

1. PREFACE

Ladies and Gentlemen!
Dear Readers:

As an international group, we are responsible for a world in which we produce and for the people who are part and parcel of our journey. This is why voestalpine has been thinking intensively about sustainability issues for many years. Our actions have long been aligned with our environmental and social responsibilities, thus also ensuring our company's success and competitiveness over the long term. Our Sustainability Strategy defines the quantitative and qualitative targets we have set ourselves to contribute to a better and more secure future. This Corporate Responsibility Report gives us the opportunity to tell you about our priorities in the business year 2022/23.

For one, we continued to work intensively on the greentec steel program. In March 2023, the Supervisory Board of voestalpine AG approved EUR 1.5 billion in investment funding necessary for the ongoing decarbonization of our steel production. We plan—in a first step—to replace one blast furnace each with an electric arc furnace (EAF) at our plants in Linz and Donawitz (both Austria) starting in calendar year 2027. This partial switch from the blast furnace route to the electric arc route will allow us to lower our CO₂ emissions by up to 30% as early as 2027, cutting four million tons of CO₂ emissions per year. That's almost 5% of Austria's total CO₂ emissions. The construction of the two electric arc furnaces is slated to begin in 2024, but the exact implementation date still hinges on open funding issues in Austria. Furthermore, in order to achieve CO₂ neutrality by 2050, we are already conducting research into several new pro-

cesses and procedures, and are investing in pilot projects that demonstrate new pathways in steel production.

In our capacity as the industry's benchmark in matters related to the environment and efficiency, we are also setting new standards in photovoltaics (PV). Group-wide, photovoltaic systems have already been installed on a total surface area of 760,000 square meters with an output of 138 MWp. Yet more projects are planned. These investments help to further reduce our dependence on fossil fuels.

voestalpine is a global Group that comprises about 500 Group companies and facilities on all five continents. Operating on a global scale obliges us to pay particular attention to the fundamental rules of human interaction. Respect for human rights is a precept that governs the actions of all our companies. 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. In March 2023, the Management Board of voestalpine adopted the Group's new Human Rights Policy. Among others, it states unequivocally that voestalpine does not tolerate child labor, forced labor, human trafficking, or modern slavery—neither within the Group, nor in its supply chain. Over and above the foregoing, we are committed as well to diversity and equal opportunity and do not tolerate any discrimination whatsoever.

All voestalpine employees must complete e-learning courses on human rights issues in both their day-to-day work and the supply chain.

Our work culture, our focus on diversity, and our values are also reflected in the new gender guidelines we implemented in the business year ended. Language is an effective tool for promoting fairness between the sexes. The way we express ourselves—in words and images—affects the way we think and act.

Day in and day out, our employees join forces to contribute to voestalpine's success. Thankfully, their commitment goes far beyond their work: The "voestalpine cares run" is but one example of this attitude. Our employees use the run to showcase their athletic prowess and win digital points by running, walking, hiking, wheelchair racing, or handcycling. voestalpine then converts these digital points into charitable donations. Hence the "voestalpine cares run" promotes not only employees' health consciousness but also their sense of community across companies and national borders. The donations are funneled to select international assistance projects.

In the business year ended, we celebrated the anniversary of a special institution: For the past 35 years, the Stahlstiftung (Steel Foundation) has been supporting people who have lost their jobs due to economic or structural changes. This valuable labor market policy instrument

has proven its worth in the past decades—especially (but not only) in economically challenging times—and is considered a model even beyond Austria. Given the ever-increasing speed of change in the workplace, people must acquire sufficient qualifications and professional credentials to properly prepare them for the requirements of the labor market. Stahlstiftung's success rate is 90%. This means that almost all individuals who conducted their job search with the foundation's help found a new job.

The present Corporate Responsibility Report vividly illustrates the ways we implement our Sustainability Strategy day after day—not by making headlines, but through real projects that carry weight and have an effect. At this point, I want to thank our employees around the globe for their commitment. We would be unable to achieve our ambitious goals without their enthusiasm for our values, and without their daily work. As before, we will do everything in our power going forward to ensure that our employees are treated fairly and supported, and that they always get the respect they deserve.

I hope you enjoy reading our informative Corporate Responsibility Report 2022/23.

Yours truly, Herbert Eibensteiner
CEO of voestalpine AG

2. ABOUT THIS REPORT

This is voestalpine AG's eighth 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 and performance. The CR Report gives stakeholders insight into the Group's 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 disclosed 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 120 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 CR Report's parameters with respect to the environmental data accords with both 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 175 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 gives 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 Com-

mercial Code (Unternehmensgesetzbuch, UGB). The disclosure of information in this CR Report regarding the EU Taxonomy complies with Taxonomy Regulation (EU) 2020/852 as well as with the requirements published as an amendment to the Regulation on June 4, 2021 (technical criteria) and on July 6, 2021 (Article 8). Given the incremental introduction of the EU Taxonomy, in the business year 2021/22 voestalpine already had to show the taxonomy-eligible portion of its revenue, capital expenditures (CapEx), and operating expenditures (OpEx) for the first two environmental targets. The reporting for the business year 2022/23 was expanded by the taxonomy-compliant portions regarding the published environmental targets, again in accordance with applicable requirements.

