The following outlines how the interests, views, and rights of its own workers, workers in the value chain, and affected communities are integrated into the strategy and the business model:

SBM-2 – S1 OWN WORKFORCE

The ongoing engagement of the workforce in decision-making processes not only strengthens the corporate culture but also ensures that the strategic direction of voestalpine is specifically tailored to the needs and expectations of its employees. Structured feedback processes make it possible to identify needs at an early stage, identify potential for improvement, and systematically incorporate these into business-critical decisions. Respect for human rights is a top priority: Internal guidelines, training courses, and monitoring mechanisms ensure that labor and social standards for all employees are consistently adhered to and continuously developed. The HR Strategy 2030+ is derived from voestalpine's Group-wide strategy, whereby the Group's own workforce is included in the strategy.

SBM-2 – S2 WORKERS IN THE VALUE CHAIN

There is currently no standardized process in place for the direct involvement of value chain workers. Involvement occurs on occasion and the value chain workers can use the whistleblower system. A direct involvement process will be developed in preparation for the requirements of the CSDDD. Indirectly, this involves regular exchanges and close cooperation with relevant suppliers. For more information, see the topic-specific information on S2.

SBM-2 – S3 AFFECTED COMMUNITIES

Local communities, such as those located in the immediate vicinity of production facilities, are regularly involved in dialogues in the regions in which voestalpine operates, in order to understand their needs and concerns with regard to the company's activities. Based on this feedback, the company develops action plans that take into account both the economic success of voestalpine and the social and environmental concerns of the affected communities. In addition, the views of the communities are essential when it comes to ensuring voestalpine plays a long-term role as an important employer in the respective local communities. Further information is provided in the specific information on S3.

SBM-3 – Material impacts, risks, and opportunities and their interaction with strategy and business model

Prior to the compilation of this sustainability report, voestalpine identified and assessed its impacts on the environment and society (impact materiality) as well as the sustainability-related financial risks and opportunities (financial materiality) for the Group. The impacts, risks, and opportunities (IROs) assessed as material were assigned to the sustainability matters in accordance with ESRS 1 AR 16. In an aggregated presentation, nine of the ten topics for which topic-related standards are set forth in ESRSs were assessed as material. Only the issue of consumers and end-users (ESRS S4) was considered to be non-material.

The following topics are material and covered in the reporting through the application of the respective standards:

» Climate change (ESRS E1)
» Pollution (ESRS E2)
» Water and marine resources (ESRS E3)
» Biodiversity and ecosystems (ESRS E4)
» Resource use and circular economy (ESRS E5)
» Own workforce (ESRS S1)
» Workers in the value chain (ESRS S2)
» Affected communities (ESRS S3)
» Business conduct (ESRS G1)

In addition, the topics of innovation, research, and development were assessed as being material. The company-specific information on these issues can be found in the chapter on Environment or Corporate governance. For more information on the materiality assessment, see chapter IRO-1. In addition, voluntary information on taxation is disclosed in this report.

STATEMENT ON AMENDMENTS TO THE REPORT

The initial double materiality assessment identified 37 impacts, risks, and opportunities (IROs), consisting of nine negative and 14 positive impacts, and 10 risks and four opportunities. Based on new findings and improved understanding, the analysis for the 2025/26 reporting year was reviewed and revised again. The number of IROs has been refined and reduced to 28. For the current reporting year, voestalpine reports seven negative and 11 positive impacts as well as seven risks and three opportunities. The reduction in IROs was achieved in particular by aggregating thematically similar IROs. In addition, targeted reformulations led to refinement of the content and clearer demarcation (as part of the revision, e.g., baseline scenario vs. actual positive impact). In some cases, IROs have been removed on the basis of reasonable criteria as they were no longer considered relevant. In addition, three new impacts were identified, assessed by experts, and classified as material.

The following table summarizes the key voestalpine IROs. Detailed information on the individual IROs as well as on the policies, actions, targets, and metrics with which voestalpine manages them is provided at the beginning of each of the topic-specific chapters of this sustainability report.

