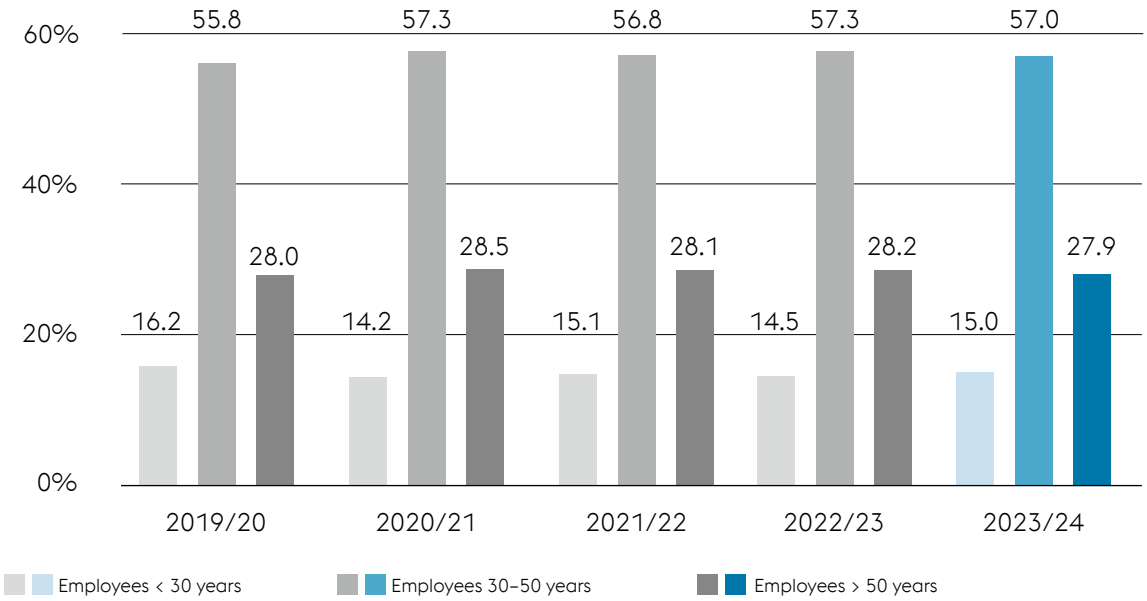
As of the annual reporting date (March 31, 2024), the average age of employees in the Group was 41.6 years. The following table shows the average age by employment contract and gender.

AVERAGE AGE OF EMPLOYEES

In each case as of the March 31 reporting date

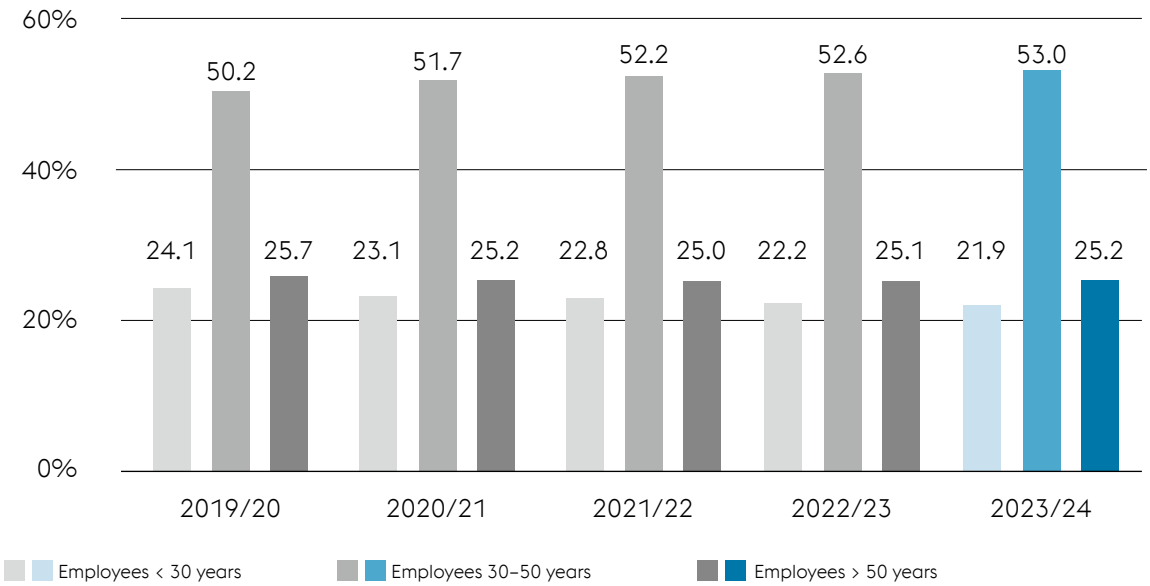
SALARIED EMPLOYEE STRUCTURE BY AGE GROUP

In each case as of the March 31 reporting date



WAGE EMPLOYEE STRUCTURE BY AGE GROUP

In each case as of the March 31 reporting date



14.3 ATTRACTIVENESS AS AN EMPLOYER

14.3.1 EMPLOYEE SURVEY

After the voestalpine employee survey was completed in fall 2022, the 219 companies that took part in the survey began the survey review process. This included analyzing the results, deriving suitable measures, and reporting them in an internal voestalpine tool.

In order to support transparency and an exchange of experiences between the companies, reporting was carried out in English throughout the Group. A report was prepared for the Management Board of voestalpine AG on the basis of these measures. A total of 440 measures were reported. Although the companies were asked to report only the two most important measures, some companies mentioned more measures. Most of the measures—in addition to the central commitment describing the bond with the company—relate to the three fields of action "Information & Communication," "Appreciation," and "Cooperation between Colleagues." 82% of all reported measures are ongoing and 87% relate to all employees (without differentiating between white collar, blue collar, apprentices, etc.). The final implementation status of the measures was assessed in March 2024 and reported again to the Management Board of voestalpine AG. In addition to the Management Board report, the review process also provided for reporting on the measures to the respective Supervisory Board/Advisory Board of the companies.

The next voestalpine employee survey will take place in fall 2024. In addition to the 16 questions asked so far, eight further questions will be asked. These cover the topics of "Diversity & Inclusion," "Senior Leadership," "Corporate Responsibility," "Health Promotion," and "Identification with the Employer." The survey will be conducted worldwide in 47 countries in 26 languages together with an external partner.

14.3.2 EMPLOYER BRANDING

Its positioning as an attractive employer is very important to voestalpine. The Group can drive innovation and compete successfully in the market only if it has committed and professionally competent employees. The regular employee survey serves as a barometer of employee satisfaction and results in the development of pertinent internal measures.

To further enhance its employer branding, voestalpine also undertakes numerous external personnel marketing activities such as collaborations with (primarily technical) universities, participation in job fairs and career expos as well as sponsoring. A strong presence in relevant online and social media channels as well as proactive reporting from and about the company boost voestalpine's visibility among target groups.

2023 also saw the launch of a new image and brand campaign in which voestalpine employees are the main protagonists. All occupational groups, including apprentices, reflect the diversity of the Group. In this way, the campaign puts future topics such as greentec steel/decarbonization, women in technology, training, digitalization, sustainability, and innovation within a human context.

INDUSTRY WINNER AND FIFTH PLACE IN OVERALL BEST RECRUITERS RANKING

In the 2023 study conducted by BEST RECRUITERS, voestalpine was recognized among 570 major employers in Austria for its above-average recruiting quality. For the 14th time in a row, voestalpine took first place within its industry. In the overall ranking across all sectors, it once again took 5th place. The 2023/24 study surveyed 326 criteria from ten categories along the candidate journey. These included companies' career websites, mobile recruiting, social web programs as well as job ad content and usefulness. The direct contact with applicants was also highlighted. Applications as well as job inquiries were sent to each of the randomly selected companies, and the responses were analyzed as to both timeframe and content.

14.3.3 ANNUAL EMPLOYEE PERFORMANCE REVIEW

The annual employee performance review has already become a key HR resources development tool in many voestalpine companies and is a material component of the Group's management culture. A structured, annual conversation between supervisor and employee provides the basis for constructive, respectful collaboration.

Careful preparation, regularity, and documentation distinguish these reviews from other kinds of meetings. To use a visual analogy: The individuals concerned take a "time-out" from the "playing field" of daily routines and move to the "edge of the pitch" to reflect jointly on their "teamwork" and discuss basics. Annual employee performance reviews of salaried employees are mandatory throughout the Group. A recommendation has been made to introduce suitable instruments of this nature (e.g., team assessment dialogues) for wage employees also, but the binding standards do not provide relevant guidance. The Group-wide guidelines were revised and redesigned in the business year 2023/24. The voestalpine values of entrepreneurial mindset, appreciation in the workplace and sustainable action were a particular focus in the development of the new guidelines. In addition, they are deliberately designed to be diversity-sensitive in terms of content and language in order to appreciate and recognize the diversity of people within the Group.

The additional form for managers can also be used to reflect on the topic of management in discussions with employees who have management responsibilities themselves at a level of depth corresponding to their ability. The Group guidelines thus provide an anchor in terms of content and give the organizational units the freedom to structure employee performance reviews according to their individual requirements.

In the business year 2023/24, 33,596 employee performance reviews were conducted across the Group, of which 18,153 were with blue collar employees and 15,443 with white collar employees.

14.4 TRAINING AND CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

Innovation and high quality are not conceivable without continuing employee training and professional development (CPD). Hence training courses are an important prerequisite for voestalpine's success. In addition, they promote employees' career opportunities at the personal level as well as their ability to network across departments and locations. Alongside proven face-to-face training sessions, digital learning formats as well as blended learning approaches that combine live online sessions and self-directed learning phases have now been firmly established.