BENCHMARK 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 manufac-

tured 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 addresses the issues that are relevant to the Group's sustainable development continuously and systematically. Both external and internal stakeholders were included in the process of

determining the content of, and the material topics covered by, this CR Report (see the chapter, "Stakeholder and CR Management").

MATERIAL CHANGES IN THE GROUP AND IN THE SUPPLY CHAIN

The sale of 80% of the voestalpine Group's equity interest in voestalpine Texas LLC finalized a significant divestment during the business year 2022/23. Based on a detailed analysis and taking into account all strategic alternatives, the decision was made in the business year ended to continue developing the business model of the direct reduction plant in Texas, USA, jointly with a partner. In addition to a non-controlling

interest of 20%, the voestalpine Group also secured for itself an annual delivery volume of 420,000 tons of hot briquetted iron (HBI). The closing of this long-term contract supports the implementation of the first step in the decarbonization of voestalpine's steel production in Linz and Donawitz (both Austria). The disposal of the Texas plant did not significantly change the benchmark for the specific environmental data.

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 2022/23 is the reporting period for the key financial indicators as well as the employee and health & safety data, the environmental data are compiled by calendar year. Hence the calendar year 2022 is the reporting period for the environmental perfor-

mance indicators. Most of the indicators are shown for the periods going back to the business year 2018/19 or the calendar year 2018 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. The CR Fact Sheet, which summarizes the Report's key figures and facts, is also published an-

nually and simultaneously with the CR Report. This Report was published on July 5, 2023.

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. The CR Fact Sheet is available in 14 languages.

VISUAL DESIGN

The visual design of this Report takes up the increasingly important topic of biodiversity and thus aims to visualize the world's biological diversity. Issues of habitat diversity are very important to voestalpine, too. For example, numerous measures are being taken at the Group's facility in Wetzlar, Germany, to protect various wildlife species. In particular, threatened species of lizard, such as the sand lizard (*Lacerta agilis*) or the smooth snake (*Coronella austriaca*), are relocated by a specialist biological planning office prior to the onset of the required site expansion and rehabilitation work. This ensures


that the given animals can survive in their natural habitats and can then be relocated back to an area of 25,000 m² following the completion of the construction work. A 20,000 m² wildflower meadow, which was created in unused industrial areas on the site of the Linz factory to foster biodiversity, offers habitat to thousands of insect species. Insect hotels along with beehives were installed for this purpose; they are maintained by hobby beekeepers working at the plant. Special signage and information boards along the green spaces provide relevant information to visitors.

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 segments, 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 friendly 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 CO₂ emissions over the long term.

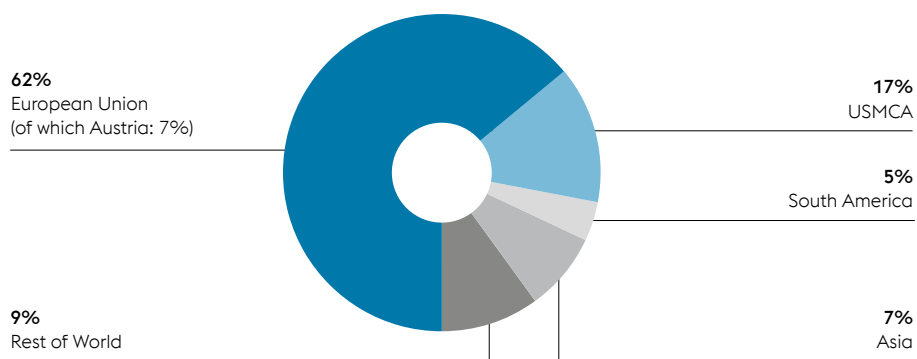


3.1 DEVELOPMENT OF THE KEY FINANCIAL INDICATORS

In millions of euros	2018/19	2019/20	2020/21	2021/22	2022/23
Revenue	13,560.7	12,717.2	10,901.9	14,923.2	18,225.1
EBITDA	1,564.6	1,181.5	1,148.1	2,291.3	2,544.6
EBITDA margin	11.5%	9.3%	10.5%	15.4%	14.0%
EBIT	779.4	-89.0	338.2	1,454.3	1,624.2
EBIT margin	5.7%	-0.7%	3.1%	9.7%	8.9%
Employees (full time equivalent), end of period	51,907	49,682	48,654	50,225	51,202
Research expenditures	170.5	174.4	153.0	173.9	191.2
Operating expenses for environmental protection facilities in Austria	299.1	314.5	300.1	437.5	480.0
Environmental investments for production facilities in Austria	66.0	35.0	15.3	27.0	29.0
Crude steel production (in millions of tons)	6.895	7.173	6.882	7.838	7.079

