

ESRS E4 BIODIVERSITY AND ECOSYSTEMS

The conservation of biodiversity and the protection of ecologically vulnerable habitats represent two of voestalpine’s environmental fields of action. The company closely addresses the impacts, risks, and opportunities of its business activities and value chain on biodiversity and ecosystems.

Detailed information on the identified impacts, risks, and opportunities (IROs) related to biodiversity and ecosystems is presented in the IRO table below.

The following table provides specific information on SBM-3:

| Topic/sub-topic/ sub-sub-topic | Impact, risk, opportunity (IRO) | Description | Value chain | Time horizon | Affected stakeholders |
|-----------------------------------|--|---|-------------|-----------------|--|
| Biodiversity and ecosystems | ● Biodiversity in the upstream value chain | Impacts on ecosystems and biodiversity occur in the upstream value chain, in particular through the extraction of key raw materials for voestalpine production process, such as iron ore and coal (e.g., impacts on the scale and condition of ecosystems due to the extraction of raw materials) | >>> | ●●●● | Environmental Information Suppliers Local, national, and international authorities |

Key

● Actual positive impact ● Actual negative impact ○ Potential positive impact ○ Potential negative impact + Opportunity ! Risk

>>> Upstream >>> Own operations >>> Downstream ●○○○ < 1 year ●●○○ 1 – 5 years ○●○○ 5 – 10 years ○○○● 10+ years

STRATEGY

E4-1 – Transition plan and consideration of biodiversity and ecosystems in strategy and business model

As part of the materiality assessment, voestalpine analyzed the extent to which biodiversity and changes in ecosystems have impacts on, and present risks and opportunities to, the business model. voestalpine recognizes that its greenhouse gas emissions contribute to climate change, which in turn affects biodiversity. However, as this relationship is global and does not have a direct impact on specific ecosystems or local sites, it cannot be measured directly. While biodiversity loss is a local phenomenon, emissions have a global impact—therefore, the direct impact of climate change on biodiversity loss due to the Group’s own operations is not considered a material topic for voestalpine. Material impacts were identified in the upstream value chain, especially in relation to the extraction of raw materials. On the other hand, no impacts on biodiversity or ecosystems have been identified for the Group’s own sites, which are mainly located in areas used for industrial purposes. Likewise, no material physical or transition risks were identified that were subsequently analyzed as part of the overall climate risk analysis. The analysis confirmed that the voestalpine business model currently has no direct or material dependence on biodiversity or specific ecosystem services. In light of this, no separate resilience analysis has been carried out to date in relation to biodiversity and ecosystems. More information on the findings from the analysis can be found in chapter ESRS 2 IRO-1 E4.

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

E4-2 – Policies related to biodiversity and ecosystems

voestalpine accounts for relevant biodiversity and ecosystem aspects in order to protect the local environment and ensure compliance with environmental regulations in the environmental management systems in place at site level.

In addition, voestalpine specifically added the topics of biodiversity and the protection of ecosystems to the Code of Conduct and Code of Conduct for Business Partners in the reporting period in order to raise awareness of biodiversity. In the future, this should make it possible to build sustainable supply chains and also strategically select partners while taking the aspect of biodiversity into account. For further details on the Code of Conduct for Business Partners, see chapter G1-1 under “Code of Conduct and compliance guidelines based on it.” A Group-wide approach is currently being developed on the basis of the above policy to systematically take biodiversity aspects into account in the upstream value chain and to evaluate them accordingly. The actions involved in this approach concern implementation in supplier management and are described in the following chapter E4-3. These actions are expected to lead to a better understanding of the impacts on ecosystems in the coming years and to provide a corresponding data set. The development of potential additional policies will then be addressed on the basis of this approach.

POLICY OVERVIEW

| IROs addressed | Policy | Scope of the policy | Responsibility and monitoring | Other comments |
|--|---------------------------------------|---------------------|--|---|
| Biodiversity in the upstream value chain | Code of Conduct for Business Partners | Business partners | Responsible: Management Board/executive management Monitoring and compliance regulations: Compliance organization | <ul style="list-style-type: none"> » The result of numerous conversations and discussions at the level of the Management Board as well as among executive management and department heads of the voestalpine Group » The Code of Conduct as well as the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the principles of the UN Global Compact, and the core labor standards of the International Labor Organization (ILO) » Available in multiple languages on the intranet and website: https://www.voestalpine.com/compliance/en |

E4-3 – Actions and resources related to biodiversity and ecosystems

At voestalpine, material sustainability matters are managed through targeted action and action plans with the aim of preventing, reducing, or remedying actual and potential impacts. Following the identification of relevant impacts in the upstream value chain, initial actions have been initiated.

A thorough understanding of suppliers is crucial when it comes to minimizing voestalpine's negative upstream impacts on biodiversity and ecosystems. voestalpine has developed a dedicated questionnaire to systematically record the environmental footprint along the supply chain. The questionnaire will be used for the structured collection of relevant information on biodiversity conservation and environmental responsibility in the extraction of raw materials. Selected suppliers of raw materials are the primary focus of the questionnaire—especially suppliers of raw materials such as ores and coal that have a material impact on natural habitats. voestalpine aims to gain insights into the environmental practices of its suppliers and create a data set in order to better assess risks and develop further measures or policies for the future.

voestalpine aims to systematically integrate the responsible use of natural habitats into the supplier management system in the future. Integration of the dedicated questionnaire into the Supplier Assessment Questionnaire (SAQ) is currently being worked on. As a result, conserving biodiversity will become an integral part of cooperation across the value chain.

In addition to raising awareness, these ongoing measures are expected to help suppliers to gain an overview of biodiversity practices and risks in the coming years. The aim is to then use this as a basis for examining the introduction of further measures in the future. In addition to meeting regulatory requirements, such as the CSDDD, this should also enhance transparency and reduce risks in supply chain with regard to biodiversity.

Compensation measures for impacts on biodiversity and ecosystems are currently not pursued by voestalpine.

voestalpine does not operate any sites in areas with indigenous populations. Indigenous knowledge is therefore not taken into account in the implementation of its activities.

OVERVIEW OF ACTIONS

| IROs addressed | Action | Time horizon | Scope of the action | Significant expenditure (if relevant)/other comments |
|--|---|-----------------|---------------------------------|---|
| Biodiversity in the upstream value chain | Integration of a supplier questionnaire on biodiversity and ecosystems into the SAQ | Current actions | Selected raw material suppliers | If necessary, division of Group targets based on actions after initial evaluation |

METRICS AND TARGETS

E4-4 – Targets related to biodiversity and ecosystems

As things currently stand, voestalpine does not pursue any targets on the topic of biodiversity and ecosystems. In the coming years, a solid data basis is to be created upon which concrete targets can be developed and anchored in the medium to long term. The general measures mentioned under E4-3 are currently still in the introduction phase and therefore their effectiveness can only be evaluated at a later stage.