The total costs for personnel development amounted to EUR 69.3 million in the business year 2023/24. 87.4% of all employees in the Group took part in training and further education measures. The training volume in the business year 2023/24 amounted to 850,656 hours, an average of 19.8 hours per participant.

voestalpine COACHING

voestalpine is committed to lifelong learning as an integral part of employee development. With the coaching platform, which has been available since May 2023, voestalpine offers time-limited, individually tailored professional support for personal change processes in a professional context. Coaching promotes self-reflection and self-awareness and is solution- and future-oriented.

Possible reasons for coaching include professional role changes, leadership challenges, difficult change situations, personal development, career issues, and situations of intense stress. The offer is open to all employees in voestalpine companies worldwide.

The use of voestalpine Coaching is possible after consultation with one's manager and the establishment of an authorization. Employees can use the coaching platform to search for coaches and define their preferences.

Suggestions for suitable coaches are provided taking into account the selection criteria. After the selection, individual coaching appointments can be arranged, which can take place either as online meetings or in person.

TRAINING INITIATIVE "COACHING: EFFECTIVE USE OF HR MANAGERS"

A training course for HR managers was offered in order to further expand the coaching services. In five sessions, which were held in English and German and spread across the time zones, the HR managers were introduced to the voestalpine Coaching offering and received a briefing on how to advise colleagues on the topic of coaching. This additional HR training initiative also served to clarify the difference between coaching and consulting as well as to recognize each manager's own coaching skills and their possible applications.

14.4.1 MANAGEMENT TRAINING

In the business year 2023/24, voestalpine continued to rely on its internally developed "value:program" to train current and future managers. What makes this program special—aside from the wide range of methods that leading international experts use to teach relevant skills—is the intensive participation by voestalpine's management (whether as presenters, project managers, or sparring partners, so to speak) in exchanges of experience. This mixture of external and internal know-how along with the Group-wide interest in ensuring that employees possess advanced qualifications make the value:program extremely successful and unique. Another one of the program's cornerstones is the participating executives' international make-up and diversity, which enables them to build personal networks across national boundaries and corporate divisions. The fact that the value:program participants also work on internal projects gives project mentors, in particular, insight into the benefits of having international teams from the most divergent corporate units and cultures.

In order to meet voestalpine's high quality standards, the individual modules are evaluated after each implementation and adapted if necessary. Changes are made, for example, based on feedback from participants, in order to set new priorities or to firmly anchor voestalpine's values.

In the business year 2023/24, 171 employees from 20 countries took part in this multi-stage management development program. As the nomination process for the value:program now stipulates a minimum proportion of female participants, the proportion of women has increased to 32.7%.

NEW FOCUS FOR LEADERSHIP MODULES

The focus of the leadership modules was realigned at the various levels of the value:program. On the one hand, there is an increased focus on energy leadership, with an emphasis on results-oriented and inspiring leadership (ambidexterity), and the management of both personal energy reserves and those of the team.

When it comes to experienced managers, sustainable leadership takes center stage. Sustainable leaders recognize, among other things, the interconnectedness of environmental, social, and economic systems and strive to create value for all stakeholders while considering the impact on future generations.

The realignment and shift in focus is intended to create awareness among future as well as established managers, and provide new perspectives to prepare them for the constantly changing and growing challenges in their own organization/society and in the market and working environment.

14.4.2 PROFESSIONAL ACADEMIES

In addition to its proven programs for managers and specialists, voestalpine also offers training programs for wage and salaried employees. The given employees expand their professional expertise in this context and enhance key soft skills such as teamwork, self reflection, and agility. Topics such as guiding values and corporate responsibility are explored as well. The voestalpine Group believes that, in addition to high levels of professional expertise, these competencies are important factors in employees' successful future advancement.

EARLY CAREER PROGRAM (ECP) AND voestalpine VALUES

The Early Career Program (ECP) is a unique training program for Group companies in Canada, Mexico, and the United States. The fourth iteration of the ECP started in February 2023 through an online kick-off via Webex. The other three modules took place at various voestalpine locations in North America (Atlanta, Toronto, and Chicago). In order to anchor the voestalpine values introduced in the business year 2022/23 even more firmly in the entire organization, the "voestalpine values" program item was implemented in the first module of the ECP.

DIGITAL AMBASSADOR QUALIFICATION PROGRAM

voestalpine High Performance Metals DIGITAL SOLUTIONS GmbH is organizing a five-day training program that provides participants with the necessary tools and knowledge to navigate the ever-changing digital landscape.

With four cultural and four technical modules, this program is designed to equip participants with the skills they need to succeed in an increasingly digital world. Topics range from digitalization strategies and cybersecurity measures to the use of robotics and artificial intelligence. Insights into the generation and use of machine data also contribute to immediately applying what has been learned to personal use cases, allowing participants to experience the effects of digitalization first hand.

Trained Digital Ambassadors actively support their company on its digital journey and are part of a constantly growing community that continues to exchange ideas even after the program. Since the business year 2023/24, the training has also been part of the Austrian training program and is therefore available to employees throughout the Group.

14.5 APPRENTICES/TRAINEES

As of the annual reporting date (March 31, 2024), the voestalpine Group was training 1,513 apprentices in about 50 skilled trades, the majority thereof (68.9%) at locations in Austria. A total of 15.0% of apprentices were being trained in Germany under the dual system applicable in that country. Because this training is based on defined needs, almost all of the apprentices who successfully complete their training are offered an employment contract. voestalpine clearly believes that it has the duty to invest in the training of young, skilled workers. In addition to excellent professional training, the focus also is on developing personal and social skills. On average, the Group invests more than EUR 90,000 in training each apprentice.

Numerous successes by voestalpine apprentices confirm the quality of their training, such as the European vice-champion title in the vocational category of plant electrical engineering at the EuroSkills vocational championships in Gdansk. voestalpine was also successful at the AustrianSkills2023 vocational championships: national champion and 1st to 3rd places in the plant and operating equipment category.

This means that voestalpine will once again be represented at WorldSkills2024 in France and at EuroSkills2025 in Denmark. This shows yet again that voestalpine is the industry's showcase for successful skilled worker training. The company will offer some

500 trainee slots in the next training year (starting in September 2024) in Austria, Germany, and Switzerland. One particular aim is to get girls interested in technical professions. The proportion of women in technical apprenticeships has doubled in the last ten years and currently stands at 22%. Measures such as participation in careers fairs and visits to schools as well as Girls' Day are intended to further increase the proportion of women, particularly in technical apprenticeships.

"I CHOOSE voestalpine" APPRENTICE CAMPAIGN

Under the motto "I choose," in 2022 voestalpine launched a completely new apprenticeship campaign that specifically addresses the needs of young people. The aim of the cross-media campaign is to highlight the future prospects of an apprenticeship and to make voestalpine tangible as an employer. voestalpine apprentices are the ambassadors and were involved in the development of the campaign. With the new video series "Des hot Sinn," we are continuing the success of the campaign across ten communication channels, including our own landing page (https://ichoose.voestalpine.com), social media, print media, and internal channels. TikTok and Snapchat are increasingly being used to address the very young target group, including our very own Snapchat filter.

GROUP APPRENTICE DAY

The Group Apprentice Day is a special event in an apprenticeship. In the program's final year, all trainees and apprentices are invited to the Group's headquarters in Linz to spend an eventful day that includes a talk with Management Board members, a tour of the plant, team challenges, along with a lot of other fun and action. Around 400 apprentices in their final year of training and their trainers from 40 sites in Austria, Germany, and Switzerland took the opportunity to meet in person and get to know the Group headquarters in Linz at the voestalpine Group Apprentice Day on October 10, 2023. After three years of being held virtually, the event took place for the first time as a live event at voestalpine Stahlwelt in Linz.

As a highlight, the entire voestalpine Management Board answered the apprentices' questions in a discussion round. Current topics such as the phased plan for greentec steel and the new special steel plant at the Kapfenberg site met with particularly great interest among the young people. With his keynote speech, EU Youth Ambassador and whatchado founder Ali Mahlodji motivated the young professionals to take their future into their own hands. Between the program items, there was also an opportunity for close exchanges with colleagues from other locations. It was a festival of appreciation and a powerful demonstration of the importance of apprenticeships! In recent years, around 4,800 apprentices have taken part in the eleven Apprentice Days and experienced this unique spirit.

14.6 THE STAHLSTIFTUNG

The Stahlstiftung (Steel Foundation) was founded in Linz, Austria, in 1987. Its aim was to provide employees of the VOEST-ALPINE Group (as it was called at the time) who had to leave the company due to a crisis, as well as employees of companies outside of the Group, with opportunities for reorienting themselves professionally.

Up to four years of training and continuing professional development are funded for this purpose. In the business year 2023/24, over 84% of the participants looking for work were able to develop a new professional perspective with the help of the Stahlstiftung.

As of the March 31, 2024, reporting date, Stahlstiftung has assisted 229 individuals, 67.7% of whom were former employees of the voestalpine Group. The total number of active Stahlstiftung participants in the business year 2023/24 was 379, which equates to a decrease of 17.9% compared with the previous business year (462 individuals).

The activities of 30 individuals on educational leave were also supported during the reporting period over and above the participants covered by the Stahlstiftung in its capacity as a classic employee fund. Additionally, individual consultations were provided in the business year 2023/24 to a total of 154 employees of the member companies of the Stahlstiftung to ensure their employability.

14.7 EMPLOYEE SHAREHOLDING SCHEME

voestalpine has had an employee shareholding scheme since 2001, which has been continually expanded in the intervening years. In addition to all Austrian employees, employees in United Kingdom, Germany, the Netherlands, Poland, Belgium, Czechia, Italy, Switzerland, Romania, Spain, and Sweden also have a stake in "their" company.