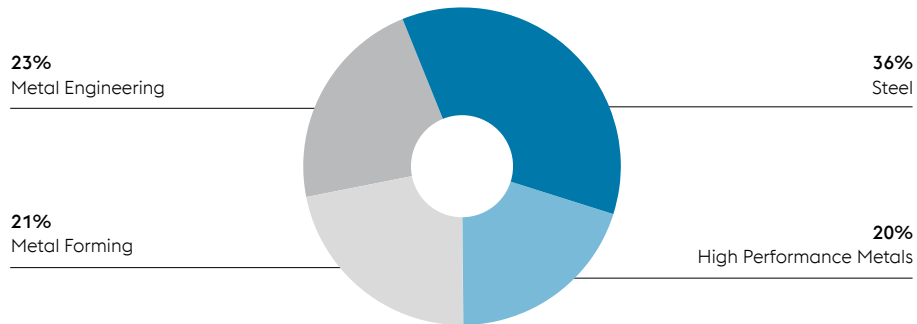
REVENUE BY REGION

In percent of Group revenue, business year 2022/23



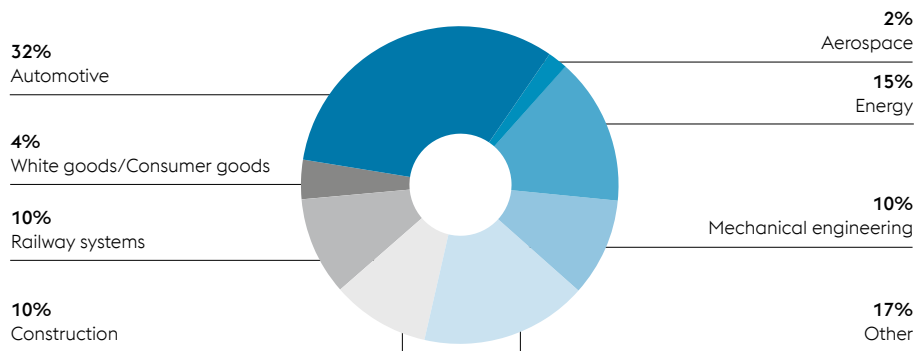
REVENUE BY DIVISION

In percent of total divisional revenue, business year 2022/23



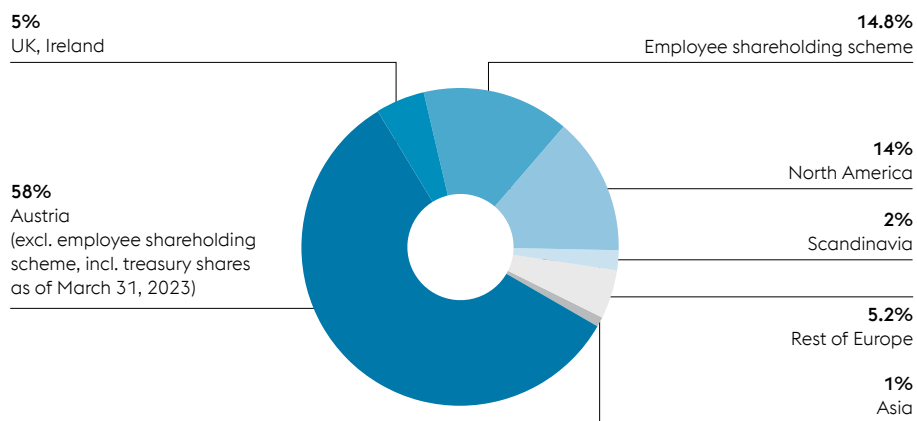
REVENUE BY INDUSTRY

In percent of Group revenue, business year 2022/23



SHAREHOLDER STRUCTURE

In %, as of the close of the business year 2022/23



3.2 THE FOUR DIVISIONS

3.2.1 STEEL DIVISION

The Steel Division is the voestalpine Group's largest division by revenue and a global market leader for heavy plate, steel strip, and complex casings for large turbines. As a global manufacturer of high-quality steel products, it is a driving force of the work to shape a clean and livable future. The Steel Division sets environmental benchmarks for the current steel production route, and its greentec steel program is an ambitious step-by-step plan for achieving climate-neutral steel production. In a first step, the division already offers a CO₂-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 pro-

duction 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 voestalpine Group's Metal Engineering Division bundles its expertise in the Railway Systems and Industrial Systems business segments and positions itself in the market 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. The division supplies seamless tubes all over the world from its Kindberg plant in Austria.

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. The division's customers include practically all of the leading manufacturers in the automotive and automotive supplier industries, with a definite focus

on the premium segment, as well as numerous companies in the commercial vehicle, construction, storage, energy, and (agricultural) machinery industries. Just as the voestalpine Group on the whole, the Metal Forming Division also maintains long-term customer 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/>

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

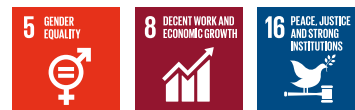
In order to ensure that managing and controlling the Group responsibly serves to create sustainable shareholder value in the long term, the Group's Management Board and Supervisory Board undertook as early as in 2003 to comply with the Austrian Corporate Governance Code (the "Code").

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).





