Sustainability Report 2025

Swiss Steel Group

Together. For a future that matters.

Highlights

The year 2025 was marked by notable achievements for Swiss Steel Group in the areas of sustainability and innovation. Our consistent focus on climate-friendly production and technological excellence was confirmed by international awards and underscores our leading role in the steel industry.

Awarded the Platinum Medal by EcoVadis

Swiss Steel Group was awarded a platinum medal in recognition of its position among the top 1 % of companies assessed by EcoVadis in the twelve months prior to the issue date of the medal. This reflects the quality of the company's sustainability management system and demonstrates its commitment to promoting transparency throughout the value chain.

Click for more Information

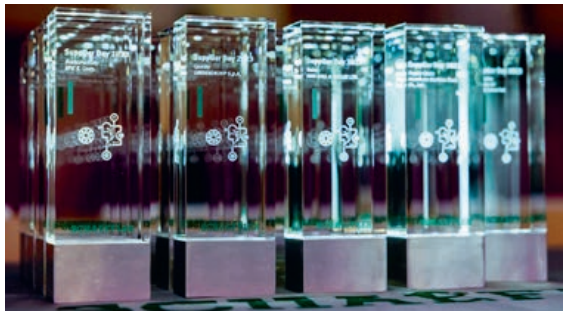
Another top “A” score in the CDP rating

Swiss Steel Group was awarded the highest rating “A” in CDP’s annual sustainability assessment for climate change for the second consecutive year. This distinction underscores the Group’s continued commitment to climate action and sustainable business practices. It also attests to Swiss Steel Group’s role as a leader in corporate transparency and action on climate change – at the forefront of the nearly 22,100 companies assessed.

Honored with Schaeffler Supplier Award

Deutsche Edelstahlwerke (DEW) was honored with the prestigious Schaeffler Supplier Award 2025 in the “Sustainability” category.
In this category, Schaeffler recognized suppliers who are committed to climate neutrality, for example through increased renewable energy and recycling rates or through the efficient use of raw materials.

Source: www.schaeffler.com



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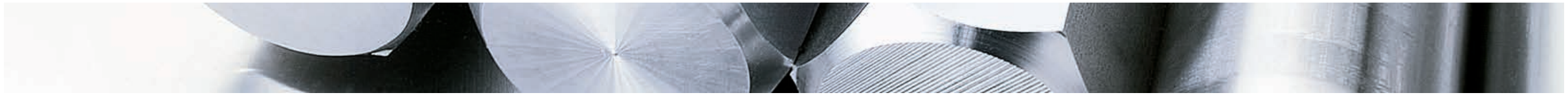


Preface

Letter to the Stakeholders

Martin Lindqvist
Chairman of the Board

Dear Stakeholders,

Sustainability remains a defining pillar of Swiss Steel Group's long-term strategy. In a year marked by structural transformation and a demanding market environment, we continued to strengthen our position as a leading producer of sustainable special long steel.

The steel industry is undergoing profound change. Decarbonization, regulatory evolution, geopolitical uncertainty and shifting market dynamics are reshaping the competitive conditions. In June 2025, Swiss Steel Holding AG was delisted from SIX Swiss Exchange. This step has enabled us to sharpen our focus on operational excellence, financial stabilization and disciplined execution of our long-term transformation roadmap, including our sustainability commitments.

Our decarbonization strategy remains firmly anchored in science-based targets. Following the validation of our near-term and net-zero targets by the Science Based Targets initiative, we advanced our decarbonization roadmap in 2025. Key milestones included commissioning our first electric forge furnace in Sorel, Canada, starting the hybridization of a rolling mill furnace in Ugine, France, and conducting oxygen-enriched combustion trials under the HYDREAMS initiative. These projects demonstrate tangible progress toward our decarbonization objectives.

Our efforts are also reflected in strong external recognition. In 2025, Swiss Steel Group achieved the highest possible rating "A" in the CDP Climate Change assessment for the second consecutive year. We were also awarded the EcoVadis Platinum Medal, placing us among the top 1 % of companies assessed worldwide. These distinctions underline the credibility, transparency and effectiveness of our sustainability strategy and management system.

At the same time, we strengthened transparency and accountability. After implementing a product carbon footprint (PCF) system at our Emmenbrücke site, we began rolling it out to additional Production Assets. Its externally validated data and methodology provide customers with reliable emissions information for their sustainability assessments.

In 2025, we updated our double materiality assessment, integrating insights from the preparatory work for future reporting in accordance with the European Sustainability Reporting Standards. This ensures our sustainability management remains aligned with evolving regulatory and stakeholder expectations.

This report has been compiled with reference to art. 964a et seq. of the Swiss Code of Obligations. It specifically fulfills the requirements of art. 964j-l and provides a transparent overview of our environmental, social and governance performance.

We would like to thank our employees for their dedication during a year of significant change. We also owe thanks to our customers, suppliers and partners for their trust and collaboration. Together, we will continue to shape a resilient and sustainable future for special steel.

Martin Lindqvist, Chairman of the Board

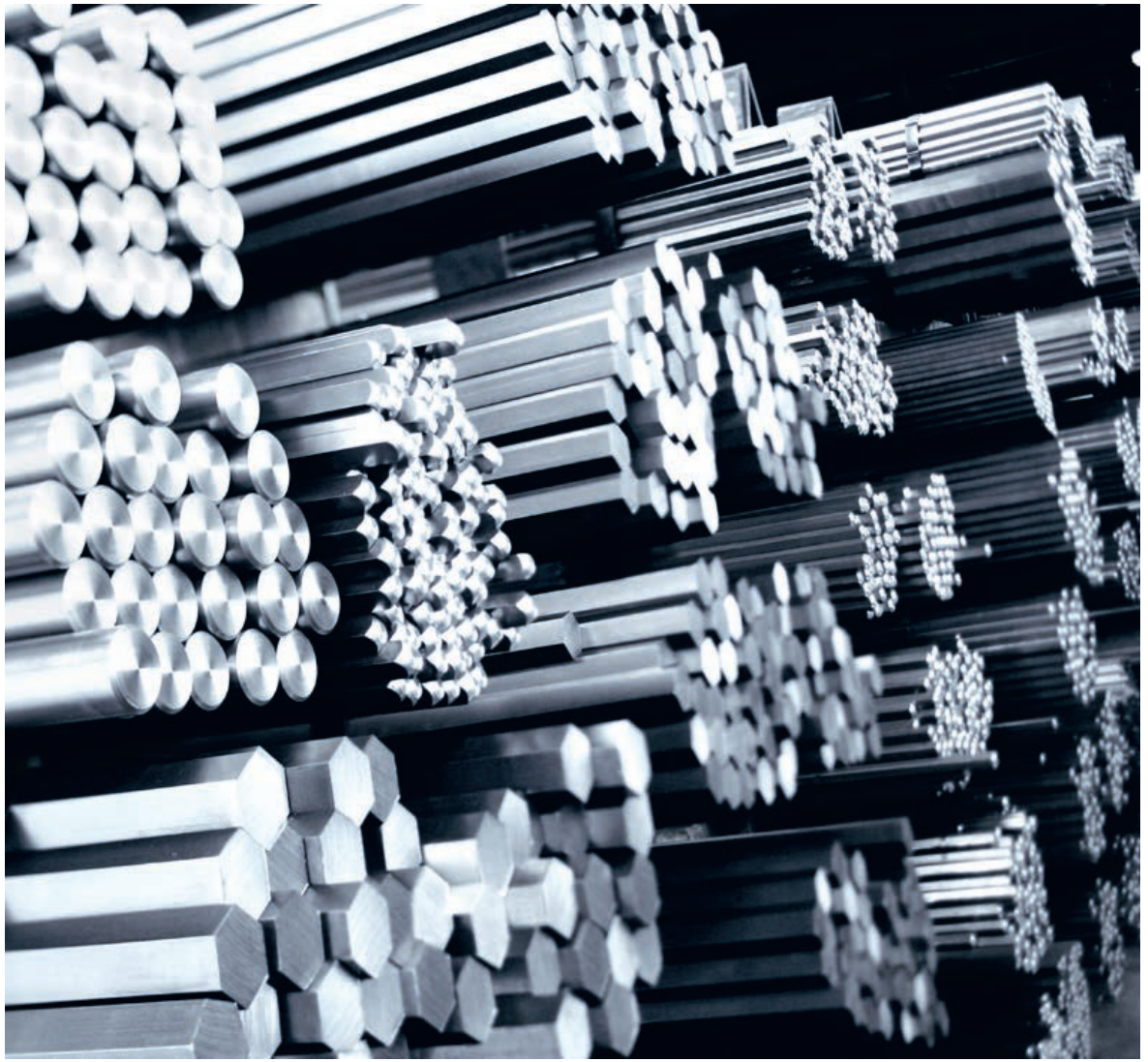
Regulations and Standards Applied

This Sustainability Report* has been compiled with reference to art. 964a et seq. It specifically fulfills the requirements of art. 964j-l of the Swiss Code of Obligations – the Swiss Ordinance on Due Diligence and Transparency in Relation to Minerals and Metals from Conflict-Affected Areas and Child Labor.

The due diligence and reporting obligations regarding child labor and conflict minerals are addressed in the sections “Human Rights” and “Sustainability in the Supply Chain”.

The information cited in the content index (see annex) has been prepared with reference to the standards of the Global Reporting Initiative (GRI) and parts of the European Sustainability Reporting Standards, ESRS E1 “Climate change” and ESRS 2 “General disclosures”. The report includes a description of our business model, approach (objectives, policies, due diligence), performance and measures, as well as risks and their management. It addresses aspects related to the environment and climate, social and employee issues, human rights and anti-corruption.

* The scope of the report covers Swiss Steel Group, i.e. Swiss Steel Holding AG and all its controlled group companies.



Our Operations

Business model

Headquartered in Lucerne (Switzerland), Swiss Steel Group is one of the world's leading producers of special steel long products. Thanks to the exclusive use of steel scrap in electric arc furnaces, the Group is one of Europe's foremost contributors to the circular economy and is among the market leaders in the field of sustainably produced steel.

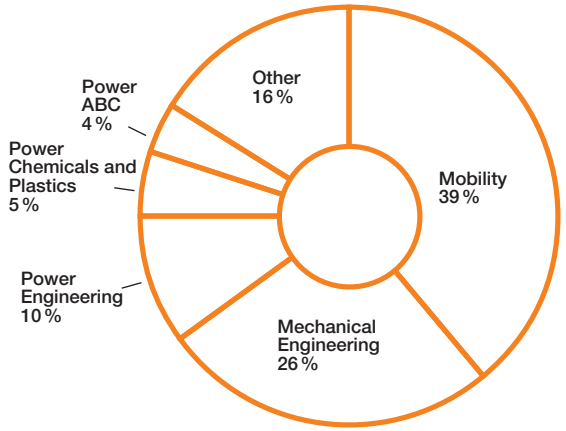
Swiss Steel Group has its major production facilities in Canada, France, Germany, Switzerland and the USA, with distribution entities and smaller processing sites in 25 countries. Through our strong local presence, Swiss Steel Group offers a wide range of individual solutions in the fields of engineering steel, stainless steel and tool steel. The company employs approximately 7,000 employees, more than 90 % of whom are in Europe and North America.