The voting rights associated with stock issued to employees are combined in the voestalpine Mitarbeiterbeteiligung Privatstiftung (employee foundation for the Group's employee shareholding scheme), making this entity a stable, key shareholder of voestalpine AG. As of March 31, 2024, a total of about 26,550 employees have a stake in voestalpine AG. They hold about 25.5 million shares which, due to the general bundling of voting rights, represent 14.3% of the company's share capital (previous year: 14.3%).

In addition, former employees of voestalpine hold approximately 0.9 million "private shares" via the foundation, i.e., 0.5% of the voting shares.

The foundation exercises the voting rights of these shares, too, as long as the given employees do not exercise their right to freely dispose of the shares. On the whole, therefore, as of March 31, 2024, the voting rights of 14.8% of the share capital of voestalpine AG are pooled in the foundation.

15. health & safety

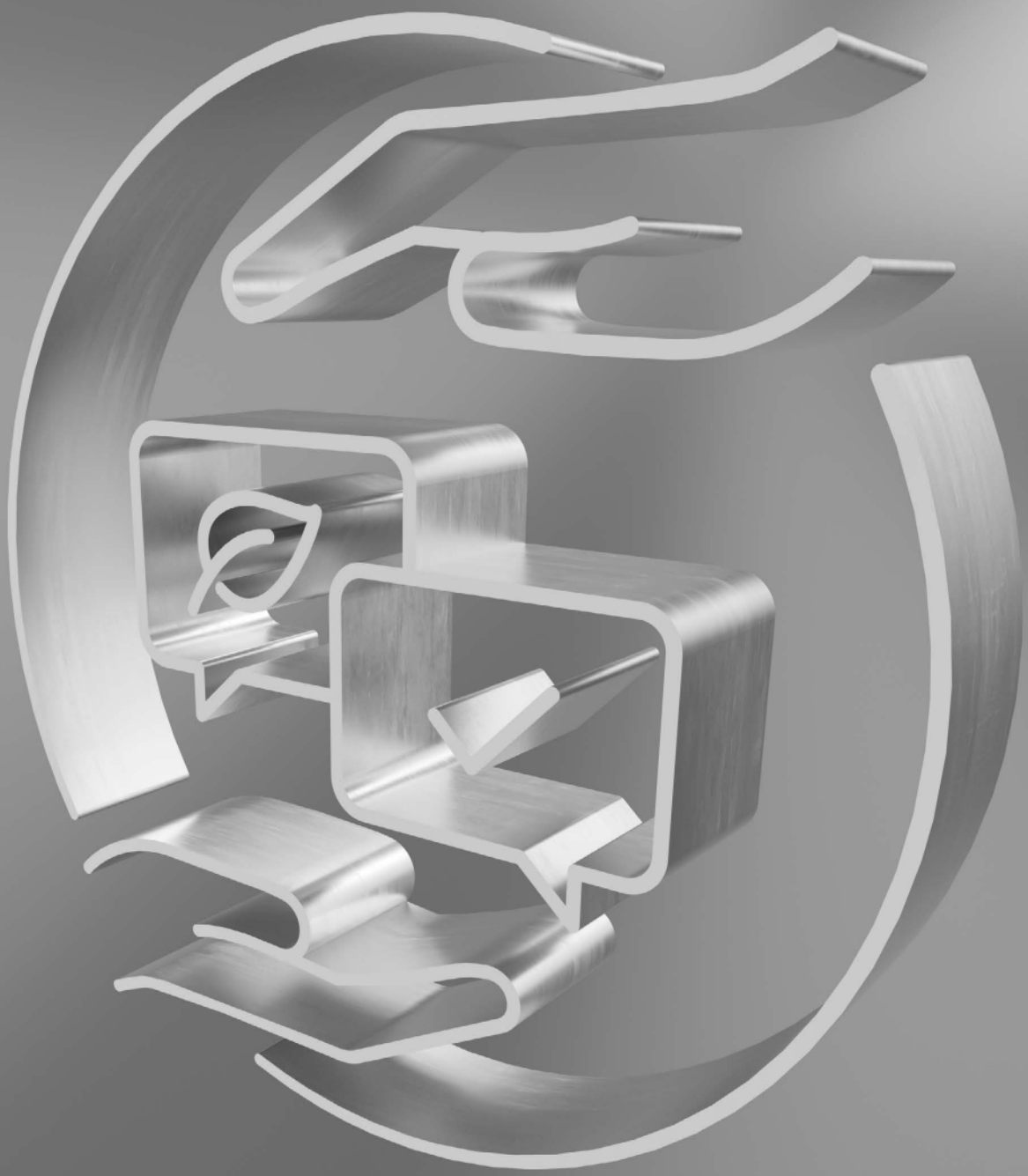
Safety at the workplace and the health of its employees are core voestalpine values and thus have highest priority. We continually work on lowering the accident frequency rate and raising the health of all employees, wherever they work and whatever their position in the voestalpine Group.
Safety standards that apply Group-wide are at the root of an effective health & safety culture. A safety code developed in this business year under the motto "Safety is non-negotiable" underscores the actively practiced safety culture.

voestalpine's health & safety values

Protecting its employees and their health is a central element of voestalpine's Sustainability Strategy. What matters, day in and day out, is to implement the Group's high standards at all facilities and refine them. We thus treat issues of health & safety with the same consistency and passion as we treat the quality of our products and processes. The "Safety is non-negotiable" safety code adopted in the business year 2023/24 clearly expresses this attitude. After all, sustainable success is only possible with healthy employees in a safe environment.

- >> Safety and health have the highest priority.
- >> Our executives stand for these core values, ensure consistent compliance with them, and assume leadership roles in doing so.
- >> Safe work practices (SWP) are a prerequisite for employment with voestalpine.
- >> Our employees' personal conduct at the workplace affects everybody's safety and health.
- >> Conscientious and responsible employees pay attention to themselves as well as to their co-workers.
- >> We also expect our contractors and partners to give priority to the safety and health of their employees.
- >> Healthy, unharmed employees are the foundation of a healthy and successful company.
- >> Every occupational accident is one too many and preventable.

OUR VISION: *Zero workplace accidents and no occupational illnesses*

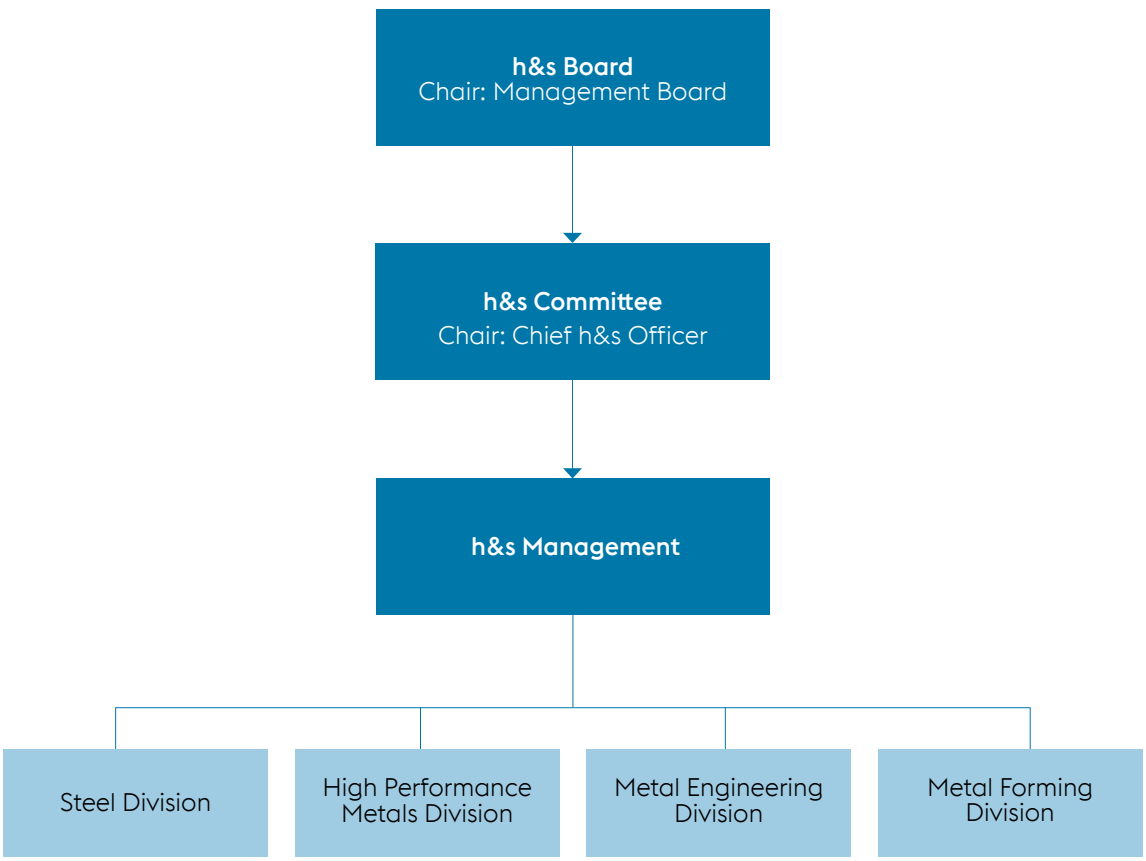


Employees &
Society

15.1 THE health & safety ORGANIZATION

The physical and mental health of all employees along with safety at the workplace are core voestalpine values. This is underscored by the fact that the corporate health & safety (h&s) unit reports directly to one of the members of voestalpine AG's Management Board. It is run by the Chief health & safety Officer and fosters cooperation across the Group. This unit and a health & safety Committee, which consists of employees from all four divisions and one Works Council representative, collaborate intensely on lowering the frequency of accidents.

voestalpine's health & safety unit continually fosters a health & safety culture that all employees throughout the Group embrace in practice. Aside from the Chief health & safety Officer, the h&s Board (comprising all Management Board members from all divisions), the h&s Committee, and managers in each division also have a role to play in this connection. Safety projects that serve to prevent accidents and strengthen people's awareness of safety issues are carried out in all divisions. Special attention is also paid to safety leadership.