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, employees, and

other business partners are 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 was revised in the business year 2019/20 to integrate all those of the voestalpine Group's values

and behavioral rules that had not yet been included in it as principles. It has been revised twice since then. For one, these changes were made in connection with the implementation of the EU Directive on the protection of whistleblowers and, for another, in connection with supply chain management. The Code of Conduct has been published in German and 20 additional 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 with laws and other external and internal requirements
- >> Human rights, respect, and integrity
- >> Fair competition
 - > Competition and antitrust law
 - > Corruption, bribery, and acceptance of gifts
- >> Donations and sponsorships
- >> Trade wars and conflict minerals
- >> Money laundering
- >> Conflicts of interest
- >> Data privacy and protection
- >> Protection of information and intellectual property
 - > Secrecy of confidential information
 - > Intellectual property
- >> Protection of corporate property and IT usage
- >> Workplace protections
- >> Environmental protection and climate action
- >> Prohibition of abuses of insider information
- >> Corporate communications
- >> 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.

Every employee must reckon with disciplinary consequences 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 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 also. 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; provides rules for dealings and interaction with, and in, associations, professional associations, or other industry organizations; and defines concrete 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; they provide employees with information on these topics from an antitrust perspective.

Compliance Manual & 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. Furthermore, these rules and regulations contain information on the Web-based whistleblower system that makes it possible to report Compliance violations anonymously too.

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. It was comprehensively revised and expanded in the business year 2022/23. Among other things, 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 CO₂ 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 the general Code of Conduct, the Lobbying Code of Conduct, too, is binding on 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. 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 Compli-

ance 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.

voestalpine AG				
Group Compliance Officer				
Steel Division	High Performance Metals Division	Metal Engineering Division	Metal Forming Division	Other
Divisional Compliance Officer	Divisional Compliance Officer	Divisional Compliance Officer	Divisional Compliance Officer	Group Compliance Officer
Compliance officer in larger sub-units	Compliance officer in larger sub-units	Compliance officer in larger sub-units	Compliance officer in larger sub-units	

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 including, in particular, education and training, discussions with management, and communications.

The voestalpine Group already introduced e-learning courses on the subject of Compliance

back in 2009. This e-learning curriculum has been repeatedly revised and expanded over time. The existent e-learning courses on antitrust law (including an advanced course) and on the Code of Conduct were revamped and rolled out anew in the business year 2019/20. 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
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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
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KEY E-LEARNING TOPIC: “RECAP – FAIR COMPETITION”

Collusion between competitors	Abuse of market position	Case study: Pricing policies	Case study: Sales prices
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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
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The e-learning courses are continually supplemented Group-wide by face-to-face training tailored to target groups, particularly sales and marketing personnel. This face-to-face 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, mobbing, human rights
- >> Data privacy and protection
- >> Technical compliance, in particular, compliance with technical standards and certifications in production processes; IT security
- >> Environment
- >> health and safety
- >> Violations in other areas

The system makes it possible for the appropriate Compliance Officers to communicate 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 2022/23, 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 simultane-

ously 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 C Rule 53. Given this appointment, therefore, the two Committees are deviating from C Rule 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 sat-

isfy 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 Chief Financial Officer (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, such Group company shall immediately notify the relevant tax authority thereof in accordance with national statutory requirements and shall 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 external tax consultants 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 2022/23 for Group companies' names and domiciles.

The country-specific disclosures in the Country-by-Country Report (see table in the Appendix) concern entities that are included in the Consolidated Financial Statements by virtue of being fully consolidated (see the "Investments" chapter of the Annual Report 2022/23). Hence information on entities measured at equity (classified as "KEA" or "KEG" in the aforementioned chapter) as well as on unconsolidated entities (KO) are not contained in aforesaid Report. The data concern the period from April 1, 2022, through March 31, 2023.

9.4 EU TAXONOMY

9.4.1 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.

To this end, voestalpine is also availing itself of (draft) FAQs that the EU Commission published on December 19, 2022, on the application of the “technical assessment criteria” set forth in Delegated Regulation (EU) 2021/2139 to evaluations of taxonomy compliance. The wording contained in the legal framework at issue here still is subject to uncertainties in interpretation, especially as far as the determination of taxonomy compliance pertaining to rail traffic infrastructure is concerned. voestalpine’s interpretation follows below.

The reporting under the EU Taxonomy Regulation comprises three steps. They involve determining whether a particular economic activity is “taxonomy eligible” (i.e., whether it is basically covered by the Taxonomy Regulation) and also whether it is “taxonomy compliant.” An entity’s economic activities are considered “taxonomy non-eligible” if the Taxonomy Regulation does not cover them.