ESRS	Topic/sub-topic/sub-sub-topic		Impact, risk, opportunity (IRO)	Value Chain	Time horizon	Reference
E1	Climate change mitigation	●	GHG emissions (Scope 1 to 3)	>>>	●●●●	p. 181
		○	Technological developments & job infrastructure	>>>	●●●●	p. 181
		!	Transition risk: Technical transition to low-emission technologies	>>	○●●●	p. 181
		!	Transition risk: Costs arising from carbon pricing	>>>	●●●●	p. 181
		+	Transition opportunity: Increasing the sales volumes of sustainable/low-emission steel products for voestalpine (especially in sectors relevant to the energy transition) leads to a sustainable stabilization of revenue and operating results (EBIT)	>>>	●●●●	p. 181
		!	Transition risk: Supply bottlenecks or higher costs for important raw and other materials	>>>	○●●●	p. 182
	Climate change adaptation	!	Physical climate risks	>>>	○○●●	p. 182
	Energy	!	Transition risk: Bottlenecks in the energy supply and higher costs for energy procurement	>>>	●●●●	p. 182
E2	Air pollution	●	NO_x, SO_x and dust emissions	>>	●●●●	p. 202
E3	Water	●	Water withdrawal, water consumption	>>>	●●●●	p. 209
E4	Biodiversity and ecosystems	●	Biodiversity in the upstream value chain	>>>	●●●●	p. 214
E5	Resources inflows, including resource use	●	Sourcing and use of primary resources	>>>	●●●●	p. 217
	Resource outflows related to products and services; and waste	●	Business models for recycling	>>>	○●●●	p. 217
I, R&D	Innovation, research & development	●	Product innovations	>>	●●●●	p. 228
		+	Breakthrough technologies	>>	●●●●	p. 228
		+	Increased recycling efficiency through technological innovation	>>>	○●●●	p. 228
		!	Ensuring product quality with increased use of scrap	>>>	○●●●	p. 228
S1	Working conditions and other work-related rights	●	Attractive working conditions	>>	●●●●	p. 242
	Health and safety	●	Healthy and safe working conditions at voestalpine	>>	●●●●	p. 242
		●	Accidents at work, injuries, and occupational illnesses	>>	●●●●	p. 242
	Equal treatment and opportunities for all	●	Equal opportunities for all employees	>>	●●●●	p. 243
	Training and skills development	●	Personal development and training	>>	●●●●	p. 243
S2	Worker rights and conditions in the value chain	○	Inappropriate or abusive working conditions in the value chain	>>>	●●●●	p. 275
S3	Affected communities	●	Engagement with affected Communities	>>	●●●●	p. 286
G1	Business ethics and corporate culture	●	Shared values at voestalpine	>>	●●●●	p. 294
		●	Practiced corporate ethics	>>>	●●●●	p. 294
		!	Violations of compliance guidelines and white-collar crime	>>>	●●●●	p. 294
	Management of relationships with suppliers including payment practices	○	Selection process for suppliers	>>>	●●●●	p. 295

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

The identified material impacts, risks, and opportunities of voestalpine are regularly evaluated in order to establish the current and anticipated impact on business model and strategy, and to derive actions for dealing with material impacts and risks, if necessary. More detailed information on the material impacts, risks, and opportunities can be found in the tables in the topic-specific chapters of this sustainability report.

No material financial effects can be attributed to the opportunities and risks identified in the sustainability report in the business year 2025/26. Similarly, in the next reporting period, no material adjustments to the carrying amount of assets and liabilities reported in the IFRS consolidated financial statements are to be expected on the basis of the opportunities and risks identified in the sustainability report. Impairment losses of EUR 38.8 million and restructuring expenses of EUR 47.7 million were recognized in the business year 2024/25 in the Automotive Components business unit, partly due to the transitional climate risk "Decline in sales volume and margin due to structural change in European industry and competitive disadvantages as a result of unilateral EU regulation."