The voestalpine Group has defined the following safety standards:

- >> Every production company must put in place a safety system appropriate to its size and the nature of its activities.
- >> Safety audits are measures aimed at checking the lived reality of the safety culture and must be conducted by production company executives.
- >> Near misses must be reported, analyzed, and documented. Appropriate actions must be devised and implemented based thereon.

The effectiveness of the Group-wide safety standards is reviewed annually using a Web-based tool and improved as necessary through appropriate action.

voestalpine's Management Board member responsible for workplace safety is required to perform annual safety audits in the given divisional entities. The given member of the executive management responsible for workplace safety at the defined entities is required to carry out quarterly safety audits. The lost time injury frequency rate (LTIFR) and the health status are the two key safety indicators that the companies compile uniformly throughout the Group.

15.2 LOST TIME INJURY FREQUENCY RATE

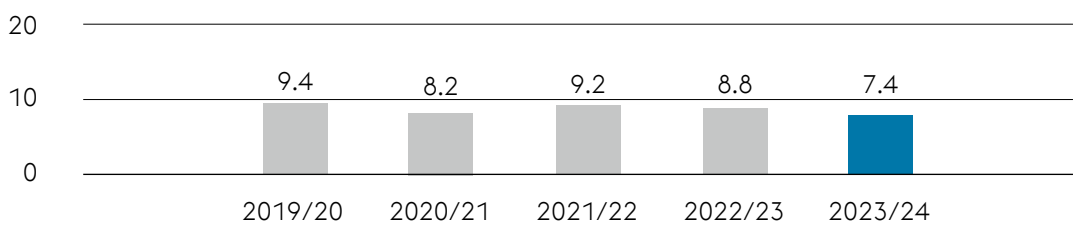
The LTIFR indicates the frequency of accidents based on the number of reportable workplace accidents entailing more than three sick days per one million hours of work performed. Given stark differences in the rules and regulations that apply in individual countries, the Group has established uniform definitions of reportable workplace accidents, sick days, and working hours.

The number of workplace accidents has dropped sharply in recent years thanks to consistent health & safety measures in the divisions. There were 633 reportable workplace accidents in the voestalpine Group during the business year 2023/24. Unfortunately, one voestalpine employee had a fatal accident.

In-person training courses on occupational safety were held at all locations, which explains the further decline in accident frequency in the business year 2023/24.

DEVELOPMENT OF THE LOST TIME INJURY FREQUENCY RATE (LTIFR)

As of the March 31 reporting date



The accident reports are recorded in a central database system for the purpose of carrying out event analyses and filing the information with the authorities. Appropriate improvement measures are adopted and communicated based on the findings of the event analyses.

The number of near misses is recorded in accordance with voestalpine's safety standards using a Group-wide Web-based health & safety tool. If compliance at a facility with the required processes is insufficient, the facility must report planned improvement measures along with the envisioned completion date in this Web-based tool.

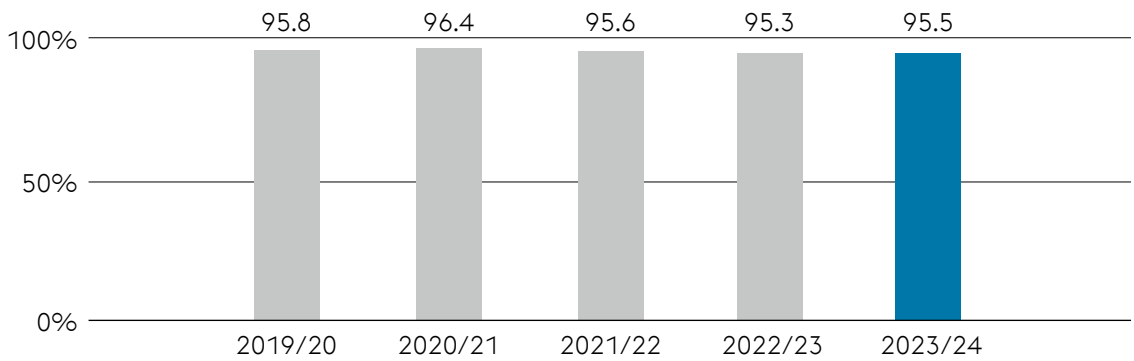
15.3 HEALTH STATUS

The health status shows the percentage of prescribed working hours during which all employees were actually present during a pre-defined period.

A high health status is not only good for the employees, it is also good for the company. It demonstrates the outcome of an effective health policy as well as the company's responsible and respectful attitude toward its employees. No matter how important it is to achieve a high health status, it is equally important to ensure that employees do not come to work when they are sick.

DEVELOPMENT OF THE HEALTH STATUS

in%, as of the March 31 reporting date



15.4 OCCUPATIONAL health & safety AND HEALTH PROMOTION

voestalpine's larger facilities (for example, Linz and Donawitz in Austria) have dedicated occupational health & safety centers that offer not only acute medical care, but also preventive care, physical therapy, vaccination campaigns, and psychological consulting. voestalpine's employees can use this medical support structure to avail themselves of the company's measures to promote employee health that surpass the statutory occupational health programs. At smaller facilities, occupational medical services are provided by select external partner entities.

There is no Group-wide guidance for such voluntary measures to promote employee health; instead, they are actively planned and carried out by the individual companies themselves. Such measures focus on movement and ergonomics; medical tests and exams; mental health; vaccinations; and healthy nutrition.

15.5 health & safety MANAGEMENT SYSTEMS

Absolutely all of voestalpine's production companies (with 48,000 employees) have a health & safety management system, and 76% of them are certified pursuant to ISO 45001 or an equivalent, national health & safety standard. This means that some 38,500 employees (80%) working in production are employed at a facility that has a certified occupational safety system.

About 80% of the safety experts and/or health & safety officers are employees of voestalpine; at smaller facilities, external experts are hired to provide these services. voestalpine implements absolutely all laws pertaining to the protection of employees in all countries in which it works. In addition, compliance with the health & safety Group guideline adopted by the Management Board of voestalpine AG in April 2021 is mandatory.

This guideline regulates the following issues:

- >> Our health & safety values
- >> Group-wide safety standards
- >> Reality check
- >> Safety for new employees
- >> Implementation responsibility

Of the relevant companies, 90% will be certified under ISO 45001 (or an equivalent, national health & safety standard) by the business year 2024/25.

15.6 health & safety TRAINING

voestalpine Group companies regularly hold safety meetings with all of their employees. A meeting between the respective master craftsperson and their staff is scheduled monthly. The safety experts and health & safety officers at the production plants explain occupational safety rules and regulations during the monthly 15-minute safety training modules. These regular meetings, which are also attended by the Works Council, serve to discuss and adopt measures aimed at improving workplace safety. The frequency of the meetings is contingent on the size of the given company and the participation of people from various levels of the hierarchy. Furthermore, physical safety inspections are conducted once every quarter by management, including once per year with joint participation by members of the Management Board.

All employees are required to complete the health & safety training, which is available in 15 languages. Both voestalpine's health & safety values and its safety standards are imparted in this online training, which supplements the face-to-face training.

These training sessions vividly demonstrate to employees how voestalpine's safety culture is developed and practiced. Training sessions are also conducted for management and master craftspeople.

As of calendar year 2024, a safety calendar highlighting specific safety behaviors for each month will be available (digital and print version).

15.7 OCCUPATIONAL SUPPORT — FOCUS ON HEALTH

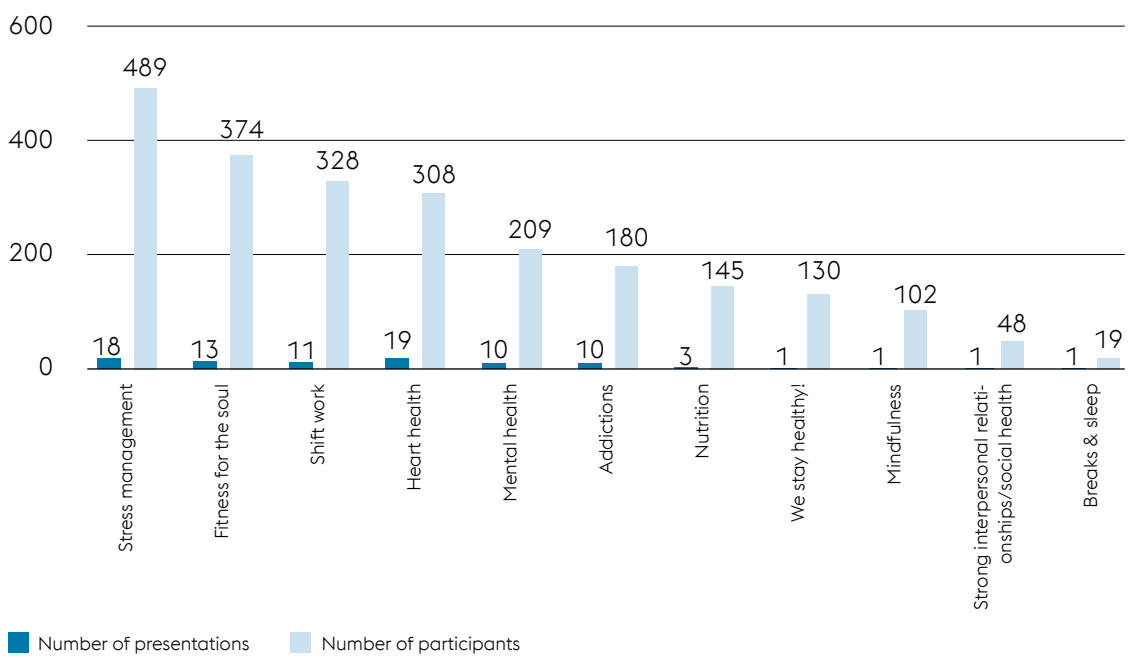
In the business year 2023/24, short presentations were once again given by occupational physicians and an occupational psychologist under the title "Focus on health." This enabled 2,332 people to be reached at their place of work. The focus was on stress management and shift work.