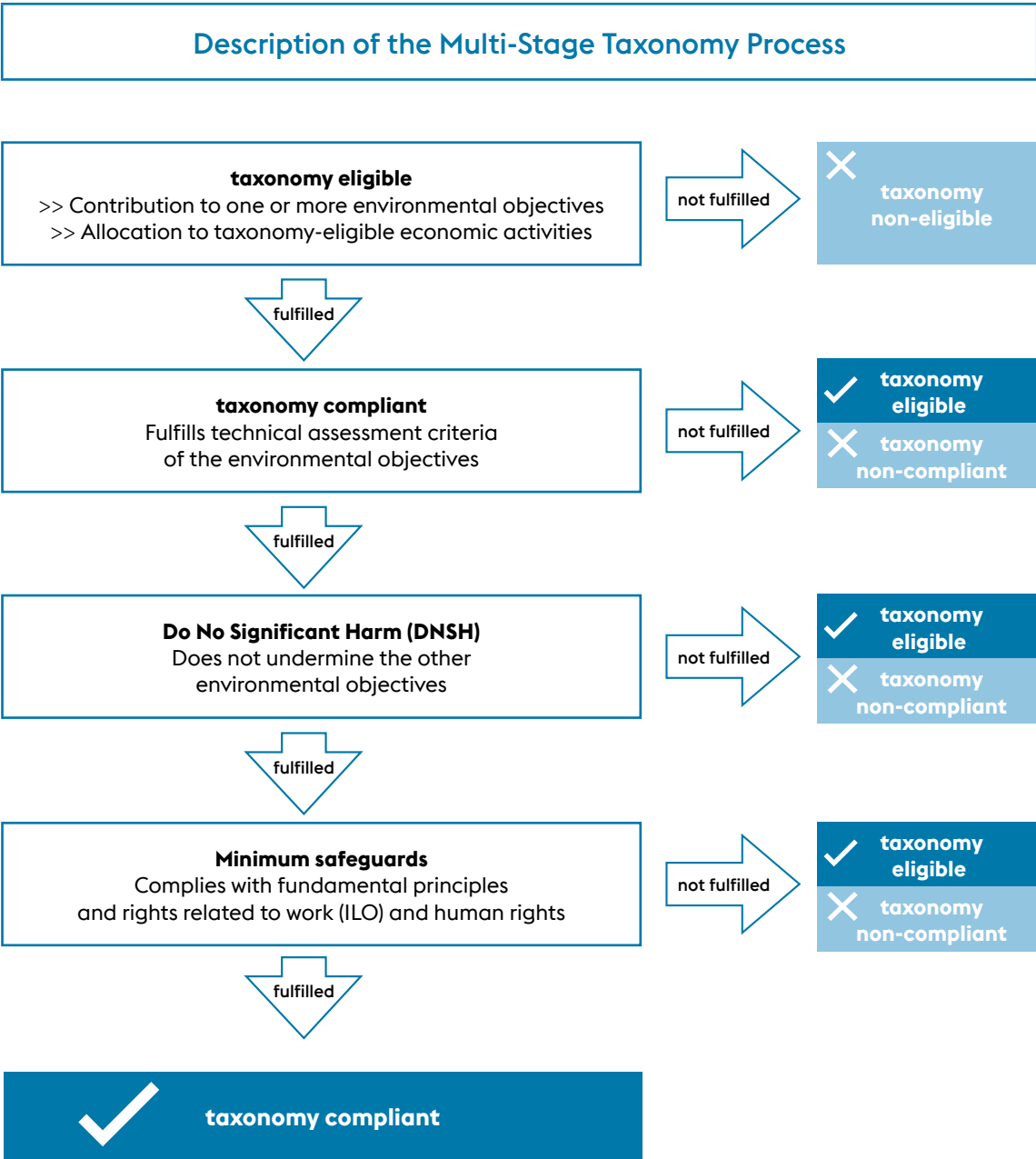
The Regulation identifies six environmental objectives. In order to be classified as taxonomy compliant, economic activities must make a

substantial contribution to one of these objectives, at minimum. Furthermore, the given activities may not substantially undermine achievement of the other environmental objectives (i.e., “Do No Significant Harm” – DNSH). Finally, social minimum safeguards—e.g., concerning occupational safety and human rights—must be fulfilled as part of the three-step process.

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

At the time the present Report was published, solely the first two environmental objectives—“climate action” and “climate change adaptation”—were defined in the Taxonomy Regulation’s technical assessment criteria. In implementing the Regulation, voestalpine classified all of its economic activities as related to the “climate action” objective. This also prevents activities from being counted twice.



9.4.2 IMPLEMENTATION OF TAXONOMY ELIGIBILITY IN THE voestalpine GROUP

In a first step, which was already carried out in the business year 2021/22, the business activities of the voestalpine Group had to be examined as to their taxonomy eligibility.

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, including scientists, were consulted also. Furthermore, clarifying interpretations and statements were obtained from European industry associations such as the European Rail Supply Industry Association (UNIFE).

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:

>> 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).

>> 6.2. Freight rail transport

voestalpine operates a rail transportation entity in Linz, Austria (Steel Division), that uses the European railway network.

>> 6.14. Infrastructure for rail transport

Worldwide, the voestalpine Group produces material components for railway infrastructure (Metal Engineering Division). These components include turnout systems (pre-mounted complete systems incl. power-trains, locking systems, monitoring systems); diagnostic and monitoring systems; as well as railway infrastructure services (logistics, rail treatments, rail welding, rail grinding, recycling, etc.).