Swiss Steel Group offers one of the most comprehensive portfolios of steel grades, ranging from unalloyed structural steels and tool steels to high-alloy, corrosion-resistant stainless steels. Dimensions range from 0.013 millimeters for drawn wire to 1,100 millimeters for forged bars. These products are essential in many industries, including the automotive, aerospace, machinery, medical, construction and energy sectors. Its strength, toughness and workability make steel a key material for innovative solutions in these industries.

Our production process

Swiss Steel Group's production process begins with the collection, sorting and segregation of mostly locally sourced scrap, followed by melting it in electric arc furnaces (EAFs). After adjusting the temperature, refining the chemical composition by adding alloys and ensuring the cleanliness in the secondary metallurgy, the steel is cast into billets, blooms or ingots. A small portion of production is sold directly to customers as cast steel. In the rolling mills and forge shops, the cast steel is first reheated in natural gas-fired furnaces and then hot-formed into wire, bars or forgings. Some products are then either sold directly to customers or further processed in our numerous finishing shops through heat treatment and cold finishing processes, such as drawing or peeling.

Revenue by customer industry



Figures 2025

Effects of activities on sustainability matters

We are fully aware of the responsibility that comes with the nature of our business, and we act in a responsible manner to avoid any adverse impact on sustainability matters. Our operations can have an effect on sustainability aspects in the following way:

Environmental matters

The production of steel requires large amounts of energy and natural resources. Through the use of scrap steel and electric arc furnaces (EAF), our environmental footprint is significantly smaller than that of traditional steelmaking. However, our operations still generate emissions such as carbon dioxide, dust, noise or emissions to soil, as well as waste that must be managed with great care. Our Group has made investments in recent years to ensure we minimize our footprint.

Employee-related issues

The working environment in heavy industry involves risk factors such as heat, dust, noise, exposure to chemicals and the movement of heavy loads. We take great care to avoid any impact on the health and safety of our employees through various measures such as training on health safety, regular audits and proactive equipment maintenance.

Combatting corruption

Based in 25 countries, our Group is evolving in multiple jurisdictions with different laws for fighting corruption and varying sensitivities on the matter. To ensure a global understanding of the principles that need to be followed, Swiss Steel Group renewed its Code of Conduct in 2023 to ensure a common ground on anti-corruption, complemented by several policies and trainings.

Social issues

Most of our sites have a long history and are located in urban areas. Our activities can have an impact on the well-being of local communities. Within these communities, we play an important role in social integration, providing employment opportunities and contributing through sponsorship and donations in partnership with local stakeholders to ensure the sustainable development of these areas.

Respect for human rights

We source materials and services globally through over 11,500 direct suppliers based in 60 countries and employ approximately 7,000 people worldwide. Due to varying laws and local circumstances, our activities may have an impact on human rights, particularly in the supply chain. In 2025, Swiss Steel Group introduced a series of initiatives to reinforce adherence to our standards, which reflect best-in-class requirements. This included the rollout of a global campaign to collect acknowledgments of our Supplier Code of Conduct and the completion of our first ESG supplier on-site audit.

Sustainability Governance

At Swiss Steel Group, sustainability is defined as one of our top five strategic priorities. For this purpose, the Vice President Corporate & Strategic Affairs is responsible for coordinating all sustainability-related topics within their team and within the sustainability operating model. This setup was designed and approved in 2024 by our Executive Board to ensure that our organization is structured to respond to constantly evolving sustainability regulations as well as to meet external stakeholder expectations. It is intended to ensure proper coordination of related efforts and effective monitoring of the activities initiated in the different areas of Environment, Social and Governance.

At Swiss Steel Group, sustainability and climate-related issues are defined as one of our top five strategic priorities.

Our Vice President Corporate & Strategic Affairs reports directly to the Group CEO and is a member of the Executive Committee, making sustainability a regular agenda item at Executive Committee meetings. It is also incorporated into CapEx plans as well as sustainability goals and initiatives. In addition, a corporate-level Sustainability Management Committee continues to advance and strengthen our sustainability management system. In 2025, a new Sustainability Expert Group was established to support the strategic alignment between the corporate functions and our Production Assets. The Audit Committee oversees the Group's sustainability performance and its compliance system, which ensures adherence to legal requirements, including current and future sustainability regulations and reporting standards.

We benchmark our performance and identify opportunities for improvement by participating in respected external initiatives and ratings such as the Science Based Targets initiative (SBTi), the Carbon Disclosure Project (CDP) and EcoVadis. We scored an A from CDP in the climate change category for the second consecutive year and currently hold a platinum medal from EcoVadis.

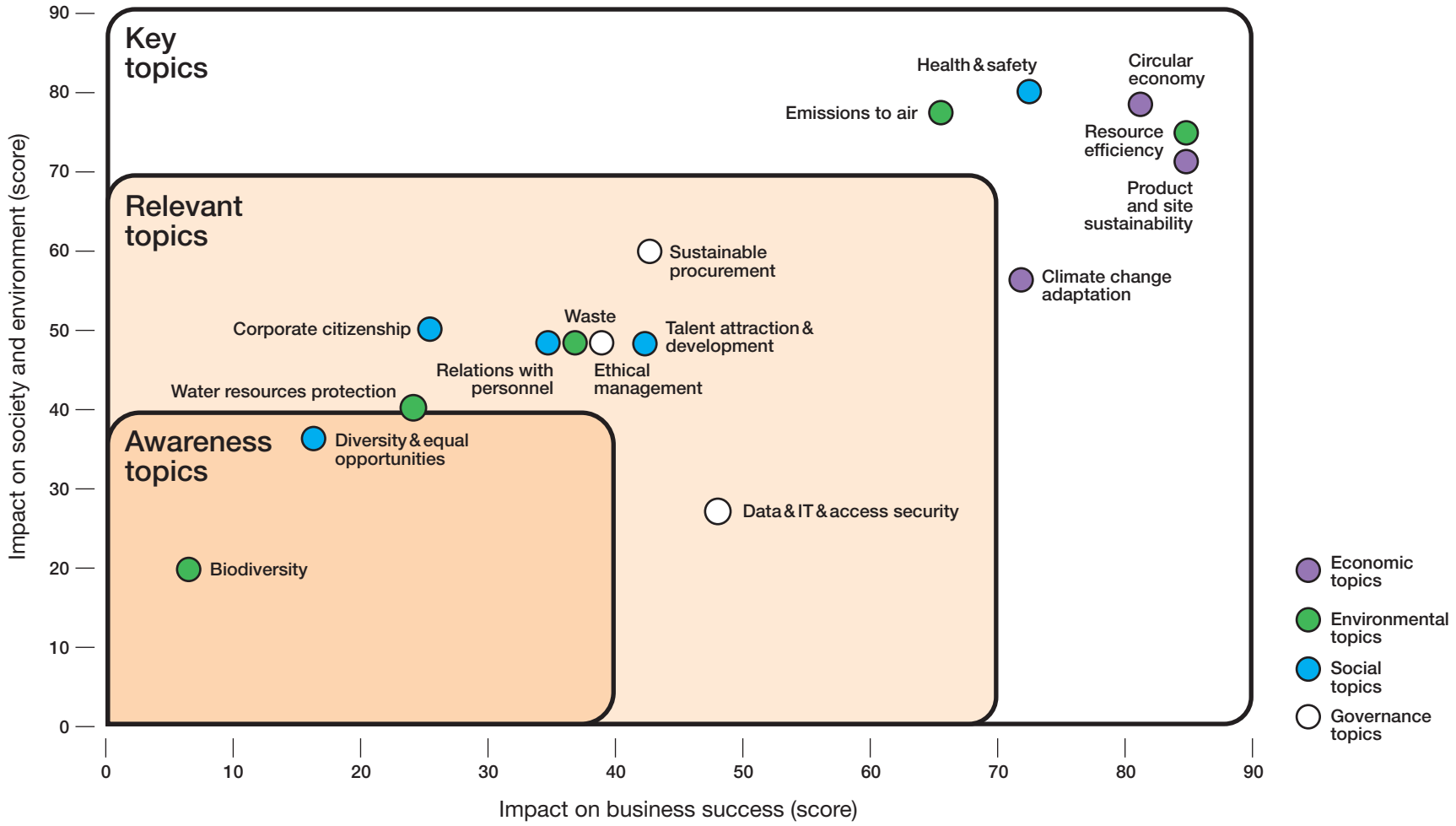
Material sustainability topics

A double materiality assessment was conducted in 2022 to align our sustainability strategy with stakeholder expectations and anticipate future regulatory requirements.

In 2025, we updated our double materiality assessment to incorporate insights gathered during the preparatory process for the double materiality assessment in line with the European Sustainability Reporting Standards (ESRS). This update ensures that our approach remains robust, forward-looking and aligned with evolving stakeholder priorities and regulatory standards.

Sustainability topics are deemed material if they either have a significant impact on our business success (outside-in) or if our economic activity has a significant impact on the environment or society (inside-out). Further details regarding the methodology and interpretation of the matrix can be found in the annex.

Materiality matrix



Report on Sustainability Matters

Climate

Governance

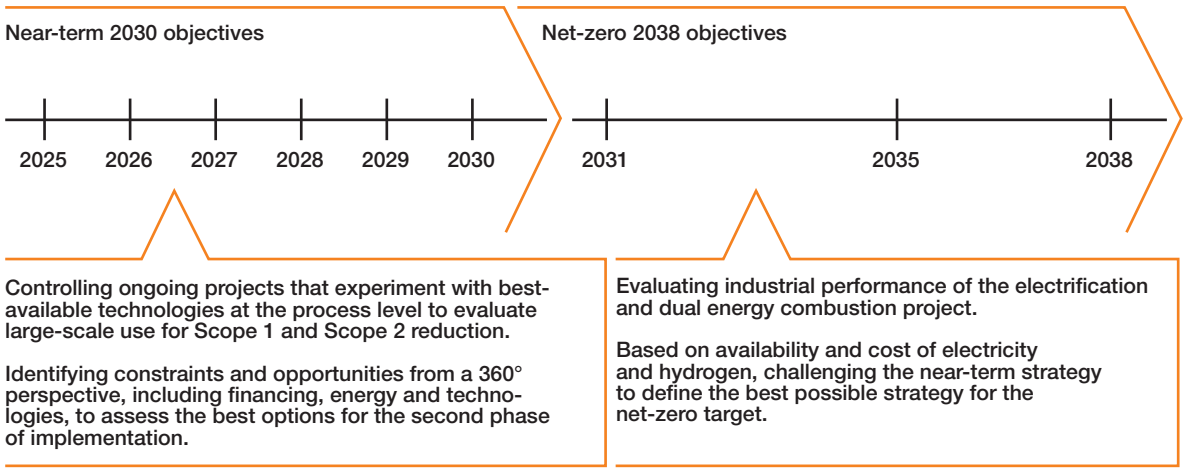
The Chief Technology Officer (CTO) of Swiss Steel Group has strategic and operative responsibility for the implementation of climate-related measures for sustainable steel production in all steps of Swiss Steel Group's value chain. This includes a focus on aspects such as GHG emissions, efficient use of materials, energy and water, recovery of by-products and waste management. He works closely with the Vice President Corporate & Strategic Affairs, local COOs and the sustainability experts at our production sites and discusses and sets decarbonization targets for each facility. He monitors the CO_2 emissions of our sites, thus tracking progress against our decarbonization targets.