A safety and health center was set up near the company medical center on the plant premises in Linz. Here, employees can learn first hand about safety- and health-related behavior at numerous stations to become more aware of hazards in the workplace. The center is committed to fostering health at the workplace and offers personal protective equipment, information on the correct handling of hazardous substances and tools, and a virtual crane runway.

The "COVID-19 Concerns Hotline" set up during the pandemic as a low-threshold contact point for all employees was retained and developed into a general "Concerns Hotline." A clinical health psychologist is available for confidential discussions and also helps to find further support services during personal or health crises.

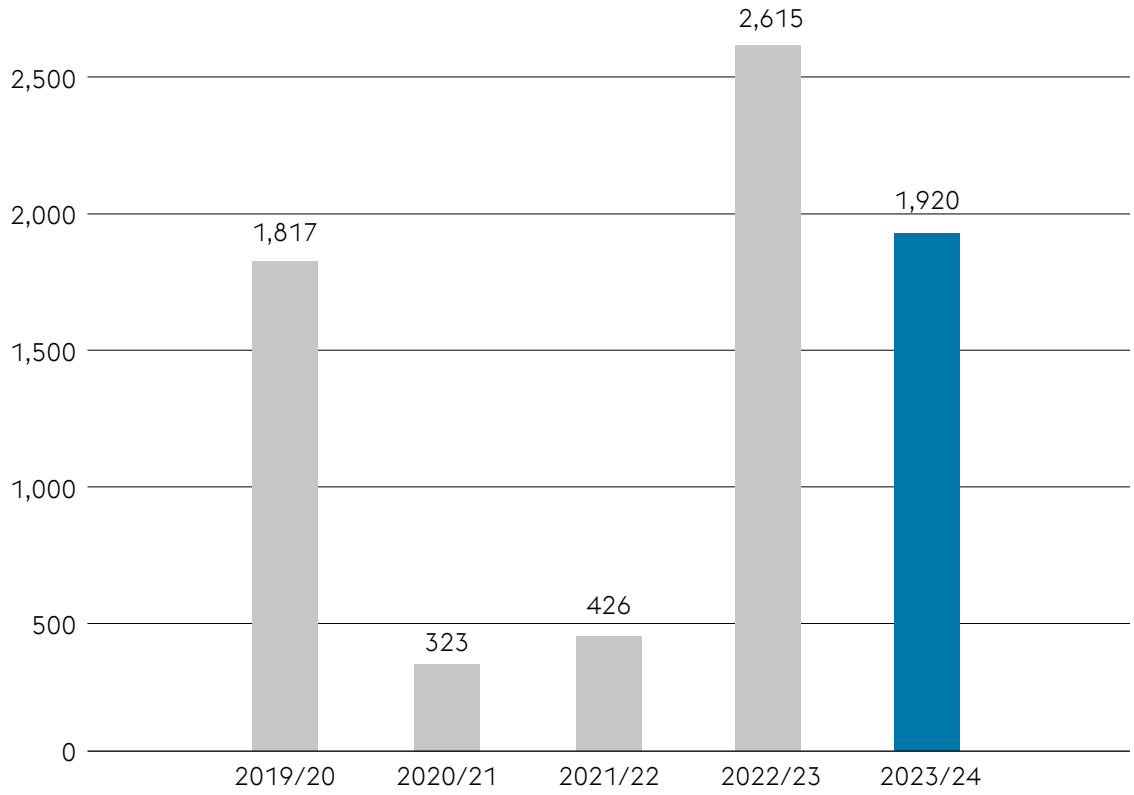
Another offer to promote more physical fitness in everyday working life is the online course "Strong back," which is run twice a week by a qualified physiotherapist. A total of 2,503 people were reached in 66 sessions.

PRESENTATIONS IN 2023/24



DEVELOPMENT OF THE TOTAL NUMBER OF PARTICIPANTS

As of January 16, 2024



BY 2022/23: Figure adjusted retrospectively

15.8 WORKPLACE SAFETY AT CONTRACTORS/THIRD-PARTY ENTITIES

voestalpine also works to protect the health and safety of third-party employees. Binding guidelines, which the employees of contractors and third-party entities must comply with, have been issued to this end.

Both compliance with voestalpine's safety standards and participation in safety training events are mandatory. At the company's locations in Austria, all employees of third-party entities who have completed voestalpine's safety training are given a badge that must be attached visibly to their clothing.

These training courses (Safety Training Environment; SATRE) are prescribed in the general terms and conditions for purchasing. Completion of these training courses is reviewed before the start of work and evaluated annually in the supplier assessment.

Temporary employees are treated the same as regular employees and are therefore also trained and instructed with respect to occupational safety.

16. SOCIETY

voestalpine has been putting its social responsibility into practice for decades—at both the Group level and in the orbit of its Group companies. Concrete projects in the arts, culture, and sports as well as in the social arena are selected at different facilities and sponsored through donations in money and in kind.

voestalpine cares run— "Together We Move the World"

As part of an internal social responsibility program, voestalpine is motivating its employees for the second time to get active in sports, and at the same time do something together for a good cause and for their own health. voestalpine donates the proceeds to social cooperation partners such as Hilfswerk International, UNICEF, the Red Cross, and Doctors Without Borders. This support is released in individual stages via an app, as the result of joint sporting activities undertaken by voestalpine employees. This is how athletic and charitable engagement are combined. Donations are automatically generated once voestalpine employees have reached a certain number of points. Up to 700,000 euros can be raised for the learning centers run by the Austrian Red Cross, UNICEF education programs in Ukraine and Brazil, mobile clinics and emergency kits supplied by Doctors Without Borders, and for basic humanitarian care provided by Hilfswerk International.

The following projects in Brazil, Austria, and Ukraine are being supported by the voestalpine cares run 2024:

Education and Digital Learning Center in Ukraine (UNICEF)	The war has had a massive impact on the education system, with 3,800 Ukrainian educational institutions damaged and 365 destroyed. 5.3 million children cannot attend school, which results in significant amounts of lost learning opportunities. The UNICEF education initiative aims to reach 1.2 million children and young people in Ukraine. 650,000 children are receiving psychosocial support, with 190 schools and kindergartens due to be renovated and reopened.
Humanitarian aid Ukraine (Hilfswerk International)	The suffering in Ukraine takes many forms. In addition to medical care, many of those affected can no longer afford the daily essentials. Hilfswerk International is distributing emergency aid packages at "Help Points" in order to provide families with food and basic necessities, including hygiene items, blankets, and warm clothing.

Emergency Disaster Relief RISK Kits (Doctors Without Borders)	The first 72 hours are crucial in an emergency. Doctors Without Borders must be on the ground with the necessary equipment within this time frame in order to save lives. The "Rapid Intervention Surgical Kit" (RISK Kit for short) is a portable "mini operating theater" developed for this purpose. The RISK Kit often means the difference between life and death in natural disasters and conflict zones.
Learning centers for children and young people in Austria (Austrian Red Cross)	One in ten young people in Austria drops out of training before completion. The Austrian Red Cross operates learning centers at 12 locations throughout Austria in an attempt to solve this problem. They enable children and young people from socially or educationally disadvantaged families to recognize their potential and receive support in successfully pursuing their own educational path.
Mobile clinics in Ukraine (Doctors Without Borders)	Access to healthcare is frequently disrupted in Ukraine. Doctors without Borders mobile clinic teams consisting of psychologists, doctors, and health advisors support Ukrainian communities with medical and psychological consultations in order to ensure continuous care.
Future prospects for young people in Brazil (UNICEF)	UNICEF's "1 Million Opportunities" initiative in Brazil is dedicated to giving young people access to high-quality education in STEM (science, technology, engineering, and mathematics) subjects. The project is already being implemented in over 1,800 communities and in 8 urban centers, mainly in the Amazon region and northern Brazil, and had reached around 590,000 children and young people by 2023.

The voestalpine cares run enables UNICEF to reach 4,500 schoolchildren with further training in STEM subjects, and to help 2,250 young people re-enter the education system through apprenticeships and internships.

With funds from the voestalpine cares run, Doctors Without Borders are able to fund the planning and logistics for medical equipment (e.g., RISK kits), staff training, and the creation of emergency plans in order to be ready for action more rapidly in the event of a crisis.

The voestalpine cares run supports Austrian Red Cross project participants in overcoming educational disadvantages and developing positive approaches to learning.

These examples show how voestalpine is once again moving the world together with the cares run in 2024, by collecting "digital cares" through running, walking, hiking or wheelchair use globally, and allowing these to be used for charitable purposes. This way, voestalpine is contributing towards sustainable development not only through its products, but also by supporting international aid projects.

MANAGEMENT BOARD
voestalpine AG

Herbert Eibensteiner

Franz Kainersdorfer

Gerald Mayer

Reinhard Nöbauer

Carola Richter

Hubert Zajicek

Linz, May 27, 2024

voestalpine

ONE STEP AHEAD.