9.4.3 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. These are quantifiable guidelines (environmental objectives) that determine how a particular activity is to be assessed in terms of its contribution to climate action and to climate change adaptation. Legally speaking, the Taxonomy prescribes these technical screening criteria and also evaluates whether the economic activities cause significant harm to one of the relevant environmental objectives. Hence the so-called “Do No Significant Harm” (DNSH) criteria must be taken into account besides the technical assessment criteria. This review must evidence that a given economic activity does not undermine the other environmental objectives.

voestalpine makes comprehensive contributions to climate action. 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 CO₂ limits on emissions. As far as the business activities of voestalpine Railway Systems pursuant to Category 6.14 are concerned, they are generally deemed to make a substantial contribution to climate action as long as they fulfill the technical assessment criteria set forth in that category. Under the Taxonomy Regulation, the activities of voestalpine Railway Systems may be deemed to contribute substantially to climate action only if they will entail the use of trains within ten years that do not emit direct CO₂ emissions. This does not include railway lines used solely for transporting fossil fuels.

A comprehensive DNSH conformity assessment was carried out for the relevant economic activities (3.9, 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 thereunder. A detailed climate risk and vulnerability analysis was performed for all relevant sites based thereon. Methodologically speaking, this included the representative concentration paths (RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5) of future scenarios used by the Intergovernmental Panel on Climate Change (IPCC); the IPCC’s progress reports on climate change; and the European Commission’s important Copernicus Services. Adaptation solutions were determined as necessary and implemented based on the findings of this climate risk and vulnerability assessment.

In addition, the voestalpine Group uses the certified management systems it has put in place throughout its companies worldwide—e.g., ISO 14001 and the EU’s Eco-Management and Audit Scheme (EMAS)—to fulfill the requirements of 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).

To avoid and mitigate environmental pollution, the voestalpine Group has established processes in its Group companies pursuant to which materials are produced, utilized, and brought to market in ways consistent with both European and national laws on chemicals.

Comprehensive reviews of substitution options are conducted in connection with materials possessing potentially hazardous properties, taking economic and technical requirements into account. All legal parameters are put in place

and assured if the materials at issue cannot be avoided (“essential use”) at the present time.

Pursuant to the Group-wide review of the DNSH conformity criteria, the relevant economic activities of voestalpine’s key production companies fulfill all criteria. In the future, dynamic developments regarding the EU Taxonomy’s rules and regulations may lead to adjustments of the economic activities.

9.4.4 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. Pursuant to Article 18 of the EU Taxonomy Regulation, the review of the minimum safeguards applicable to the working population and compliance with human rights also is the final stage of the taxonomy compliance review. 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 Bill 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 female workers)
- >> Avoidance of bribery and corruption
- >> Taxation
- >> Fair competition

voestalpine already reviewed the aforementioned topics in the past and also addresses them extensively in the present CR Report. For more information on human rights, please see the chapter of the same name. Issues pertaining to the rights of female workers and employees are taken up in the “Human Resources” chapter, among others.

For information on fair competition and taxation, see subsections 9.1 and 9.3.



9.4.5 RESULTS OF THE KPIS

A compilation of three performance indicators—revenue, investment expenditure, and operating expenditure—related to voestalpine's taxonomy-eligible and taxonomy-compliant economic activities follows.

9.4.5.1 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

Economic activities	Codes	Absolute revenue	Share of revenue	Criteria for a substantial contribution						
				Climate action	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biological diversity and ecosystems	
In millions of euros										
A.										
Taxonomy-eligible activities										
A.1										
Environmentally sustainable activities (taxonomy compliant)										
Manufacture of iron and steel	3.9.	3,432.2	18.8%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
Freight rail transport	6.2.	17.3	0.1%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
Infrastructure for rail transport	6.14.	1,176.8	6.5%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
Revenue from environmentally sustainable activities (taxonomy compliant)		4,626.2	25.4%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
A.2										
Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-eligible activities)										
Manufacture of iron and steel	3.9.	6,310.9	34.6%							
Freight rail transport	6.2.	3.5	0.0%							
Infrastructure for rail transport	6.14.	27.0	0.2%							
Revenue from taxonomy-eligible but not environmentally sustainable activities (taxonomy non-compliant activities)		6,341.4	34.8%							
Total (A.1 + A.2)		10,967.6	60.2%							
Taxonomy non-eligible activities										
Revenue from taxonomy non-eligible activities		7,257.5	39.8%							
Total (A + B)		18,225.1	100.0%							

Consolidated Income Statement of the Annual Report 2022/23 and thus are used as the denominator in the following table to determine taxonomy eligibility. The numerator comprises the revenue generated from economic activities covered by the EU Taxonomy Regulation. As per the initial conformity review in the business year 2022/23, 25.4% of the revenue is taxonomy compliant and is generated primarily from the

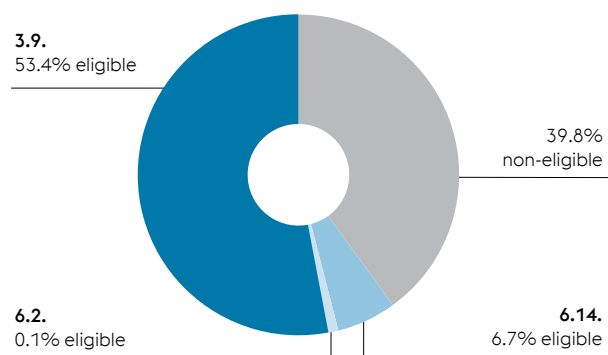
rail traffic infrastructure segment and the economic activity set forth in item 3.9, "Manufacture of iron and steel," using electric arc processes. voestalpine's taxonomy-compliant revenue stands at EUR 4,626.2 million.