The resilience of voestalpine's strategy and business model is regularly analyzed and assessed as part of the strategy review process. Climate change disclosures are reported in section SBM-3 E1. The company is tackling the risk of "ensuring product quality with increased use of scrap metal" with a wide range of actions. At the heart of these actions is the increased focus on research in order to continue to be able to manufacture the highest quality steel products after transitioning from blast furnace to electric arc furnace production (see chapter I,R&D). There are sufficient policies and procedures in place to address the risk of violations of compliance guidelines and white-collar crime. For more information on this, see chapters G1-1 and G1-3.

Overall, it is considered that the actions already taken and planned are appropriate to reduce the sustainability risks identified and thus ensure voestalpine's long-term resilience.

SBM-3 – E1 CLIMATE CHANGE

voestalpine has identified five material climate-related risks, comprising one climate-related physical risk and four climate-related transition risks:

Climate-related risks		Risk
Climate-related physical risk	!	Acute and chronic physical climate risks
Climate-related transition risk	!	Transition risk: technical transition to low-emission technologies
	!	Transition risk: costs arising from carbon pricing
	!	Transition risk: supply bottlenecks and higher costs for important materials and raw materials
	!	Transition risk: bottlenecks in the energy supply and higher costs for energy procurement

Starting in the business year 2023/24, voestalpine conducted a physical and a transient climate risk analysis, which was completed in the business year 2024/25. On this basis, an analysis of the resilience of the business model and the corporate strategy was carried out. (For more information on the process, the critical assumptions, and the time horizons used in the climate risk analyses, see chapter IRO-1 E1.)

The analysis of voestalpine's resilience with regard to the risks identified takes into account both its own business activities and the activities along the upstream and downstream value chain. With regard to the upstream value chain, the focus was on the key raw materials and energy sources, while in the downstream value chain, the most important customer segments and market trends for future demand were included. All at-risk assets and business units that are relevant for the strategic orientation of the company, investment decisions as well as existing and planned climate change mitigation actions were analyzed.

Physical risks
Based on the physical climate risk analysis, voestalpine has implemented a number of adaptation action plans at its key sites to minimize the impacts of physical climate risks to the greatest possible extent. Examples of such actions include, among others, structural measures such as flood protection and logistical adjustments in the event of low water levels. Activities are also being undertaken to counteract the impacts of long-term fluctuations in river levels, such as diversifying supply routes. Currently, these action plans are considered sufficient to effectively address the identified physical risks in the short, medium, and long term. Therefore, voestalpine does not currently see any vulnerability that assets or business activities could be significantly impacted by physical climate risks, and action plans already implemented and planned are considered suitable to reduce the physical climate risks identified and thus ensure voestalpine's long-term resilience to climate-related physical risks.

Transition risks
Planned and current mitigation action plans were taken into account to determine the resilience of voestalpine with regard to the identified transition climate risks (see E1-3).

Carbon pricing mechanisms such as the EU Emissions Trading Scheme (ETS) and the Carbon Border Adjustment Mechanism (CBAM) are creating increasing financial burdens, potentially resulting in competitive disadvantages compared to non-EU competitors, and triggering structural changes in industry, such as the relocation of downstream industries and higher price competition.

A core element of voestalpine's strategic orientation is the decarbonization of steel production (see SBM-1) in order to counteract the risk of factors such as higher costs for carbon credits. Therefore, related investment decisions and climate change mitigation actions in business activity and business model are already taken into account (see E1-1 and E1-3), whereby voestalpine ensures the adaptation of the business model to climate change.

At the same time, associated transition risks may arise, in particular with regard to supply bottlenecks for energy, important raw materials, and associated higher costs, and changing competition, which are counteracted by ongoing actions (see E1-3).

By strategically aligning the business model with decarbonization on the one hand, and continuously evaluating the transition climate risks on the other, voestalpine is taking the necessary steps to adapt its business model to climate change in the medium and long term, while maintaining the necessary flexibility for regulatory changes and market dynamics.

The reliability of the resilience analysis is inherently linked to forecasting uncertainties due to the dependence on policy decisions and regulatory changes, the uncertainty of future carbon price trends, and technological change, with the assessment being largely based on professional judgment and experience-based assumptions.