Sustainable
Products &
Processes

17. APPENDIX

17.1 GRI CONTENT INDEX

Statement of Use	voestalpine AG has reported in accordance with the GRI Standards for the period from 04/01/2023 through 03/31/2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI industry standard	None applicable

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
GENERAL DISCLOSURES					
1. The organization and its reporting practices					
GRI 2: General Disclosures 2021	2-1 Organizational details	Pp. 8, 12-17	●		
	2-2 Entities included in the organization's sustainability reporting	P. 8; Annual Report [13]	●		
	2-3 Reporting period, frequency, and contact point	Pp. 10-11	●		
	2-4 Restatements of information	>>	●		The report contains some corrections of information from previous CR reports. These corrections are noted directly below the tables or diagrams in which a correction has been made.
	2-5 External assurance	Pp. 178-182	●		
2. Activities and workers					
GRI 2: General Disclosures 2021	2-6 Activities, value chain, and other business relationships	Pp. 16-17, 56, 59, 112; Annual Report [10]	●		
	2-7 Employees	Pp. 127-130	●	4	Given the data situation, it is not possible at this time to provide a more detailed Group-wide presentation of limited and unlimited employment contracts, nor are there consolidated data on the number of employees who do not have guaranteed hours of work. Group-wide employee data broken down by gender still follows the binary system. Hence the data are only broken down by women and men.
	2-8 Workers who are not employees	Pp. 127, >>	●	4	The number of temporary employees is measured by full-time equivalents (FTE) and is determined based on the number of hours they worked during the entire business year. At this time, data on contractual relationships with temporary employees and the type of work they provide for voestalpine are not collected Group-wide and thus are not reported.

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
3. Corporate Governance					
GRI 2: General Disclosures 2021	2-9 Management structure and composition	Pp. 22-24, 156; Annual Report [4]	●		
	2-10 Nomination and selection of the highest governance body	Annual Report [4]	●		
	2-11 Chair of the highest governance body	Pp. 71; Annual Report [4]	●		
	2-12 Role of the highest governance body in overseeing the management of impacts	Pp. 22-24, 30, 34, 60, 64, 146-147	●		
	2-13 Delegation of responsibility for managing impacts	Pp. 22-24, 67, 146-147	●		
	2-14 Role of the highest governance body in sustainability reporting	Pp. 22-24, 28, >>	●		The Management Board conducts the final internal review of the CR Report during a Management Board meeting. The report is reviewed and approved by the Supervisory Board at a Supervisory Board meeting.
	2-15 Conflicts of interest	Pp. 71; Annual Report [4]	●		
	2-16 Communication of critical concerns	Pp. 70, 76, >>	●		Critical concerns may be reported using the whistleblower system. The Whistle-blower Committee (Head of Compliance/ Head of Risk Management) regularly reports to the Management Board.
	2-17 Collective knowledge of the highest governance body	>>; Annual Report [4]	●		Given their functions, the members of the Management Board and those of the Supervisory Board are qualified to assess the company's effects in terms of sustainability.
	2-18 Evaluation of the performance of the highest governance body	>>; Compensation Report	●		The performance of the Management Board is assessed pursuant to a target agreement that comprises mainly business indicators and is agreed between the Management Board and the General Committee of the Supervisory Board. The General Committee's appraisal of the Management Board's performance does not take voestalpine's impact on the economy, the environment, and people into account.
	2-19 Compensation policies	Compensation Report	●		
	2-20 Process to determine compensation	Compensation Report	●		
	2-21 Ratio of the total annual compensation	Compensation Report; Annual Report [12]	○	4	The total annual compensation of the members of the Management Board and those of the Supervisory Board is disclosed in the Annual Report. As the median income of the company's labor force is not yet collected Group-wide, no ratio can be presented.

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
4. Strategy, policies, and practices					
GRI 2: General Disclosures 2021	2-22 Statement of use on sustainable development strategy	Pp. 6-7	●		
	2-23 Declaration of commitment to principles and practices	Pp. 30-39, 60, 64-66, 71; CoC; BPCoC; LCoC; HRP	●		
	2-24 Embedding policy commitments	Pp. 67-69, 74-76, 78-83	●		
	2-25 Processes to remediate negative impacts	Pp. 66, 70, 76; WS [1]; WB	●		
	2-26 Mechanism for seeking advice and raising concerns	Pp. 66, 70, 76; WS [1]; WB	●		
	2-27 Compliance with laws and regulations	Annual Report [11]	●		
	2-28 Membership of associations and interest groups	Pp. 176-177	●		
5. Stakeholder Engagement					
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Pp. 18-21	●		
	2-30 Collective bargaining agreements	P. 75	●		
MATERIAL TOPICS					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Pp. 24-28	●		
	3-2 List of material topics	P. 28	●		
Economic Performance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 33, 50-51; Annual Report [1]	●		

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	Annual Report [5,7,8]	●		
	201-2 Financial implications and other risks and opportunities due to climate change	Pp. 48-51, 93-95	●		
	201-3 Defined benefit plan obligations and other retirement plans	Annual Report [6,9]	●		
Procurement Practices					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 52-61	●		
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	P. 59	○	3	The percentages disclosed concern the number of suppliers and not the procurement volume per country. Data on the pro rata procurement expenditure are not disclosed due to non-disclosure agreements.
Anti-corruption					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 62-71	●		
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	P. 66, 68-69	○	4	Due to the data situation, it is not possible at this time to provide a consolidated description of the training by region and employee category.
Anti-competitive Behavior					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 62-71	●		
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Annual Report [11]	●		

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
Taxes					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 72-73	●		
GRI 207: Taxes 2019	207-1 Approach to tax	Pp. 72-73	●		
	207-2 Tax governance, control, and risk management	Pp. 72-73	●		
	207-3 Stakeholder engagement and management of concerns related to taxes	Pp. 72-73	●		
	207-4 Country-by-country reporting	Pp. 73, 170-171	●		
Materials					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 90-95, 106-107	●		
GRI 301: Materials 2016	301-2 Recycled input materials used	P. 106	●		
Energy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 90-95, 108	●		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pp. 108-109	●		No consumption of energy for heating and cooling, nor any consumption of steam energy. No sale of energy. Renewable energy is included in the "Other" category.
	302-3 Energy intensity	P. 109	●		
Water and Effluents					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 90-95, 105	●		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P. 105	●		
	303-3 Water withdrawal	P. 105	○	4	Total water withdrawal (item 303-3-a) is reported. The other items cannot be reported at this time due to the data situation.
	303-5 Water consumption	P. 105	○	4	Total water consumption (item 303-5-a) is reported. The other items cannot be reported at this time due to the data situation.

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
Emissions					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 48-51, 90-95, 96-98	●		
GRI 305: Emissions (2016)	305-1 Direct (Scope 1) GHG emissions	Pp. 98-99	●		There are no biogenic emissions.
	305-2 Energy indirect (Scope 2) GHG emissions	Pp. 98-99	●		
	305-3 Other indirect (Scope 3) GHG emissions	Pp. 98-99	○		The item biogenic emissions cannot be reported at this time due to the data situation.
	305-5 Reduction of GHG emissions	Pp. 93-94	●		
	305-7 Nitrogen oxides (NO_x), Sulfur oxides (SO_x) and other significant air emissions	Pp. 100-104, >>	○	4	The emissions data in the Report are based on measured data. Item 305-7-a-iii (persistent organic pollutants) cannot be reported at this time due to the data situation.
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 90-95, 106-107	●		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Pp. 106-107	●		
	306-2 Management of significant waste-related impacts	Pp. 106-107	●		
	306-3 Waste generated	P. 107	○	4	While the total weight of the waste generated is reported, it is not broken down by waste category but instead only by hazardous and non-hazardous waste. Given the data situation, it is not possible at this time to present the data by waste category.
Supplier Environmental Assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 52-61	●		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	>>	●		All new and existing raw materials suppliers related to steel production were screened using environmental criteria.

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
Employment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 126, 137-138; WS [2]	●		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pp. 130-131	○	4	The employee turnover rate relative to the total number of employees is reported. Given the data situation, it is not yet possible to report the employee turnover rate by age group, gender, and region, nor is it possible to disclose the new hire rate.
Occupational Health and Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 144-147, 149	●		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P. 149	●		
	403-2 Hazard identification, risk assessment, and incident investigation	Pp. 146-147	●		
	403-3 Occupational health services	P. 149	●		
	403-4 Worker participation, consultation, and communication on occupational health and safety	Pp. 146, 150	●		
	403-5 Worker training on occupational health and safety	P. 150	●		
	403-6 Promotion of worker health	Pp. 149, 151-152	●		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P. 153	●		
	403-8 Workers covered by an occupational health and safety management system	Pp. 8, 149, 153	●		
	403-9 Work-related injuries	Pp. 147-148	○	4	The number of fatalities as well as the number and rate of reportable workplace accidents are reported. Given the data situation, it is not yet possible to provide a more detailed presentation of the data on work-related injuries.

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
Training and Continuing Education					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 126, 139-142	●		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pp. 139-142	●	4	The total number of training hours is reported. Given the data situation, the average number of hours per employee cannot be broken down by gender and employee
	404-2 Programs for upgrading employee skills and transition assistance programs	Pp. 139-143	●		
Diversity and Equal Opportunity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 126, 132-133	●		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pp. 133-136; Annual Report [2.3]	●		
Freedom of Association and Collective Bargaining					
GRI 3: Material Topics 2021	3-3 Management of material topics	P. 75; BPCoC	●		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pp. 75, >>; BPCoC	●	4	The right to freedom of association and collective bargaining is not at risk at voestalpine's companies and operating sites. The Code of Conduct for Business Partners obliges suppliers to respect their employees' right to freedom of association and collective bargaining. Data on precisely which suppliers and the number of suppliers where these rights could be threatened regardless are not yet being collected Group-wide and thus cannot be presented.
Child labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 52-61	●		
GRI 408: Child labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Pp. 56-57	●		

GRI Standard	Disclosure	Location	Reported	Reasons for Omission	Declaration of Omission/ Other information
Forced or compulsory labor					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 52-61	●		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk of incidents of forced or compulsory labor	Pp. 56-57	●		
Supplier Social Assessment					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 52-61	●		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	>>	●		All new and existing raw materials suppliers related to steel production were screened using social criteria.
Public Policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Pp. 62-70; LCoC	●		
GRI 415: Public Policy 2016	415-1	>>	●		In the reporting period, voestalpine did not make any donations or other contributions to politicians and political parties.