Furthermore, he plans and implements measures together with local management to ensure business continuity pertaining to climate-related hazards, including plans for the short-term transfer of production between sites in the event of floods. The CTO is also Swiss Steel Group's contact person at the Science-Based Targets initiative and bears main operational responsibility for ensuring that Swiss Steel Group's decarbonization targets are met.

CapEx plans, environmental initiatives, targets and risks were previously reviewed during the quarterly Technical Board Meeting. With our validated SBTi targets, we have developed a roadmap that requires a novel approach. The Decarbonization Committee assesses the progress made in our decarbonization efforts and pinpoints opportunities to challenge the next steps, in accordance with the most advanced technological and economic solutions.

The Technology Team has individual climate-related targets that are linked to their short-term incentives (STIs). The incentives principally address aspects such as further developing our decarbonization roadmap, implementing decarbonization measures and improving our management and reporting processes.

Decarbonization Committee focus areas



Strategy

Transition plan

Leading the green transition is one of our strategic priorities. With its 100 % EAF production route, Swiss Steel Group is perfectly positioned for a decarbonized and circular future. Our steelmaking processes – which mainly use metallic scrap and electrical energy – have a significantly lower carbon footprint than the blast furnace-basic oxygen furnace (BF-BOF) route, which uses iron ore and coal. In the past few years, Swiss Steel Group has strengthened efforts to further transition the business model toward a decarbonized future. As described in our publicly available sustainability report, we make investments to increase our energy efficiency and switch processes from fossil energy carriers like natural gas to electrical energy.

In 2024, we had our sectoral science-based decarbonization targets (please see the section “Targets”) validated by SBTi as the first steelmaker worldwide. We have since had to perform a recalculation to accommodate derecognition of Ascometal. The recalculation has also been verified by SBTi.

To achieve these targets and strengthen our Green Steel market position, we have developed a decarbonization roadmap (please see section “Our Roadmap”). The required capital expenditure (CapEx) is incorporated into the budget, reflecting our strategic priorities and the essential needs of the business to ensure its successful operation and growth.

Our transition plan is embedded and aligned with our overall business strategy and financial planning and approved by management and the supervisory bodies.

Beyond our immediate environment, we recognize the importance of lifecycle thinking to reduce upstream and downstream emissions in our supply and value chains. Thus, we engage with our suppliers regarding their carbon footprint and replace primary materials with secondary materials where possible. We empower our customers on their decarbonization path with our Green Steel portfolio and innovative steel grades that shorten the downstream process route.

To establish relevant, well-adapted standards such as Green Steel labeling systems and a level playing field for all steel producers through technical arguments, we actively participate in working groups of steel associations such as EUROFER and the German Steel Association.

Risks

Our risk management process as described in the section “Impact, Risk and Opportunity Management” includes the identification of environmental risks, including physical and transition climate risks.

The table “Key physical and transition risks” summarizes Swiss Steel Group’s identified material climate risks.

Risks are identified and assessed against the strategy and the updated budget. To avoid double counting, the net risk shows the residual risks after budgeting for the following years. Accordingly, impacts that are integrated as part of next year’s budget (e.g. lower market expectations, provisions, etc.) are to be excluded from the calculation. For each, risk the owner assesses the appropriate action (avoid, accept, mitigate, transfer, control). While it is not possible to eliminate all risks with early and cost-effective measures, we have comprehensive insurance coverage to protect against various potential damages or operational disruptions.

Impacts

Swiss Steel Group considers impacts on climate change across the entire value chain:

- In its own operations, Swiss Steel Group generates direct emissions (Scope 1) from combustion (e.g. natural gas-fired furnaces) and processes (e.g. removal of carbon from the melt by adding oxygen). To mitigate this impact on climate change, we are actively working to reduce our emissions aligned with our near-term and net-zero Science Based Targets initiative (SBTi) targets.
- In the upstream value chain, greenhouse gas emissions are generated from mining, production of input materials like ferroalloys and lime, energy generation and transportation (Scope 2 and Scope 3). However, Swiss Steel Group is adopting circular economy principles to reduce these emissions, resulting in a smaller footprint compared to traditional steelmaking from iron ore.
- Downstream, emissions are generated by transportation and customers processing the steel (Scope 3). Swiss Steel Group helps to reduce customers’ emissions by improving efficiency and minimizing process steps like heat treatment through innovative steel grades.

Key physical and transition risks

Risk category	Risk type	Description of the risk	Mitigation	Timeline	Business/ region affected	Severity
Transition (T1)	Market risk	In recent years, the European automotive industry experienced a drop in production volumes, remaining well below the levels seen before the pandemic. Tough price competition squeezed margins further and our considerable share of automotive sales of more than 40 % constitutes a market risk. Changing consumer preferences have accelerated the rise of new competition versus established European players, shifting manufacturing and steel demand away from Europe.	Market and competition risks are, among other strategies, addressed through our internal market monitoring and research initiatives, technical advancements focused on product differentiation, and by diversifying our customer base across various industries.	Short, medium, long-term 	Europe	Critical 
Transition (T2)	Policy and legal	We regard the risk of failing to further decarbonize as our most material climate change transition risk. This risk can have wide implications from losing customers or access to financing, to not being able to attract young talent. In our assessment we concluded that increasing costs of carbon credits due to the reduction and phase-out of free allowances are the most significant impact of this risk. This could lead to additional costs for Swiss Steel Group in millions of EUR.	Implementation of decarbonization roadmap.	Medium, long-term 	Europe, Canada	Cautious-Critical 
Transition (T3)	Policy and Legal Technology	The shift from traditional integrated steelmaking to less emissions-intensive methods such as DRI-EAF attracts high public interest and substantial funding. While some of these technologies might not be economically viable, they are fostering increased competition within the low-emission steel market.	Systematic identification of public funding programs for the implementation of our decarbonization roadmap. Leveraging our expertise in recycling, electric arc furnace technology and the use of renewable energy.	Medium, long-term 	Europe	Cautious-Critical 
Transition (T4)	Market	As the demand for green energy rises, the growing need for electrical power, coupled with supply fluctuations from renewable sources, can lead to daily price spikes, higher grid costs, and unconventional production methods.	Atypical grid usage. Ongoing dialog with policy representatives and similar stakeholders.	Short, medium, long-term 	Europe	Cautious-Critical 
Physical (P1)	Acute weather events	The main acute physical risks include increased severity of extreme weather events such as single flood events or dynamic water levels. Most of our steel mills are located near rivers. In an extreme weather situation, plant areas could be flooded and underground spaces could be filled with water and mud. Production could be interrupted for several weeks and major transport problems could arise due to bridge damage.	Physical risk assessment integrated into ERM and mitigation planning protocol.	Short, medium, long-term 	Globally	Cautious 

Opportunities

Global trends like urbanization and climate change require sustainable and circular approaches. Steel is crucial for the green transition. Swiss Steel Group helps customers to lower emissions across their value chains, contributing to industry decarbonization. Collaborating with suppliers, we aim to secure a reliable, high-quality and low-carbon supply of essential raw materials.

We foresee significant opportunities in the steel market driven by global decarbonization targets and initiatives like the EU Green Deal. The steel industry will support energy infrastructure development, with power generation from renewable sources increasing steel demand. The automotive sector's focus on emissions reduction will also boost demand for high-strength steel.

Our commitment to the Science-Based Targets initiative (SBTi) highlights our leadership in Green Steel – in the aim of becoming the preferred choice for low-emission steel. Evolving green steel standards such as transparency regulations and the LESS label system in Germany will support and expand this opportunity. With our EAF-based operations and Green Steel product lines, all our business activities are well positioned to capitalize on emerging market opportunities. To meet future transparency requirements, we are currently implementing a company-wide product carbon footprint calculation tool.

Our goal is to leverage our technological expertise to create high-quality, special long steel products tailored to customer needs. Research and development, combined with cross-border technical collaboration, are key to our diverse product portfolio, quality leadership and strong customer relationships. Projects like HYDREAMS (please see the section "Renewable gases" for further details) aim to give us a technological edge in low-emission steelmaking.

Scenario analysis

Resilience analysis is conducted as part of the periodic strategy and ERM process. By critically evaluating our business model and strengthening our resilience, we can better overcome obstacles and ensure more robust and sustainable operations. Key aspects include assessing risks and opportunities as well as evaluating the likelihood and impacts of disruptions in different future scenarios. While our resilience analysis primarily focuses on the period from 2026 to 2030, we also consider long-term horizons. It includes the major Production Assets and the availability and cost of supplies, consumables and market conditions, considering parts of the upstream and downstream value chains.

We have evaluated the resilience of our business model and strategy under different climate scenarios. Leveraging the latest insights from the Intergovernmental Panel on Climate Change (IPCC), we assessed two scenarios from the Sixth Assessment Report's Shared Socioeconomic Pathways (SSPs), which project greenhouse gas trends and socioeconomic development paired with representative GHG concentration pathways (RCPs). The main uncertainties are related to future energy and raw material prices, geopolitical developments and market trends.

Physical climate risks are calculated by combining robust science-based data used for the IPCC's latest Assessment Report (AR6) with hazard layers, e.g. flood and storm surge zones. The results are included in the ERM cycle at 12 major production sites. Where required, measures are defined to address the most significant physical climate risks of the SSP5-8.5 scenario for different projection years.

In addition to the continued identification and assessment of physical climate risks, a top-down assessment was conducted for each division in 2024 with a special focus on climate-related transition risks; this was subsequently reviewed by the Chief Sales Officer (CSO) in 2025.

Swiss Steel Group is well positioned for both scenarios, with greater opportunities anticipated in the first scenario. We do not foresee any necessary changes to our business model.

