

targets. Care is taken when determining these performance criteria to promote the long-term development of the company and avoid creating incentives for short-term effects only. The design of the quantitative targets over a three-year period ensures that the focus is on sustainable action and long-term corporate development. During the reporting period, non-financial targets included sustainability matters that are not based on performance metrics but are instead of a qualitative nature.

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

GOV-3 – E1 CLIMATE CHANGE

Climate-related considerations form part of the variable compensation of voestalpine's Management Board. Details regarding the proportion of compensation-relevant climate-related criteria and their formulation are included in the compensation report for voestalpine AG's Management and Supervisory Board members for the business year 2025/26, in the chapter "Compensation of the Management Board."

GOV-4 – Statement on due diligence

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

The due diligence governance processes comprise several successive steps:

1. Identifying and assessing material adverse impacts

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

2. Integrating impacts into the corporate strategy and operational processes

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

3. Implementing preventive and remedial actions

- » Development and implementation of specific actions to prevent, mitigate, or remedy negative impacts.
- » Carrying out targeted training programs for employees on human rights and environmental due diligence responsibilities.
- » Periodic supplier assessments, in particular with regard to labor and environmental standards.
- » Promotion of sustainable procurement practices and initiatives to reduce CO₂ emissions in production processes.

4. Monitoring and reporting

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

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

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

DUE DILIGENCE REFERENCES

Core Elements of Due Diligence	ESRS Disclosure Requirements / References
a) Embedding due diligence in governance, strategy and business model	<p>ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies</p> <p>ESRS 2 GOV-3 Integration of sustainability-related performance in incentive schemes</p> <p>ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model</p> <p>Disclosure Requirement related to ESRS 2 SBM-3: Material IROs and their interaction with strategy and business model in relation to E1, E4, S1, S2, and S3</p>
b) Engaging with affected stakeholders in all key steps of the due diligence	<p>ESRS 2 GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management, and supervisory bodies</p> <p>ESRS 2 SBM-2 Interests and views of stakeholders</p> <p>Disclosure Requirement related to ESRS 2 SBM-2: Interests and views of stakeholders in relation to S1, S2, S3</p> <p>ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities</p> <p>Disclosure Requirement related to ESRS 2 IRO-1: Description of the processes to identify and assess material IROs in relation to E1, E2, E3, E4, E5, and G1</p> <p>ESRS 2 MDR-P Policies and procedures for stakeholder engagement in due diligence processes in relation to E1, E2, E3, E4, E5, S1, S2, S3, G1 and I,R&D</p>
c) Identifying and assessing adverse impacts	<p>ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks, and opportunities</p> <p>Disclosure Requirement related to ESRS 2 IRO-1: Description of the processes to identify and assess material IROs in relation to E1, E2, E3, E4, and E5</p> <p>ESRS 2 SBM-3 Material impacts, risks, and opportunities and their interaction with strategy and business model</p> <p>Disclosure Requirement related to ESRS 2 SBM-3: Material IROs and their interaction with the strategy and business model in relation to E1, E4, S1, and S2</p>
d) Taking actions to address those adverse impacts	<p>ESRS 2 MDR-A Actions in relation to E1, E2, E3, E4, E5, S1, and S2, including transition plans to address impacts</p>
e) Tracking the effectiveness of these efforts and communicating	<p>ESRS 2 MDR-M Metrics in relation to E1, E2, E3, E4, E5, S1, and S2</p> <p>ESRS 2 MDR-T Targets in relation to E1, E2, E3, E4, E5, S1, and S2</p>