This leads to the following classification for the voestalpine Group:

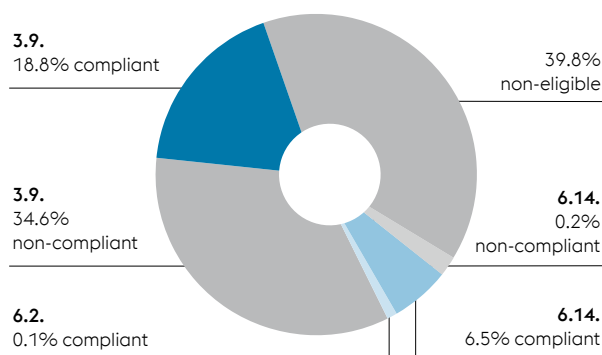
DNSH criteria

	Climate action	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biological diversity and ecosystems	Minimum safeguards	Taxonomy-compliant revenue	Category: enabling activities	Category: transitional activities
	Y	Y	Y	Y	Y	Y	Y	18.8%		T
	Y	Y	Y	Y	Y	Y	Y	0.1%		
	Y	Y	Y	Y	Y	Y	Y	6.5%	E	
	Y	Y	Y	Y	Y	Y	Y	25.4%		

TAXONOMY ELIGIBILITY BY ECONOMIC ACTIVITY



TAXONOMY COMPLIANCE BY ECONOMIC ACTIVITY



9.4.5.2 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 fi-

ancial instruments as well as additions to goodwill were not considered. The difference between the capital expenditure used here as the denominator and the data published in the “Business Segments” chapter of the Annual Report 2022/23 solely concerns additions to goodwill.

In millions of euros				Criteria for a substantial contribution						
				Climate action	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biological diversity and ecosystems	
Economic activities	Codes	Absolute CapEx	Share of CapEx							
A. Taxonomy-eligible activities										
A.1 Environmentally sustainable activities (taxonomy compliant)										
Manufacture of iron and steel	3.9.	154.1	16.8%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
Freight rail transport	6.2.	0.9	0.1%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
Infrastructure for rail transport	6.14.	63.9	6.9%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
CapEx environmentally sustainable activities (taxonomy compliant)		218.9	23.8%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.	
A.2 Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-eligible activities)										
Manufacture of iron and steel	3.9.	366.5	39.9%							
Freight rail transport	6.2.	0.2	0.0%							
Infrastructure for rail transport	6.14.	0.6	0.2%							
CapEx taxonomy-eligible but not environmentally sustainable activities (taxonomy non-compliant activities)		367.3	40.1%							
Total (A.1 + A.2)		586.2	63.9%							
Taxonomy non-eligible activities										
CapEx taxonomy non-eligible activities		331.5	36.1%							
Total (A + B)		917.7	100.0%							

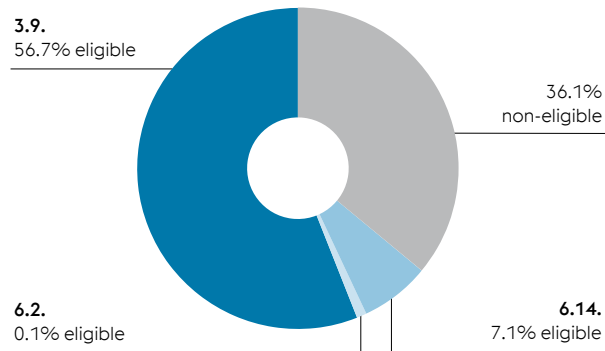
The numerator comprises all CapEx generated through economic activities covered by the EU Taxonomy Regulation. Taxonomy-compliant CapEx accounts for 23.8% (EUR 218.9 million) of all CapEx. This does not contain investments from CapEx plans.

This leads to the following classification for the voestalpine Group:

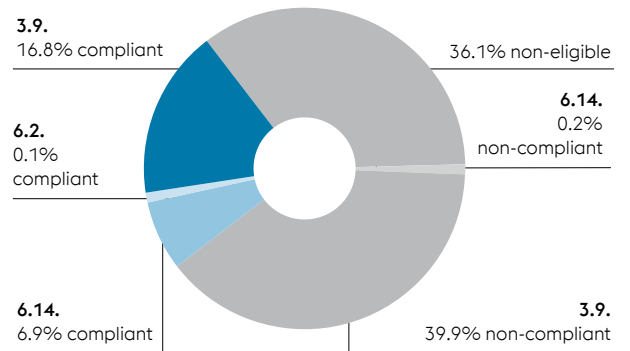
DNSH criteria

	Climate action	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biological diversity and ecosystems	Minimum safeguards	Taxonomy-compliant CapEx	Category: enabling activities	Category: transitional activities
	Y	Y	Y	Y	Y	Y	Y	16.8%		T
	Y	Y	Y	Y	Y	Y	Y	0.1%		
	Y	Y	Y	Y	Y	Y	Y	6.9%	E	
	Y	Y	Y	Y	Y	Y	Y	23.8%		