SSP 1-2.6: "Taking the Green Road"

This optimal scenario envisions a sustainable world marked by inclusive development, enhanced global commons management and substantial investments in education and health. Economic growth focuses on well-being, leading to lower resource and energy use. It aligns with the Paris Agreement's aim to limit global warming to 1.5° C above pre-industrial levels.

Swiss Steel Group stands to benefit from increased demand for low-emission steel, a growing circular economy, high availability of low carbon energy and reduced risk of physical damage to assets from climate hazards. However, key risks include significantly higher carbon prices, potentially exceeding EUR 200/t by 2035, and substantial subsidies for integrated steelmakers.

SSP 5-8.5: "Taking the Highway"

This scenario entails rapid development driven by fossil fuels, resulting in energy-intensive lifestyles and minimal climate mitigation efforts. This could lead to global warming exceeding 4° C by 2100, presenting significant adaptation challenges. However, well-funded technological solutions may help some regions manage these impacts.

Under these conditions, Swiss Steel Group's key risks include high exposure to physical climate hazards (please see the section "Physical climate risks"), limited demand for low-emission steel, and intense competition from integrated steelmakers which benefit from potentially lower fossil energy, carbon and primary raw material costs. Opportunities are primarily found in reduced capital expenditure (CapEx) for the green transition and potentially higher steel demand due to fewer transitional disruptions.

Physical climate risks

Our physical climate risk scenario analysis uses a reinsurance company's simulation tool, which is a key component of our resilience analysis. The most relevant climate hazards for our operations are considered. The results of the SSP 5-8.5 scenario for different projection years are shown in the table "Scenario analysis for physical climate risks". The scenario analysis for physical climate risks confirmed that our most material physical climate risk, both presently and in future scenarios, is flooding of various categories.

It is commonly known that for every 1° C increase in temperature, the atmosphere can hold up to 7 % more moisture, potentially compounding the risk of extraordinary weather events. The highest risks have been identified for Emmenbrücke in Switzerland, Hagen and Siegen in Germany, and Sorel in Canada. In Ugine, France, there is the additional risk of debris from landslides in the Gorges de l'Arly entering the river.

The Group has been heavily impacted by floods twice in the last 20 years, in 2005 in Emmenbrücke, and in 2021 in Hagen. Actions have been taken to prevent the recurrence of these events. Thanks to measures taken by the company (e.g. pump stations, flood barriers, elevation of critical equipment) and the local authorities (riverbank extension and reinforcement), Emmenbrücke has become a model example for flood prevention.

Scenario analysis for physical risks (1 / 2)

	2025	2030	2050	Explanation
Cold stress – Absolute change in number of freezing days (temperature < 0)				Only one of our sites, Ugine France, is presently in high risk of cold stress. This is expected to change by 2030 and 2050, with all our sites falling in the moderate risk exposure category.
Daily wind extreme – Probability of exceeding a daily mean value of 12 m / s				The risk of daily wind extremes is low for all sites.
Drought – Precipitation well below average further combined with heat waves during that season				Until 2030, 25 % of our sites are at high risk of drought and 75 % are considered low risk of drought. By 2050 25 % will be at high risk of drought, 16 % at moderate, and the remainder at low risk.
Extreme precipitation – Change in extreme of daily precipitation				In 2025 75 % of our sites are at high risk of extreme precipitation and 25 % are at moderate risk. By 2030 there is no change but by 2050 we expect 8 % of our sites to be at extreme risk, 42 % at high risk, with only 25 % at low risk of extreme precipitation. The Sites Emmenbrücke, Switzerland and Ugine, France are both at high risk throughout.
Fluvial flood – Change in mean and extreme precipitation coupled with pluvial flood zones				Currently and until 2050, 75 % sites are at high risk of fluvial flooding, these include Hagen and Siegen in Germany and Sorel in Canada, while one site is moderately at risk and the remainder are low. By 2050, these are expected to shift so that one site has extreme risk of fluvial flooding, 75 % are at high risk, while the remainder are low risk.
Heat stress – Change in atmospheric water capacity coupled with change in extreme temperature and increases in number of dry days				None of our sites are at risk of heat stress, something that remains constant until 2050.

Extreme | High | Moderate | Low

Scenario analysis for physical risks (2/2)

	2025	2030	2050	Explanation
Heat wave – Absolute change in heat wave duration coupled with the absolute change in heat wave frequency				From now until 2030 32 % of our sites are at high risk of heatwaves, and 50 % are at moderate risk. The remaining two sites are considered low risk. By 2050 Milan in Italy will be at extreme risk of heatwaves. By then 42 % will be at high risk and 42 % will be at moderate risk, with one site at low risk.
Pluvial flood – Change in extreme daily precipitation coupled with pluvial flood zones				Currently, Emmenbrücke in Switzerland and Hagen in Germany are at high risk of pluvial fooding. 42 % of our sites are at high, one site is moderately at risk and 50 % are at low risk. We expect the same situation for 2030 and 2050.
Storm surge – (Sea Level Rise) Median change in sea level height coupled with storm surge zones				With no coastal sites, our sites are all classed as having low risk from storm surges, from 2025 till 2050.
Summer precipitation – (Apr.-Oct.) Absolute change in April to October precipitation				We do not expect any changes in our sites until 2050, whereby 42 % are high risk, 50 % are moderate risk and 8 % scored low throughout.
Winter precipitation – (Nov.-Mar.) Absolute change in November to March precipitation				Half our sites are at moderate risk of winter precipitation events, while the other half are at high risk throughout.

Extreme High Moderate Low

Impact, Risk and Opportunity Management

Risk management

Swiss Steel Group's Enterprise Risk Management (ERM) aims to support the company's strategic objectives while ensuring business continuity and operational stability. The primary goal of ERM according to Swiss Steel Group's risk management policy is to proactively identify risks early on and implement effective mitigation strategies. It involves a comprehensive process for identifying, assessing, responding to, monitoring and reporting all significant risks. This applies also to the climate-related risks that are integrated in the ERM to ensure proactive management. A Group-wide risk database serves as the foundation for all ERM activities, providing a unified platform for managing and tracking risks across the organization. This integrated approach helps safeguard the Group's resilience and long-term success. The ERM covers all Swiss Steel Group's operations with a bottom-up and top-down approach, while the risk landscape is updated continuously and reported to and approved by the Board of Directors annually.

Enterprise Risk Management (ERM)

Starting in 2023, results from the physical climate risk scenario analysis were also made available to the Production Assets for risk mitigation and ERM integration.

Impact management

Climate-related impacts are identified and assessed as part of our double materiality assessment. In this process, we determine how our organizational activities and value chain impact the environment, and in particular climate change. Employees and management are involved to gain as much insight as possible into environmental dependencies and impacts. The perspective of external stakeholders is also taken into account to avoid bias. Impacts are then assessed for scale, scope and remendability.

The environmental impacts of the organization's activities are measured and quantified using metrics such as carbon footprint, energy and raw material use, and waste generation. This, in turn, provides a basis for monitoring and continuous improvement by developing and implementing mitigation strategies. Climate change mitigation plans are consolidated and prioritized in our decarbonization roadmap. We continuously monitor the success of mitigation actions and progress toward our decarbonization targets as part of our annual externally verified GHG data collection. We report our environmental performance to stakeholders through sustainability reports, the Carbon Disclosure Project (CDP) and compliance documents. We regularly review our environmental management practices and performance, and benchmark these against industry standards, best practice and regulatory requirements. Going forward, we will regularly review and update the climate-related impacts identified and assessed in our double materiality assessment, taking into account our performance and decarbonization progress.

Opportunity management

Swiss Steel Group's opportunity management involves systematically identifying, assessing and capitalizing on opportunities that can enhance business performance. These opportunities may take the form of product innovations, process improvements, market prospects, strategic partnerships, investments or other avenues for growth. The process focuses on evaluating opportunities for their potential impact or value, prioritizing them accordingly and strategically pursuing those that align with organizational goals. The ultimate objective is to maximize value creation by turning promising opportunities into tangible business outcomes and to increase our resilience.

Policies related to climate change mitigation and climate change adaptation

1. Climate change mitigation
Swiss Steel Group addresses environmental management and climate change mitigation through its Code of Conduct and its Group-wide and local environmental policies. The Group's new environmental policy was approved by the Executive Board in 2024. A summary is available on our website (policy statement). This policy sets out responsibilities, processes and accountability measures

that guide our operations and risk management. During 2025, we prepared an additional Group-level environmental training program, with implementation planned for 2026, aimed at strengthening environmental awareness and competencies across the organization.

Requirements for our business partners are set out in the Supplier Code of Conduct that was approved by the Audit Committee in 2023. It is available on our website.

Click for Supplier Code of Conduct

The Group's environmental policy addresses our material environmental topics including but not limited to:

- **Greenhouse gas (GHG) emissions**
  Each production site within the scope of an emissions trading system clearly defines the responsibilities for emissions tracking and ETS-reporting. Swiss Steel Group has near-term and longer-term decarbonization targets aligned with international standards. Our production relies on electric arc furnaces (EAFs) using steel scrap, which reduces reliance on primary raw materials and lowers overall GHG emissions.

- **Energy efficiency**
  We continually monitor energy consumption, identify inefficiencies, and implement corrective measures. All European steelmaking sites run ISO 50001 certified energy management systems that help us record and analyze the consumption of our energy carriers and the resulting emissions. This information is used to define strategic and operational energy targets as well as to plan, implement and monitor power conservation measures.

- **Renewable energy**
  Increasing the share of renewable energy is a key part of our decarbonization strategy. Where feasible, we integrate resources such as hydropower and solar into our energy mix to reduce dependence on fossil fuels.

- **Circular economy and waste management**
  We promote the use of secondary materials, maximize steel scrap inputs and apply responsible waste collection, recovery or disposal processes.

- **Sustainable product development**
  Our product strategies aim to reduce alloy content, streamline downstream processes and eliminate hazardous substances wherever possible.

2. Climate change adaptation
Climate-related risks are built into our Enterprise Risk Management (ERM) framework. Responsible teams receive periodic instructions on identifying and assessing adaptation risks, including extreme weather events. In addition, our management systems encompass the following areas to mitigate adaptation risks:

- **Health and safety policies, instructions and training**
  Our health and safety policies address climate-related hazards such as heat waves and severe storms. We provide regular training and instructions on emergency procedures.

- **Emergency plans**
  Local emergency plans outline site-level protocols for addressing climate-related incidents, such as flooding, ensuring rapid response times and operational continuity.

- **Business continuity plans**
  We review product ranges and site capabilities to allow for production shifts if disruptions occur. This approach helps maintain operations and reduce downtime caused by climate-related interruptions.

