

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.