TAXONOMY ELIGIBILITY BY ECONOMIC ACTIVITY



TAXONOMY COMPLIANCE BY ECONOMIC ACTIVITY



9.4.5.3 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 2022/23. This is because only a few expense categories are relevant to the determi-

nation of the denominator for the operating expenditure. These include building renovation activities; maintenance and repairs of property, plant and equipment; research and development costs; employee training expenses; as well

				Criteria for a substantial contribution					
In millions of euros				Climate action	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biological diversity and ecosystems
Economic activities	Codes	Absolute OpEx	Share of OpEx						
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (taxonomy compliant)									
Manufacture of iron and steel	3.9.	229.8	24.3%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.
Freight rail transport	6.2.	1.7	0.2%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.
Infrastructure for rail transport	6.14.	42.6	4.5%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.
OpEx environmentally sustainable activities (taxonomy compliant)		274.1	29.0%	100.0%	0.0%	n.a.	n.a.	n.a.	n.a.
A.2 Taxonomy-eligible but not environmentally sustainable activities (taxonomy non-eligible activities)									
Manufacture of iron and steel	3.9.	439.3	46.5%						
Freight rail transport	6.2.	0.3	0.0%						
Infrastructure for rail transport	6.14.	0.4	0.0%						
OpEx taxonomy-eligible but not environmentally sustainable activities (taxonomy non-compliant activities)		440.0	46.5%						
Total (A.1 + A.2)		714.1	75.5%						
Taxonomy non-eligible activities									
OpEx taxonomy non-eligible activities		231.9	24.5%						
Total (A + B)		946.0	100.0%						

as current lease expenses. The numerator comprises those operating expenses that are generated from economic activities covered by the EU Taxonomy Regulation. Operating expenditure from taxonomy-compliant economic activities stands at EUR 274.1 million, which equates

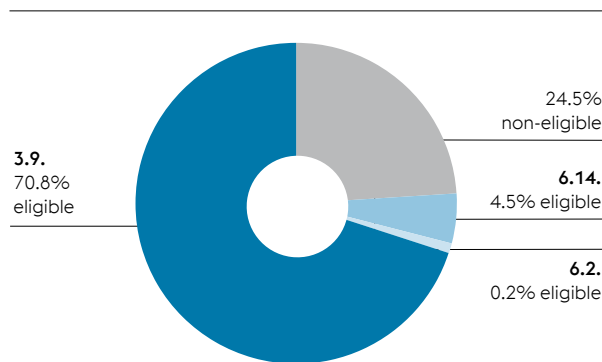
to 29.0% of the taxonomy-eligible operating expenditure.

This leads to the following classification for the voestalpine Group:

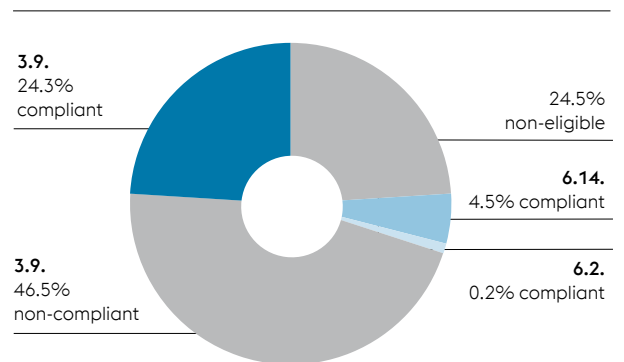
DNSH criteria

	Climate action	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biological diversity and ecosystems	Minimum safeguards	Taxonomy-compliant OpEx	Category: enabling activities	Category: transitional activities
	Y	Y	Y	Y	Y	Y	Y	24.3%		T
	Y	Y	Y	Y	Y	Y	Y	0.2%		
	Y	Y	Y	Y	Y	Y	Y	4.5%	E	
	Y	Y	Y	Y	Y	Y	Y	29.0%		

TAXONOMY ELIGIBILITY BY ECONOMIC ACTIVITY



TAXONOMY COMPLIANCE BY ECONOMIC ACTIVITY



VOLUNTARY DISCLOSURE IN CONNECTION WITH TAXONOMY REPORTING

The voestalpine Group has participated in the international Science Based Targets Initiative (SBTi) 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. In a first step to be achieved by 2027, this includes reducing CO₂ emissions by roughly one third. 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 in the future to produce high-quality, CO₂-neutral steel products.

At the same time, the voestalpine Group is carrying out intensive research on breakthrough technologies with the aim of gradually increasing the use of green hydrogen in steel production in the long term. The H2FUTURE hydrogen pilot plant® is one example of these activities.

Other research projects are dedicated to the storage and reuse of unavoidable residual emissions.

For more information thereon, see the "Product Sustainability" chapter.