Swiss Steel Group reviews and updates these policies and procedures on a regular basis to reflect changes in regulations, stakeholder expectations and evolving best practices. This approach supports the long-term resilience of our operations and value chain.

Actions and resources

Achieving our near-term targets 2030 (Scope 1 and Scope 2)
As part of our near-term SBTi targets, we have committed to reducing our GHG emissions covered by the iron and steel core boundary (Scope 1, Scope 2 and some Scope 3 emissions) by 23.7 % per ton of hot-formed steel by 2030 compared with base year 2021. We have also committed to reducing Scope 1 and Scope 2 emissions outside the steel core boundary by 42 % over the same timeframe. The decarbonization measures included in our roadmap (near-term targets) can be assigned to five different clusters.

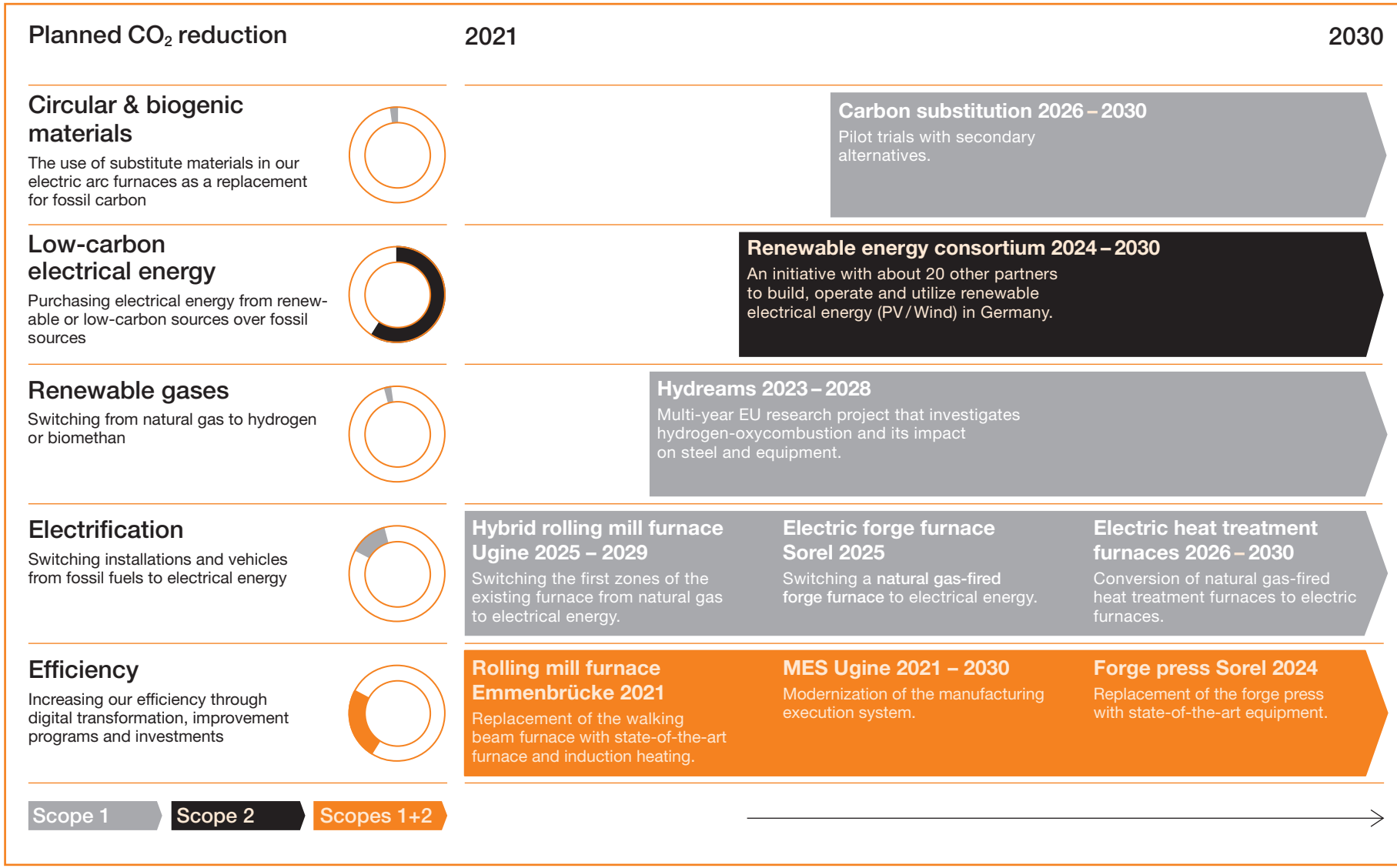
1) Green electrical energy – increasing our procurement of electrical energy from renewable sources

2) Efficiency and digital transformation

3) Electrification

4) Hydrogen and biogenic gas

5) Circular and biogenic materials



Green electrical energy

We expect the most significant contribution to come from green electrical energy, followed by efficiency and digital transformation and supported by the electrification of furnaces. We participate in a renewable energy consortium, an initiative consisting of nearly twenty other partners, with a view to building, operating and utilizing renewable electricity (PV / Wind) in Germany. We expect the first contributions from this initiative in 2028.

Conversion of furnaces

The conversion of natural gas-fired furnaces to alternative fuels is another central pillar of our decarbonization roadmap. Our Group operates more than 150 natural gas-fired furnaces for rolling and forging processes as well as for heat treatment. Four of our five rolling mills employ inductive heating which partly replaces natural gas. At the steel plant in Sorel, Canada, we already operate electric heat treatment furnaces and, since 2025, our first electric forge furnace. Going forward, we plan to leverage this expertise and convert more heating and heat treatment furnaces from natural gas to electric heating. Depending on the results of these projects, we will continue our journey toward electrification, while retaining the option of using renewable gases such as hydrogen or biomethane in the future. The integration of hydrogen into our

operations will heavily depend upon further policy developments and economic viability.

Execution of the roadmap
While we anticipate significant capital expenditure (CapEx) to achieve our 2030 decarbonization targets, we are committed to minimizing this investment by identifying and assessing untapped potential. Accordingly, we are continuously exploring long-term partnerships with leading companies in energy generation, sourcing and efficiency. These efforts include on-site energy generation, energy recovery, battery energy storage and other innovative solutions to advance our sustainability objectives.

A supportive evolution of the European policy, energy and market landscape will be essential to realizing our roadmap. However, a coherent approach that enables this evolution without a global carbon price is still lacking.

Achieving our net-zero targets 2038 (Scope 1 and Scope 2)
Our current focus is on achieving our near-term decarbonization targets and laying the groundwork for net-zero operations. To reach this goal by 2038, we plan to significantly increase the number of furnaces converted from natural gas to electrical energy and/or renewable gas. Additionally, we will expand our efforts ranging from heat treatment and forge furnaces to larger forge and rolling mill furnaces. For these larger furnaces, we anticipate that electrification alone will not suffice; hybrid technologies, including or exclusively using renewable gas, will be necessary. Our pilot rolling mill furnace project in Ugine will be pivotal in determining the right direction for the future.

The availability of competitively priced renewable energy will be crucial to achieving our net-zero targets. We continuously monitor advancements in technology, energy markets and policy to extend our roadmap beyond 2030. This includes exploring technological developments for neutralizing residual CO_2 emissions through permanent carbon removal from the atmosphere in a way that is meaningful and economically viable. Currently, we do not purchase voluntary carbon credits, neither do we remove CO_2 from the atmosphere.

Emission reduction in our value chain
To better understand the full value chain emissions impact and identify carbon reduction opportunities, we regularly collect carbon data from our suppliers, prioritizing those suppliers with the highest emissions. This information enhances the accuracy of our Scope 3.1 CO_2 reporting and guides our purchasing decisions, favoring materials with a lower carbon footprint.

In addition, we replace carbon-intensive primary materials like ferroalloys and deoxidizers with secondary materials such as alloyed scrap or recycled aluminum where possible. This comes with technical and logistical challenges, particularly in scrap management. Some higher-alloyed steel grades can already be produced with minimal or no primary ferroalloys in Swiss Steel Group's plants.

The Ugi'Ring project, part of our circular economy strategy, aims to further increase the recycled content in our steel by integrating alloy recycling from waste (e.g. batteries, catalysts, sludge from pickling or else scale from process) and by-products.

Increasing the share of renewable energy and enhancing energy efficiency (e.g. switching to more efficient electrical furnaces) will lower Scope 3.3 emissions. To reduce Scope 3.5 emissions, we will optimize processes and minimize slag production.

For Scope 3.10 emissions, we closely observe initiatives like Catena-X to improve supply chain data exchange and are intensifying our marketing of green products to attract customers with high decarbonization ambitions. We expect an increase in the availability and use of renewable energy carriers in the countries where our main customers are located, reducing their GHG emissions. Additionally, we will improve our product lines to help customers simplify steel processing and avoid additional heat treatments.

Finally, to reduce Scope 3.12 emissions, we expect improvements in scrap handling and management, along with an increase in green electricity and low-carbon fuel used by our scrap suppliers.

Developments in 2025
In line with our roadmap, the actions initiated and implemented in 2025 focused on enhancing efficiency, accelerating electrification and integrating renewable gases.

Efficiency
In Siegen, progress was made on installing a new sawing facility to minimize unnecessary material scrapping. This facility will enable us to selectively remove defects from faulty bars, while ancillary processes such as chamfering and cutting are performed offline, boosting the productivity of the bright bar lines. Anticipated savings amount to approximately 5,500 tons of CO_2. The project is publicly funded by the Federal Fund for Energy and Resource Efficiency in the Economy *(Bundesförderung für Energie- und Ressourceneffizienz in der Wirtschaft).*

The planned investment in a new EAF lance manipulator for the Witten melt shop will significantly enhance overall process efficiency.

Another example of efficiency improvement is planned at our Chicago site. A new oxytorching lance will be implemented to cut scrap material from forged blocks while they are still hot, saving on heat treatment and machining of discarded parts. The project is now planned for execution in 2027.

At our Emmenbrücke site, we have successfully implemented a product carbon footprint (PCF) calculation system that determines the carbon footprint for each product. This tool enhances transparency and enables customers to integrate PCF values into their sustainability models. The underlying data and methodology have been externally validated. Building on the successful pilot in Switzerland, we are now extending the system to other production sites. This step reinforces our commitment to sustainable and transparent steel production.

Electrification
At Sorel, Canada, the first forge furnace was converted to electric heating. This furnace reheats ingots weighing up to 39 tons with one of the lowest carbon footprints worldwide before they are forged on the new press. The complete set of new forge press facilities at Sorel, including fully electric reheating and heat treatment, represents a groundbreaking achievement. As the first electric forge furnace in our Group, it paves the way for further electrification of larger furnaces and will result in CO_2 savings of approximately 3,000 tons per year.