SBM-3 – E4 BIODIVERSITY AND ECOSYSTEMS

The materiality assessment did not identify any material impacts of voestalpine's activities on biodiversity and ecosystems or dependencies of the Group's activities on the respective ecosystem services at its own sites. In addition, no negative impacts of voestalpine activities on affected species or in terms of land degradation, desertification, or soil sealing have been identified. voestalpine recognizes that its greenhouse gas emissions contribute to climate change, which affects biodiversity. Due to the global impact of climate change and the lack of locational mapping of this impact to specific ecosystems or local sites, it cannot be quantified. Therefore, in the materiality assessment, the impact of climate change on biodiversity losses is not assessed as material for voestalpine's own operations.

SBM-3 – SOCIAL ISSUES

The impacts that relate specifically to voestalpine's own workforce, the workforce in the value chain, and affected communities are partly due to voestalpine's business model and strategy. The labor-intensive processes of steel production, the global supply chain, and the strategically driven decarbonization are key impact drivers. These factors require continuous adaptations, particularly in terms of occupational safety, socially responsible procurement, and the targeted promotion of sustainability skills among employees. Their continued integration into corporate strategy not only addresses challenges, but also promotes positive developments—for example, through better working conditions, sustainable supply chains, and active engagement with the concerns of affected communities.

SBM-3 – S1 Own workforce

All employees may be affected by the material impacts of voestalpine's activities. In addition to its own employees, self-employed and contract workers provided by third party undertakings also work for voestalpine.

Employees refer to individuals with permanent or fixed-term contracts who work on a regular basis for voestalpine. According to Austrian labor law, management boards do not count as "employees."

Self-employed persons offer their services on a freelance basis and are engaged as external experts for specific projects or assignments.

Leased personnel are sent by third party undertakings or agencies to work temporarily at voestalpine. Care is taken to integrate these employees into the corporate culture and give them the support they need, including specific onboarding programs and periodic feedback sessions.

The positive impacts identified are the result of targeted measures taken by voestalpine to promote attractive working conditions and equal opportunity as well as personal development and training. Compliance with human rights is ensured through clear corporate policies, while healthy and safe working conditions are ensured through preventive safety measures, periodic training, and a comprehensive occupational health and safety management system. These positive impacts affect all of voestalpine's own workers.

No violations of human rights law or incidents involving child labor or forced labor were identified in the past business year. In order to continue to consistently prevent such violations, voestalpine regularly reviews its processes and implements targeted risk minimization measures.

The potential negative impacts of accidents, injuries, and occupational illnesses are based on individual cases and are neither systemic nor widespread. However, the materiality assessment found that production workers, especially those working in high-temperature areas or with heavy machinery, are at increased risk of work-related hazards due to the nature of their working environment. Detailed information on the corresponding mitigation measures is provided under S1-4.

The decommissioning of two coal-based blast furnace units and the commissioning of electric arc furnaces in Linz and Donawitz from 2027 will provide the affected workers with appropriate retraining and upskilling for green and sustainable technologies. This aims to ensure that they remain employable.

Currently, there are no known material risks or opportunities in relation to voestalpine's own workforce.

SBM-3 – S2 Workers in the value chain

The materiality assessment identified that inappropriate or abusive working conditions have the potential to negatively affect workers in the value chain. This risk results from the global distribution of the workforce and the unintended occurrence of labor or human rights violations. This can result, among other things, in economic disadvantages, such as a deterioration in sustainability ratings by relevant stakeholders.

When identifying potential impacts, risks, and opportunities in the value chain, voestalpine gives special consideration to the following groups of workers:

» Workers involved in the extraction of raw materials
» Workers in logistics
» Workers in metal processing for the production of input materials
» External contractors on the voestalpine premises

As regards the above impact, all workers in the upstream value chain are affected. In the upstream value stream, these include workers of suppliers that supply goods, raw materials, and supplies to voestalpine. Workers identified as particularly vulnerable to negative impacts also include certain vulnerable groups such as migrant workers, people with special needs, women, minorities, and young and older workers. voestalpine recognizes that the risk of forced labor is particularly high when socio-economic vulnerabilities exist, labor law is poorly enforced, and supply chains are complex. voestalpine requires all active business partners to ensure safe and sound working conditions for all employees who work for a business partner or under their supervision.

voestalpine takes a risk-based approach to supply chain management that takes into account industry and country-specific risks associated with supplier activities. For example, workers at companies that produce raw materials and input materials such as ores, alloys, and other metals are known to be at an increased risk of labor and human rights abuses. Countries and regions where these rights are frequently violated are given special attention by voestalpine in the identification and management of IROs.