KEY	
P. 10	See page 10 of this Corporate Responsibility Report for information on this disclosure.
>>	Information on this disclosure is contained directly in the column Explanation of Omission/Other Information of the GRI Content Index.
Annual Report	Link to the Annual Report 2023/24: https://reports.voestalpine.com/2324/ar/_assets/downloads/entire-va-ar2324.pdf
	Annual Report [1] Overview of the voestalpine Group Annual Report [2] Supervisory Board of voestalpine AG Annual Report [3] Management Board of voestalpine AG Annual Report [4] Consolidated Corporate Governance Report Annual Report [5] Group Management Report Annual Report [6] Consolidated statement of financial position Annual Report [7] Consolidated cash flow statement Annual Report [8] Consolidated statement of comprehensive income Annual Report [9] Pensions and other employee obligations Annual Report [10] Scope of consolidation Annual Report [11] Provisions Annual Report [12] Related Party Disclosures Annual Report [13] Investments

Compensation Report	Link to the Compensation Report 2023/24 for Management Board Members and Supervisory Board Members: https://www.voestalpine.com/group/static/sites/group/.downloads/en/share/agm/agm2024/2024-agm-compensation-report-for-members-of-the-management-board-and-supervisory-board.pdf
CoC	Link to the Code of Conduct: https://www.voestalpine.com/group/static/sites/group/.downloads/de/konzern/compliance/Code-of-Conduct-EN.pdf
BPCoC	Link to the Code of Conduct for Business Partners; https://www.voestalpine.com/group/static/sites/group/.downloads/de/konzern/compliance/Code-of-Conduct-for-voestalpine-Business-Partners-EN.pdf
LCoC	Link to the Code of Conduct for Lobbyists: https://cdnstorevoestalpine.blob.core.windows.net/image-container/814856/original/Lobbying_Code_of_Conduct.pdf
HRP	Link to the Human Rights Policy: https://www.voestalpine.com/group/de/konzern/corporate-responsibility/menschenrechte/human-rights-policy/
WS WS [1] WS [2]	Links to the website of voestalpine AG https://www.voestalpine.com/group/en/group/compliance/reporting-misconduct/ https://www.voestalpine.com/group/en/jobs/working-at-voestalpine/
WB (Whistleblower system)	Link to the whistleblower system: https://www.bkms-system.net/bkwebanon/report/clientInfo?cin=21valp15&c=-1&language=eng
Reported	● Fully reported / No omissions
	◐ Partially reported / Omission of individual items of the disclosure
	○ Not reported / Disclosure omitted
Reasons for omission	1 Not applicable 2 Explicit legal prohibitions 3 Limited due to non-disclosure agreements 4 Information not available/incomplete

17.2 TCFD INDEX

TCFD Index		
Recommendations and recommended disclosures		
	Governance	**CDP Climate Change 2023**
Disclose the organization's governance around climate-related risks and opportunities	a) Describe the Management Board's oversight of climate-related risks and opportunities.	C1.1a / C1.1b
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	C1.1a / C1.1d C1.2
	Strategy	
Disclose the actual and potential impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning (where such information is material).	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	C2.1a C2.3 C2.3a C2.4 C2.4a
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	C2.3a C2.4a C3.1 C3.1b C3.1d
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	C3.1 / C3.1a C3.1b
	Risk Management	
Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	C2.1a C2.1b C2.2
	b) Describe the organization's processes for managing climate-related risks.	C2.1 C2.2
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	C2.1 C2.2a
	Metrics and Targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities (where such information is material).	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	C2.3 C2.3a C2.4 / C2.4a
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	C6 C7
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	C4

Corporate Responsibility

17.3 TAXES: COUNTRY-BY-COUNTRY REPORTING

Tax jurisdiction	Main activity	Number of employees[1]	Revenue from third-party transactions[2]	Revenue from intra-Group transactions with other tax jurisdictions[3]	Profit before tax[4]
ARE	Sales	22	42,927	79	299
ARG	Sales	71	26,198	0	4,375
AUS	Production, sales	330	151,213	0	13,803
AUT	Production, sales, services	23,620	8,799,712	1,791,475	793,694[9]
BEL	Production	671	277,959	35,665	31,540
BGR	Production	123	13,267	3,111	1,264
BRA	Production	2,477	585,824	63,451	35,370
CAN	Production, sales	258	101,961	4,290	-4,306
CHE	Sales	125	99,668	154	1,334
CHN	Production, sales	2,304	593,047	9,987	67,244
COL	Sales	70	7,430	40	529
CZE	Production, sales	360	58,578	59,256	6,732
DEU	Production, sales	7,600	1,879,736	487,256	-300,746
DNK	Sales	14	9,142	14	648
ECU	Sales	34	3,029	0	-34
EGY	Production	39	4	0	-1,079
ESP	Production, sales	306	96,271	20,562	1,818
FIN	Sales	10	9,704	0	195
FRA	Production, sales	872	268,078	23,891	10,394
GBR	Production, sales	737	284,895	4,303	69,308
GRC	Sales	4	3,658	0	-36
HKG	Sales	6	1,035	193	-1,774
HUN	Production, sales	269	63,526	852	8,280
IDN	Production, sales	190	10,231	12,339	-241
IND	Production, sales	902	115,243	5,962	8,549
ITA	Production, sales	598	238,252	44,525	14,401
JPN	Sales	80	29,532	544	1,472
KOR	Sales	47	11,388	0	-178
LTU	Production	81	8,029	8,552	1,188
LVA	Production	6	7,698	81	84
MEX	Production	637	84,134	15,462	9,801
MYS	Sales	70	6,300	19	-188
NLD	Production, sales	1,287	552,867	12,593	61,770
NOR	Sales	1	2,220	7	7,937
PER	Sales	88	9,610	0	651
POL	Production, sales	898	317,833	6,223	3,216
PRT	Production	36	2,658	685	195
ROU	Production, sales	863	217,520	18,620	36,690
RUS [10]	Sales	6	28	0	-211
SAU	Production	61	5,290	0	171
SGP	Sales	155	102,926	149,627	27,242
SVK	Sales	26	6,185	0	1,076
SWE	Production, sales	1,147	85,063	264,291	5,452
THA	Production, sales	121	15,410	570	-681
TUR	Production, sales	297	54,459	3,652	728
TWN	Sales	107	10,784	479	1,524
USA	Production, sales	2,978	1,315,533	27,029	-16,802
VNM	Sales	65	3,527	0	-248
ZAF	Production	520	94,707	0	12,525

Property, plant, and equipment[5]	Income tax paid[6]	Tax expense incurred[7]	Reasons for the difference between the tax incurred and the tax expense determined by application of the standard tax rate on the profit before tax[8]
422	0	0	
949	568	1,933	
17,299	1,693	3,817	
4,145,415	41,018	47,293	a), b), e)
57,511	7,500	7,431	
3,983	169	168	
129,684	9,387	7,427	a), b), e), f)
24,114	34	139	
16,760	449	534	
151,309	12,776	15,643	d)
2,142	-199	199	
34,279	1,378	1,017	
454,926	4,971	9,009	c)
683	182	132	
673	0	2	
726	0	1	
18,289	305	522	
1,236	136	18	
67,509	3,766	1,866	
39,657	3,878	6,357	a), f)
70	0	0	
130	0	0	
11,588	418	735	
3,315	248	316	
28,113	1,670	2,256	
63,421	3,200	2,980	a), f)
6,142	-51	324	
4,253	-49	12	
3,659	105	207	
190	0	0	
30,175	2,075	1,692	e)
3,898	38	15	
125,278	12,578	6,646	a)
11	194	344	f)
2,173	262	262	
49,616	1,062	1,253	
1,462	57	89	
45,025	4,455	5,284	
330	0	0	
2,826	63	54	
11,791	1,157	1,797	a), b)
1,061	192	224	
142,186	15,709	168	
4,290	0	0	
4,844	0	11	
4,252	180	267	
224,314	24,406	-11,648	a), b), f)
1,861	0	0	
21,291	625	2,142	d)

1 The "number of employees" metric refers to the total number of employees in all business units within a tax jurisdiction. The number of employees is based on full-time equivalents (FTEs). The number of employees refers to the status as of the end of the respective business year.

2 The "Revenue" metric concerns the total revenue generated by all business units within a tax jurisdiction. There are no deviations from the revenue shown in the Consolidated Financial Statements.

3 This metric includes revenue from intra-Group transactions of all business units within a tax jurisdiction with those in other tax jurisdictions.

4 The "Profit before tax" metric concerns the total profit before tax of all business units within a tax jurisdiction. Deviations from the Consolidated Financial Statements arise, in particular, from the fact that the metric contains figures added country by country, whereas the Consolidated Financial Statements contain consolidated figures.

5 The "Property, plant, and equipment" metric equates to the net carrying amount of all property, plant, and equipment belonging to the business units within a tax jurisdiction as of the end of the respective business year. There are no deviations from the property, plant, and equipment shown in the Consolidated Financial Statements.

6 The metric referring to the income tax paid concerns the total income tax paid by all business units within a tax jurisdiction.

7 The metric referring to the income tax incurred concerns the total of all income taxes of all business units within a tax jurisdiction, excluding deferred taxes and provisions for uncertain tax items.

8 An expected tax expense may be determined based on the regular tax rate applicable to the "Profit before tax" metric. Temporary differences and effects from prior periods may result in differences between the actual tax expense and the expected tax expense. Key differences between the actual tax expense and the expected tax expense in individual countries arise from:

a) Tax-exempt income (e.g., investment income)
b) Non-deductible expenses
c) The GRI metric "Profit before tax" includes the total of all earnings of all business units, but the tax assessment is carried out by business unit (with no offsetting of all subsidiaries' gains and losses).
d) Special tax assessment regime/tax incentives
e) Use of tax loss carryforwards and/or carrybacks
f) Temporary differences and effects from prior periods

9 This metric contains a large percentage of tax-exempt investment income, in part multi-level, especially in Austria.

10 Operating activities discontinued at the beginning of the 2023/24 business year

17.4 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 in the business year 2021/22. 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 workers.