While Sorel sets the standard for electric forge furnaces, Ugine will serve as the benchmark for the hybridization of rolling mill furnaces. During the summer maintenance in 2025, the first electrification module was installed in Zone 1 of the rolling mill furnace at the Ugine plant. The roof and refractory lining were replaced, and a new superstructure was added to allow the electrical resistances to be lifted during refractory maintenance. Initial trials have already been conducted to qualify electrode materials that can withstand proximity to burner flames.

Additionally, we are currently increasing the use of oxygen-enriched combustion air in the rolling mill furnace (see section on renewable gases below).

Renewable gases
As part of our multi-year EU research project HYDREAMS, we are investigating and evaluating options for replacing natural gas and air burners in furnaces with other gases such as hydrogen and oxygen-enriched air. To address future technical challenges, we are investigating potential impacts on equipment and product quality.

We made significant progress on the project in 2025 through two demonstration trials:

- **Rolling mill furnace Ugine plant:** Natural gas consumption has been reduced by enriching preheated combustion air with 25 % oxygen, resulting in an annual reduction of about 900 tons of CO_2 emissions.
- **Forge furnace Krefeld plant:** Initial trials began in October 2025 using hydrogen burners. Metallurgical characterization and scale formation analysis will be carried out in 2026 on forged bars, comparing results with the standard process.

Construction of the coil annealing furnace in Ugine started in summer 2025, with commissioning planned for summer 2026. This furnace will feature flexible burners capable of operating with natural gas or hydrogen in both air-fuel and oxy-fuel modes for heat treatment processes.

In the value chain
The Ugi'Ring project, which is part of our circular economy strategy, will enable us to further increase the recycled content in our steel through the vertical integration of alloy recycling from waste (e.g. batteries, catalysts) and by-products into our steel production. Preparatory work for the new processes continued at the receiving site in France continued in 2025, and we are currently exploring various implementation options for the project.

Across the Group, we are improving the tracking and sorting of internal scrap so that primary alloys can be replaced with alloyed scrap. In Siegen, this is supported by an implemented data warehouse and material tracking system.

Metrics and targets

Specific performance indicators such as energy consumption per ton of steel generally depend on the steel grade and the raw materials used, as well as the depth of processing. External factors continue to play an important role. Ongoing volatility in steel markets is still impacting our product portfolio and capacity utilization. As in previous years, 2025 was marked by low utilization, resulting in reduced energy efficiency due to smaller production orders and longer changeover and rampup times. We have implemented a range of improvements to counteract these effects and advance our sustainability goals. For details regarding our reporting principles, please refer to the annex.

Targets

In May 2022, Swiss Steel Group committed to setting company-wide GHG emission reduction targets aligned with climate science and sectoral targets through the Science Based Targets initiative (SBTi). Sectoral targets allocate a GHG emissions budget to an industry, ensuring each sector contributes to global climate goals. For the iron and steel industry, these targets follow the SBTi 1.5° C framework, based on the International Energy Agency's Net Zero Emissions scenario.

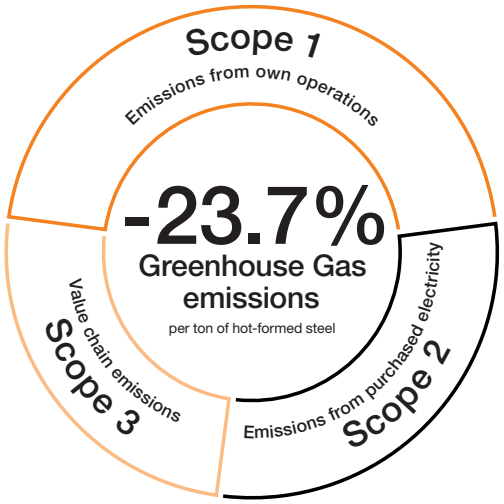
2030 Near-term decarbonization targets

Validated by SBTi

Melting, Remelting & Hot Forming

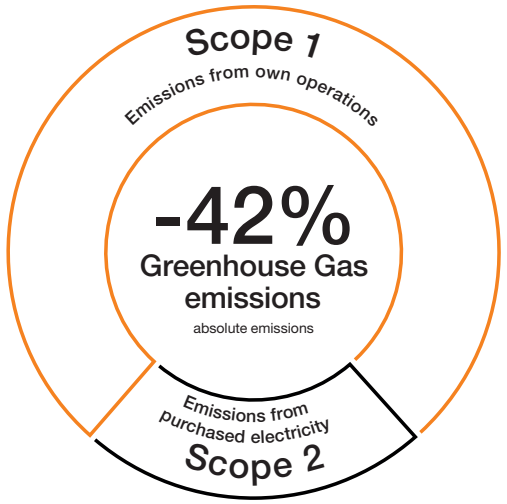
Purchased lime, oxygen, pig iron, etc.

Hot-forming of cast products at customers' sites



Base year (2021)	Unit	2025	Target 2030
0.496	tCo_2e per ton hot-formed steel	0.453	0.379

Heat Treatment & Finishing

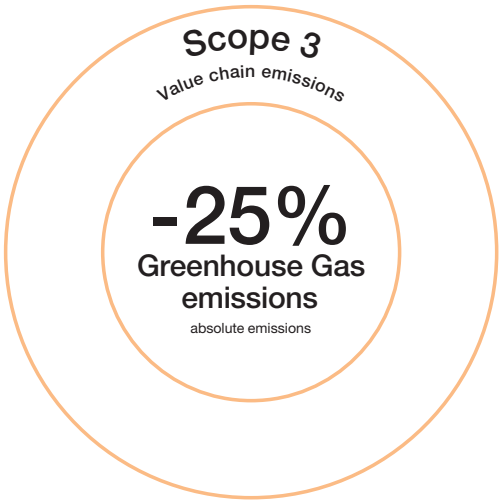


Base year (2021)	Unit	2025	Target 2030
179,805	tCo_2e	146,296	104,287

Throughout the Value Chain

Other purchased materials: ferro-alloys, refractories, electrodes, etc.

Extraction, production and transportation of purchased fuel and energy



Base year (2021)	Unit	2025	Target 2030
1,079,318	tCo_2e	702,161	809,489

Reference year 2021

This approach ensures adherence to the principles of plausibility, responsibility, objectivity and consistency.

By 2030, Swiss Steel Group targets a 23.7 % reduction in emissions per ton of hot-formed steel compared to the 2021 baseline, while Switzerland's target is to achieve a 65 % reduction in GHG emissions from 1990 levels by 2035. The Group's sector-specific decarbonization pathway aligns with Switzerland's broader climate strategy. The Group aims to achieve net-zero emissions by 2038, assuming suitable framework conditions, while Switzerland targets net-zero by 2050. These efforts demonstrate concrete steps toward decarbonization, with the Group's industry-aligned measures contributing to the shared goal of limiting global warming to 1.5° C.

Sectoral approach and emissions reduction targets

The sectoral or convergence approach requires all steel companies to align their emissions intensity levels over time. A key factor is the scrap ratio, which affects emissions intensity. Our base year scrap ratio is 97 %, with no significant changes expected. In 2025, our scrap ratio was slightly higher at approximately 98 %. Our sectoral target assumes a fixed market share and uses SBTi's sectoral activity growth projections to account

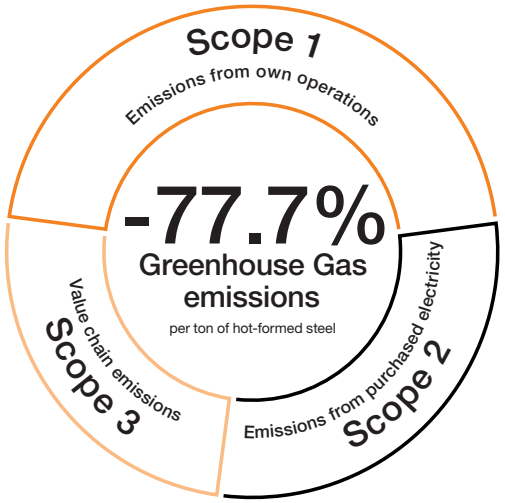
2038 Net-zero decarbonization targets

Validated by SBTi

Melting, Remelting & Hot Forming

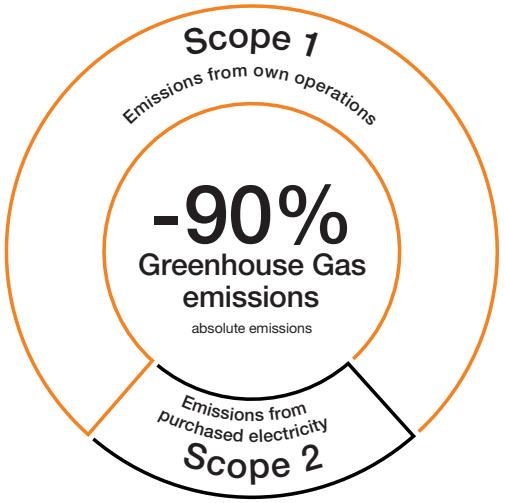
Purchased lime, oxygen, pig iron, etc.

Hot-forming of cast products at customers' sites



Base year (2021)	Unit	2025	Target 2038
0.496	tCo_2e per ton hot-formed steel	0.453	0.111

Heat Treatment & Finishing



Base year (2021)	Unit	2025	Target 2038
179,805	tCo_2e	146,296	17,981

Throughout the Value Chain

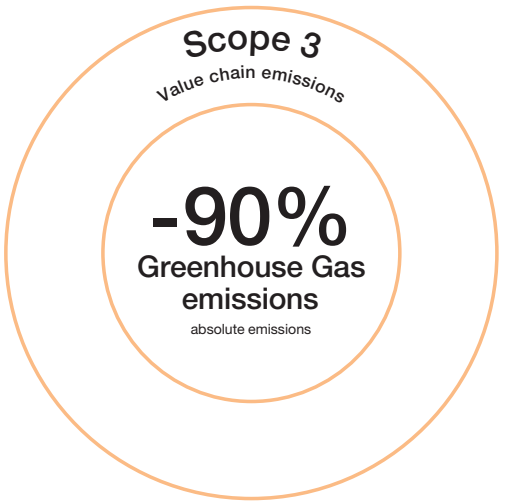
Other purchased materials: ferro-alloys, refractories, electrodes, etc.

Extraction, production and transportation of purchased fuel and energy

Waste generated in operations

Processing of sold products

End-of-life treatment of sold products



Base year (2021)	Unit	2025	Target 2038
1,445,496	tCo_2e	953,947	144,550

Reference year 2021

for industry trends and to allow for economic growth while tracking reductions.