A country-specific risk analysis has shown that certain countries in voestalpine's upstream value chain are at increased risk of human rights violations. In order to prevent human rights violations—including child labor and forced labor—in the upstream value chain to the greatest possible extent, above all in risk-prone regions, voestalpine relies on rigorous due diligence processes and mandatory compliance with its Code of Conduct for Business Partners.

In the past business year, voestalpine purchased its raw materials and input products such as ores, alloys, reducing agents, and other metals from around 40 countries. A comparison with the country-specific risk analysis shows that this also includes countries such as Brazil, China, India, Mexico, Zambia, South Africa, Türkiye, Ukraine, Vietnam, and Zimbabwe. These countries present a high risk of human rights violations, child labor and pollution, among other risks.

SBM-3 – S3 Affected communities

All affected communities that are likely to be materially impacted by voestalpine's business activities and value chain, including impacts from its products, services, and business relationships, are recorded in accordance with ESRS 2. In the course of the double materiality assessment, close cooperation and engagement with affected communities was identified as a material positive impact. The focus is on affected communities near the larger sites in Linz, Donawitz, and Kapfenberg. No material impacts, risks, or opportunities were identified for other communities along or at the endpoints of the value chain.

As voestalpine operates solely in developed industrial areas, its direct business activities do not in any way impinge on the rights of indigenous peoples. As part of supply chain management, however, suppliers are required to ensure that the rights of indigenous peoples are respected. In case of violations, voestalpine takes appropriate actions that may ultimately lead to the suspension or termination of the supply relationship.

Communities affected by material positive impacts arising from own activities in the vicinity of the aforementioned operational sites are:

» Direct neighbors of production and processing sites
» Employees
» Works Council and trade unions
» Politics at national and European level
» Local, national, and international authorities
» Educational institutions and research
» NGOs and NPOs (civil society, citizens' initiatives)
» Interest groups (statutory and voluntary)
» Energy suppliers
» General public, media

voestalpine's strategy is based on transparency and taking responsibility. Care is taken to ensure that the business activities not only bring economic success, but also make a positive contribution to society. Continuous and structured dialogues maintained with the affected communities ensure that their needs are taken into account to the greatest possible extent and that solutions to challenges are jointly developed. This includes engaging the respective communities in decision-making processes, regular communication on the Group's activities, and the implementation of initiatives to improve the quality of life and environmental conditions in the affected regions. Transparent and publicly available systems for reporting possible impacts directly to companies, going beyond official processes, are also a key element in this regard.

In addition to transparent information and social or charitable initiatives, voestalpine also focuses on labor market-related issues relating to school and vocational training, such as by collaborating with educational institutions, and safeguarding or expanding employment opportunities in the vicinity of relevant production sites. These activities aim not only to ensure economic resilience but also to promote social cohesion and the well-being of communities. These actions allow voestalpine to better understand the social, cultural, and environmental issues faced by affected communities. As an employer, voestalpine also contributes to economic stability in many of the regions in which it is located. In order to present its contribution to society with transparency, voestalpine publishes data on research and development, the environment, employment, and tax and contributions paid on its website https://www.voestalpine.com/oesterreich/de/.

IMPACT, RISK, AND OPPORTUNITY MANAGEMENT

IRO-1 – Description of the process to identify and assess material impacts, risks, and opportunities

METHODOLOGICAL FRAMEWORK

In 2024, voestalpine identified its material sustainability matters using the double materiality assessment. voestalpine's double materiality assessment was carried out in accordance with the methods and steps described in the European Sustainability Reporting Standards (ESRS). In accordance with