Principle 4: Labor Rights
ResponsibleSteel certified sites respect the rights of workers and support worker 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: Water Stewardship
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/*

17.5 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.

WE SUPPORT

UN GLOBAL COMPACT

17.6 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

17.7 MEMBERSHIPS

voestalpine AG and its Group companies belong to numerous federations, associations, and special interest groups and participate in working groups or work on projects through their employees. The following provides a selection of the memberships that are relevant with respect to corporate responsibility (CR).

Arbeitsgemeinschaft für betriebliche Altersversorgung e.V. (German Association for Occupational Pensions, ABA)	Germany
Altstoff Recycling Austria Verein (ARA)	Austria
ARGE OÖ Arbeitsstiftungen (Upper Austria Employee Funds for Senior Homes)	Austria
Associação de Recursos Humanos (ARH Serrana)	Brazil
The Austrian Society for Metallurgy and Materials (ASMET)	Austria
Austrian Standards Institute (ASI)	Austria
Allgemeine Unfallversicherungsanstalt (General Accident Insurer, AUVA)	Austria
B.C. Human Resources Management Association	Canada
Berufliches Bildungs- und Rehabilitationszentrum (Vocational Training and Rehabilitation Center, BBRZ)	Austria
Beijing HR Association	China
Bergmännischer Verband Österreichs (Austrian Miners Association)	Austria
British Standards Institution (BSI)	United Kingdom
Christian Doppler Forschungsgesellschaft (a research institute, CDG)	Austria
Compliance Institute of Southern Africa (CISA)	South Africa
COMET / K1–MET	Austria
Compliance Link	United Kingdom
Compliance Praxis – Compliance Netzwerk Austria	Austria
Dachverband der arbeitsmedizinischen Zentren Österreichs (Umbrella Organization of Austria's Occupational Health and Safety Centers)	Austria
Deutsche Gesellschaft für Personalführung e.V. (German Society for HR Management, DGFP)	Germany
European Green Vehicles Initiative Association (EGVIA)	Belgium
Eco-Management and Audit Scheme (EMAS)	Austria
European Steel Technology Platform (ESTEP)	Belgium
The European Steel Association (EUROFER)	Belgium
European Wind Energy Association (EWEA), renamed WindEurope	Belgium
Austrian Research Promotion Agency (FFG)	Austria

Forschungsvereinigung Stahlanwendung e.V. (Research Association for Steel Applications, FOSTA)	Germany
Hong Kong People Management Association	China
International High Speed Steel Research Forum (HSS Forum)	Germany
Informelle Plattform österreichischer Arbeitsstiftungen (Informal Platform of Austrian Labor Funds)	Austria
Institute of Safety Management	USA
Korean Employers Federation	South Korea
LIMAK – Austrian Business School	Austria
Montanhistorischer Verein Österreich (Historical Mining Association Austria)	Austria
Nederland CO_2 Neutraal	Netherlands
Österreichische Gesellschaft für Arbeitsmedizin (Austrian Society for Occupational Safety and Health, ÖGA)	Austria
Österreichische Vereinigung für Qualitätssicherung (Austrian Society for Quality Assurance, ÖVQ)	Austria
Austria's Energy	Austria
Photovoltaic Austria Federal Association (PV Austria)	Austria
Bundesverband der PhysiotherapeutInnen Österreichs (Federal Association of Austria's Physiotherapists, Physio Austria)	Austria
Austrian Business Council for Sustainable Development (respACT)	Austria
ResponsibleSteel	Australia
Research Fund for Coal and Steel (RFCS)	Belgium
Rail Forum Europe (RFE)	Belgium
Rat für Forschung und Technologie für Oberösterreich (Council for Research & Technology in Upper Austria, RFT OÖ)	Austria
Royal Society for the Prevention of Accidents (RoSPA)	United Kingdom
Shanghai Institute of Labor and Social Security	China
Singapore National Employers Federation (SNEF)	Singapore
Sustainable Process Industry through Resource and Energy Efficiency (SPIRE)	Belgium
The Employers Association of Indonesia	Indonesia
The Women Secretaries & Administrative Professionals Association of Thailand (WSAT)	Thailand
Technology and Society Forum of the TU Graz	Austria
United Nations Global Compact (UNGC)	USA
Verein zur Förderung von Forschung und Innovation (Association for the Promotion of Research & Innovation, vffi)	Austria
Verband Österreichische Sicherheits-Ingenieure (Association of Austrian Safety Engineers, VÖSI)	Austria
WIFI Upper Austria, Labor & Personnel Forum	Austria
World Steel Association (worldsteel)	Belgium
Forschungsgesellschaft für die technologische Industrie (Research Association for the Technological Industry, WTCM)	Belgium

17.8 INDEPENDENT ASSURANCE REPORT

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To the management board of
voestalpine AG
Linz

Courtesy Translation of the Audit Report of the

Independent Assurance on Non-Financial Reporting*

Introduction

We have performed audit procedures to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the consolidated non-financial report as of March 31, 2024 has not been prepared, in all material respects, in accordance with the reporting criteria. The reporting criteria consist of the GRI Standards issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG).

Furthermore, we have performed procedures to obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the EU taxonomy information disclosed is not prepared, in all material respects, in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and complementary Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139.

Responsibility of the management

The legal representatives of voestalpine AG are responsible for the preparation of the report content in accordance with the reporting criteria and for the selection of the disclosures to be verified. The reporting criteria consist of the GRI Standards issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG). Furthermore, they are responsible for reporting the disclosed information on the EU taxonomy in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and complementary Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139.

This responsibility of the management of the company includes the selection and application of appropriate methods for preparing the report, making assumptions and estimates of

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individual non-financial disclosures that are plausible under the given circumstances. The responsibility further includes the internal controls, which have been determined as necessary by the management to enable the preparation of a consolidated non-financial report that is free from misstatement, whether due to fraud or error.

Responsibility of the auditor

Our responsibility is to express a limited assurance opinion as to whether any matters have come to our attention that cause us to believe that the consolidated non-financial report as of March 31, 2024 has not been prepared, in all material respects, in accordance with the reporting criteria. The reporting criteria consist of the GRI Standards issued by the Global Sustainability Standards Board (GSSB) and the reporting requirements mentioned in § 267a UGB (NaDiVeG).

Furthermore, it is our responsibility to express a limited assurance opinion as to whether any matters have come to our attention that cause us to believe that the EU taxonomy information disclosed is not prepared, in all material respects, in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and complementary Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139.

We conducted our engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised), “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board (IAASB) in order to obtain limited assurance on the subject matters.

ISAE 3000 (Revised) requires us to plan and perform the engagement in a way that enables us to obtain limited assurance that nothing has come to our attention that causes us to believe that the consolidated non-financial report has not, in any material aspect, been prepared in accordance with the GRI Standards and the reporting requirements mentioned in § 267a UGB (NaDiVeG), and that the disclosed information on the EU taxonomy has not been prepared in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and complementary Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139.

In a limited assurance engagement, the evidence-gathering procedures are more limited than in a reasonable assurance engagement and therefore, less assurance can be obtained. The choice of audit procedures lies in the due discretion of the auditor.

As part of our audit, we have performed, inter alia, the following audit procedures and other activities as far as they are relevant to the limited assurance engagement:

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- Interview of the employees named by voestalpine AG regarding the sustainability strategy, the sustainability principles and the sustainability management
- Interviews of employees of voestalpine AG to assess the methods of data collection, data processing and internal controls
- Matching the non-financial disclosures shown in the consolidated non-financial report with the documents provided
- Conducting a media analysis
- Review of the disclosed information according to § 267a UGB and GRI Standards
- Review of the disclosed information on the EU taxonomy for compliance with Regulation (EU) 2020/852 (Taxonomy Regulation) and complementary Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139

We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our assessment.

The objective of our engagement is neither an audit of financial statements nor an auditor's review of financial statements. Likewise, neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust and administrative offenses, nor the assessment of the effectiveness and efficiency of the management is the object of our engagement.

Summarized Conclusion

Based on our work and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial report of voestalpine AG as of March 31, 2024, has not, in any material aspects, been prepared in accordance with GRI Standards.

Furthermore, based on our work and the evidence we have obtained, nothing has come to our attention that causes us to believe that the reporting requirements of § 267a UGB (NaDiVeG) are not met by the consolidated non-financial report.

Additionally, based on our audit procedures and the evidence we have obtained, nothing has come to our attention that causes us to believe that the disclosed information on the EU taxonomy has not been prepared in accordance with Regulation (EU) 2020/852 (Taxonomy Regulation) and complementary Delegated Regulations (EU) 2021/2178 and (EU) 2021/2139.

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Conditions of Contract

The basis for this engagement are the "General Conditions of Contract for the Public Accounting Professions", as issued by the Austrian Chamber of Tax Advisers and Auditors (according to appendix). In accordance with chapter 7 of these terms and conditions, our liability shall be limited to intent and gross negligence. In cases of gross negligence, the maximum liability is limited to a maximum of five times the fee. This amount constitutes a total maximum liability cap, which may only be utilized once up to this maximum amount, even if there is more than one claimant or more than one claim has been asserted.

Vienna

May 27, 2024

Deloitte Audit Wirtschaftsprüfungs GmbH

(signed by:)
Mag. Alfred Ripka
Austrian Certified Public Accountant

*) **Attention:** This report has been translated from German to English for referencing purposes only. Please refer to the officially legally binding version as written and signed in German. Only the German version is the legally binding version.

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