For emissions within the iron and steel core boundary – melting, remelting, and hot-forming – we have committed to reducing GHG emissions (Scope 1, Scope 2 and some Scope 3) by 23.7 % per ton of hot-formed steel by 2030 and by 77.7 % by 2038.

For processes outside the core boundary, such as finishing and heat treatment, we have committed to reducing Scope 1 and Scope 2 emissions by 42 % by 2030 and 90 % by 2038. As one of the first steel producers to publish targets under this guidance, we are at the forefront of advancing the decarbonization of our industry.

These targets were slightly altered from previous years due to the derecognition of Ascometal.

Scope 3 emissions reduction and target validation

In addition, we will reduce our emissions in Scope 3.1 purchased goods and services and Scope 3.3 fuel- and energy-related activities outside the iron and steel core boundary by 25 % by 2030. This near-term target covers more than 67 % of our total Scope 3 categories. We have also committed to an absolute reduction of 90 % for Scope 3 emissions outside the core boundary by 2038 – including Scope 3.1 purchased goods and services, Scope 3.3 fuel- and energy-related activities, Scope 3.5 waste generated in operations, Scope 3.10 further processing of sold products, and Scope 3.12 end-of-life treatment of sold products. These Scope 3 categories cover more than 90 % of our total Scope 3 emissions. Our GHG reduction targets exclude GHG removals, carbon credits or avoided emissions.

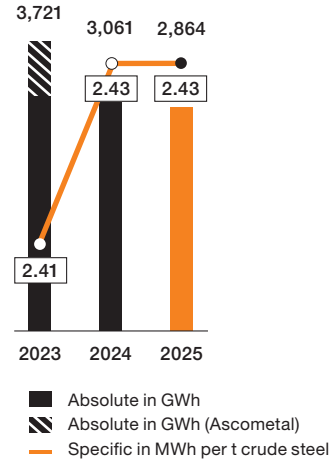
Consistency between target and inventory boundaries is ensured by aligning organizational and operational scopes. Third-party assurance and validation, regular reviews and adherence to the Greenhouse Gas Protocol maintain transparency and credibility, ensuring targets and inventories are directly comparable and aligned with our decarbonization strategy.

Energy

The production of steel inherently requires large amounts of energy. Our main energy sources are electrical energy (about 40 %) and natural gas (about 60 %). Electrical energy is mainly consumed by our electric arc furnaces, whereas natural gas is primarily used for the generation of process heat in our rolling mill and our forging and heat treatment furnaces.

Wherever possible, we use the heat contained in waste gas in heat exchangers such as regenerators. We also use waste heat to reduce our own natural gas consumption and CO_2 emissions for heating. The rolling mill in Emmenbrücke, Switzerland, and the heat treatment shop in Ugine, France, also feed part of their waste heat into district heating networks. Diesel and other fuels are mainly used by vehicles for material transport such as forklifts, trucks, locomotives and slag transporters.

Energy consumption



Energy consumption
in GWh

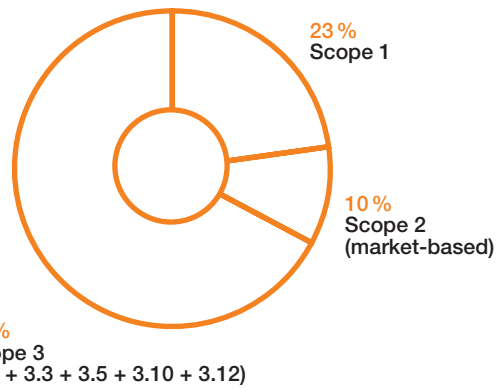
	2023*	2024	2025
Electricity consumption total	1,596	1,270	1,202
– thereof renewable	532	584	555
– thereof nuclear	690	463	438
– thereof fossil	374	223	208
Natural gas	2,107	1,775	1,647
Other (e.g. diesel, fuel oil)	18	17	16
Total energy consumption	**3,721**	**3,061**	**2,864**

* includes Ascometal

In 2025, the Emmenbrücke rolling mill supplied more than 18 GWh of industrial waste heat to the district heating system of the city of Lucerne (equivalent to the demand of approximately 1,800* households). In Ugine, approximately 2.8 GWh of waste heat from heat treatment furnaces were fed into the district heating network. This allows the town to primarily use biomass and our excess heat instead of natural gas.

* Estimated consumption of 10 MWh per household, based on "Der Energieverbrauch der Privaten Haushalte 2020 – 2022", Swiss Federal Office of Energy, November 2023.

CO_2 emissions
by Scope



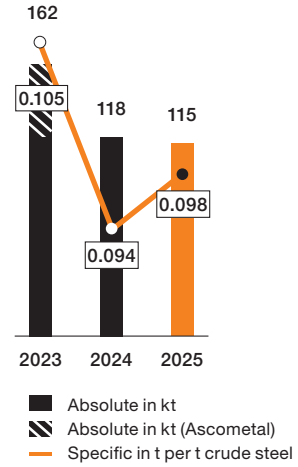
Scope 1

Swiss Steel Group's Scope 1 emissions mainly originate from the combustion of natural gas, the carbon content in raw materials and consumables, and the fuel consumption of internal logistics.

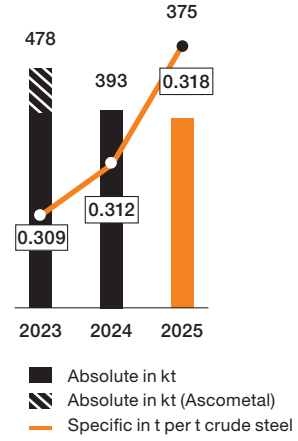
Scrap, ferroalloys and other input materials contain carbon that needs to be removed from the steel to reach the specified chemical composition. This is ensured by the injection of oxygen into the electric arc furnace (EAF), the argon oxygen decarburization (AOD) converter and the vacuum oxygen decarburization (VOD) plant.

Further Scope 1 CO_2 emissions in the melt shops result from the combustion of natural gas by burners in the EAF (used for preheating refractories as well as for providing steam for vacuum degassing), the injection of coal for slag foaming (essential for ensuring energy efficiency and protection of refractories) and the burnup of graphite electrodes. For the subsequent hot-forming processes, the cast steel needs to be re-heated to temperatures >1,100° C in our natural gas-fired rolling mill and forge furnaces. To adjust the mechanical and technological properties of our products as required by the customer, additional heat treatment operations are often indispensable.

Scope 1 CO_2 emissions
melt shops



Scope 1 CO_2 emissions
total

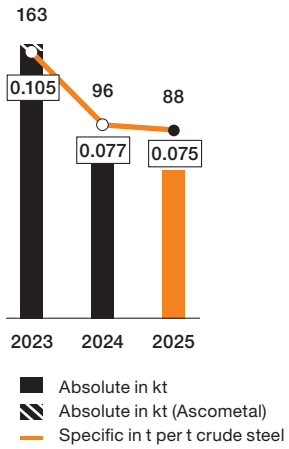


Scope 2

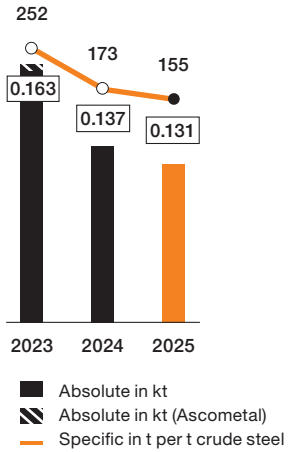
Our Scope 2 emissions almost exclusively originate from purchased power, which is mainly consumed by our electric arc furnaces and to a lesser extent by ladle furnaces, rolling and processing equipment, as well as shop infrastructure like lighting and electric motors of pumps or fans.

The reduction of Scope 2 emissions goes hand-in-hand with energy efficiency and the availability of power generated from renewable sources or by nuclear power plants. Thus, our production plants in France, Canada and Switzerland have considerably lower Scope 2 emissions than those in the USA or Germany, where the electricity mix is dominated by carbon-based energy sources.

Scope 2 CO_2 emissions
melt shops (market-based)



Scope 2 CO_2 emissions
total (market-based)

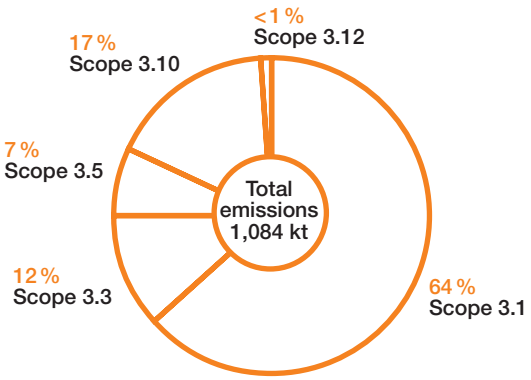


Scope 3

The main contributors to our upstream Scope 3 emissions are purchased materials (Scope 3.1), in particular ferroalloys, slag builders and deoxidizers. These are needed to adjust the chemical composition and material properties of the steel as specified by customers. Scope 3.3 emissions originate from the extraction, production and transportation of the purchased fuels and energy. Scope 3.5 covers disposed of waste and discharged water. Slag directed to landfill represents the majority of this category. Scope 3.10 includes emissions from the processing of our steel at customers' sites and Scope 3.12 covers emissions from the preparation of steel products for recycling at the end of their lifecycle.

These categories represent more than 90 % of our total Scope 3 emissions according to our SBTi base year inventory (2021), for which all categories were either screened or calculated.

Scope 3 CO_2 emissions



Internal carbon pricing

Nearly all of our major production sites are covered by carbon pricing mechanisms (EU ETS, Switzerland ETS, Quebec Cap & Trade).

ETS price estimations for investment applications are derived from banks' forecasts and communicated to production sites by the responsible corporate managers. Including these prices for ETS Scope 1 emissions in profitability calculations enhances our decision-making process and incentivizes implementation of the decarbonization roadmap.

Environment

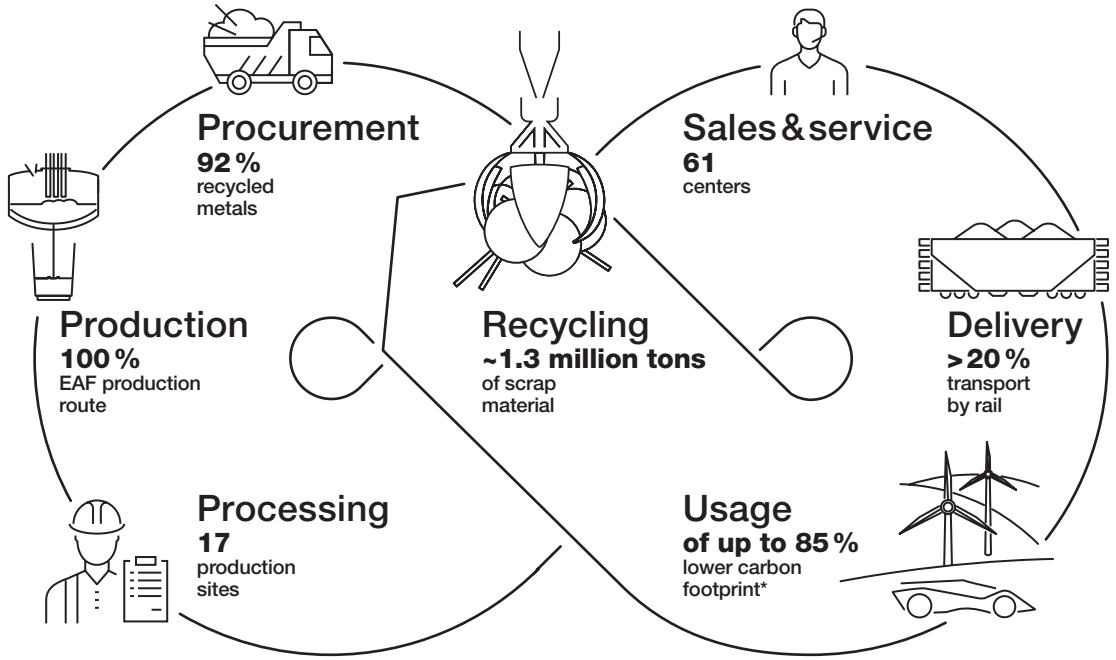
Our approach

As one of Europe's largest electric arc furnace steel manufacturers, Swiss Steel Group is committed to living up to its responsibility. Sustainable production and environmental protection are among our top priorities. This applies to our products as well as to our production processes.

One of the major advantages of steel products is that they are repeatedly fully recyclable at the end of their lifetime without impacting product quality. Swiss Steel Group's production is based on the recycling of steel scrap in electric arc furnaces, which makes us an integral part of the circular economy. Compared to the traditional primary steelmaking route with iron ore and coal, our production process not only preserves the world's natural resources; it also requires much less energy and results in less environmental impact overall. The careful and efficient use of resources is more than just an environmental commitment: it is a key prerequisite for competitiveness and success. We take pride in blending end-of-life scrap such as material from waste incineration, tire cord or steel cans with high-quality fabrication scrap.

Closing loops – from waste to value

Unlike many other recycled materials, steel can be recycled indefinitely without losing its inherent properties. Swiss Steel Group produces solely from steel scrap, making it an important part of the circular economy. We take sustainability seriously. That is why we source our scrap as locally as possible, favor rail transport and pay close attention to precise scrap sorting. The better our steel scrap is sorted, the better we can use the alloying contents of each individual chip of scrap and the fewer primary alloys we need from mining.



* Industry average: 1.92 t CO_2 / t crude steel cast vs. Swiss Steel Group year 2024: 0.171 t CO_2 / t crude steel cast in Scopes 1+2 and Scope 3 ranging from 0.119 t CO2 / t (engineering steel) to 1.397 t CO_2 / t (stainless steel); source: worldsteel Sustainability Indicators 2025

Circular economy in Swiss Steel Group's production

Steel has been used in transportation, infrastructure, energy and mechanical engineering for centuries. One of its major advantages is that it is the only material that is 100 % recyclable, making it a prime example of a circular economy.

Our environmental commitments are implemented through our Code of Conduct, our environmental policies and the Production Assets' management systems, accounting for local circumstances. Swiss Steel Group's Production Assets in Europe run environmental and energy management systems which are certified according to the internationally recognized standards ISO 14001 and ISO 50001.

Management is responsible for the environmental management systems at all of Swiss Steel Group's production sites. It defines strategic and operational goals and priorities and coordinates the local dialog with stakeholders to ensure that the interests of public institutions, associations, industry organizations and local neighborhoods are represented. The environmental management system has the overriding objective of developing production processes in a sustainable manner to increase our resource efficiency and reduce our impact on the environment.

Within the framework of our energy management systems, we measure and analyze our energy consumption and plan, implement and monitor energy-saving measures. Efficiency gains are achieved through innovation, investments in new technologies, continuous improvement and active involvement of our employees.

Our environmental data are prepared in accordance with our Group-wide reporting manuals.

Our performance

For details regarding our reporting principles, please refer to the annex.

Used materials

Our main input material is steel scrap. For each heat we use the scrap mix that represents the best possible compromise in terms of economic and technical considerations, incorporating aspects such as energy efficiency during processing, chemical composition and yield. The continuous optimization of the scrap mix is supported by software tools and algorithms in our melt shops. We use all scrap categories, specifically internal or home scrap (from our production processes), fabrication or prompt scrap (preconsumer scrap from external manufacturing processes) and end-of-life or obsolete scrap (from products that have reached their end of life). Even though most impurities and contaminations of steel scrap can be eliminated in the steelmaking process, there are some tramp elements (e.g. copper, tin) that cannot be removed. Since their influence on the steel properties can be detrimental, their content has to be limited through careful scrap separation. This aspect has become increasingly important in light of the prevalent use of copper in electrified products and the higher demand for scrap triggered by the conversion from the BF-BOF route to the EAF route (which we already use exclusively). With dhi Rohstoffmanagement GmbH (a joint venture, consolidated in Swiss Steel Group), we operate our own competence center for scrap management.

To adjust the chemical composition as required by the customer, in most cases it is indispensible to add alloying elements. Currently, we predominantly use primary alloying elements and deoxidizers. We reduce the addition of primary materials by using alloyed scrap and secondary alloying elements and deoxidizers (e.g. recycled aluminum) where feasible. We have also set a target to increase the future recycled content of stainless steel grades (please see section "Our targets" for further details).

Materials used
in kt

	2023*	2024	2025
Scrap	1,676	1,346	1,252
Pig iron (primary+secondary)	46	30	26
Alloys and deoxidizers	126	119	111
Total metallic input materials	**1,848**	**1,494**	**1,388**
Coal, carbon, coke	18	12	10
Slag formers	106	90	89
Total ancillary materials	**125**	**102**	**100**

* includes Ascometal

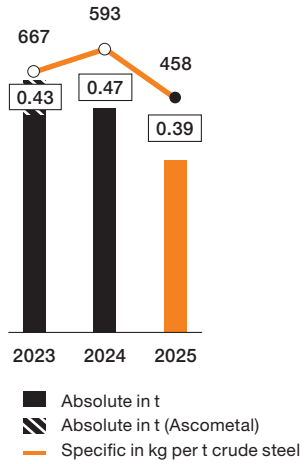
Carbon is used for slag-foaming (reducing energy consumption during EAF melting) and alloying. A small share of the hot-rolled steel that we process in our bright-bar plants is purchased from third parties.

At our melt shops in Canada, France, Germany, Switzerland and the USA, the average recycled metallic input for production of our high-quality steel (i.e. the share of scrap, secondary pig iron, secondary alloys and deoxidizers in the metallic input materials) is around 92 %.

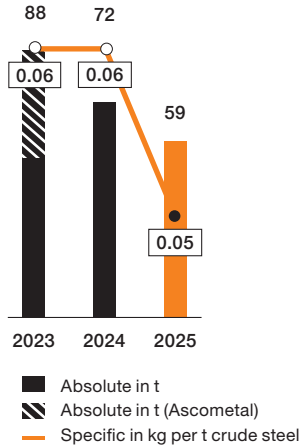
NO_x and dust

The most significant emissions from Swiss Steel Group's production processes besides carbon dioxide (CO_2) are nitrogen oxides (NO_x) and dust. Our production plants remain within or come in below all emission limits, which are mandated by law. Emission levels are measured through constant recording as well as regular evaluations.

NO_x emissions



Melt shop dust emissions to air



Dust emissions in steelmaking are unavoidable. They mainly originate from melting steel scrap and other input materials in our electric arc furnaces. At each melt shop, off-gas systems and filters capture more than 99 % of dust emissions. Even though nitrogen oxides (NO_x) are not considered a greenhouse gas, they can influence global warming and form acid rain. In secondary steelmaking, they are primarily generated as thermal NO_x in natural gas-fired reheating and heat treatment furnaces. At temperatures > 1,000° C, the molecular nitrogen contained in the combustion air can be oxidized to NO_x. The pickling of steel with nitric acid (HNO_3) used in our plants at Ugine and Hagen for wire preparation represents another source for nitrogen oxides.

NO_x emissions have been steadily reduced over recent years through more efficient production processes and state-of-the-art furnace and burner technology. Swiss Steel Group is committed to the statutory rulings in place at each production plant, and we aim to achieve levels below the limit values whenever feasible. Improvement measures – like converting natural gas air burners to natural gas+oxygen burners, or the electrification of furnaces which have a positive impact on our NO_x emissions – are described in the section "Climate".

By-products and waste

Many residues and waste materials from the production and processing of steel can be recycled for internal purposes or used as secondary raw materials in other industries.

Slag is our largest by-product by volume. It is an integral part of steelmaking and essential for steel cleanliness and metallurgical reactions like desulfurization. Its composition depends on the metallurgical requirements and the process stage in which it is used. After the steelmaking process, the metallic content of the solidified slag can be recovered through magnetic separation. At our major production sites, we perform this recovery and extract iron-rich fractions from the slag.

Where technically possible and where local legislation permits, our slag is used in the construction industry (e.g. road construction). Slag can also be partially reused in the production process, for example as a replacement for sand or gravel in slag pots. The remaining slag is typically disposed of in landfills.

Some of our used refractories from melting furnaces and ladles are returned to our supply partners to be recycled into new refractories such as bricks and gunning materials or slag builders. Smaller fractions are partially

and directly re-used in the production process as slag builders.

Dust from the melting process can be used in the zinc industry. In Ugine, dust from the EAF and AOD converter is collected and reused as briquettes in the EAF to recover valuable alloying elements. We plan to treat dust and other by-products in the Ugi'Ring plant to increase the future recovery ratio of alloys (see chart "Waste quantity").

Scale can be used in sinter plants and the cement industry, and separately captured materials such as used oil, plastic waste or paper are sent for recycling.

Building upon the numerous recovery operations and successful partnerships with suppliers, we regard the further reduction of waste requiring disposal as an important task for the future.

Waste quantity

in kt

	2023*	2024	2025
Hazardous waste recovered	29	21	20
– thereof steelmaking dust	19	14	13
Non-hazardous waste recovered	139	149	119
– thereof slag	70	88	68
– thereof scale	41	33	30
Total waste recovered	**168**	**169**	**139**
Hazardous waste directed to disposal	21	22	20
– thereof steelmaking dust	7	7	7
Non-hazardous waste directed to disposal	166	170	142
– thereof slag	152	162	135
– thereof scale	3	0	0
Total waste directed to disposal	**187**	**191**	**162**

* includes Ascometal

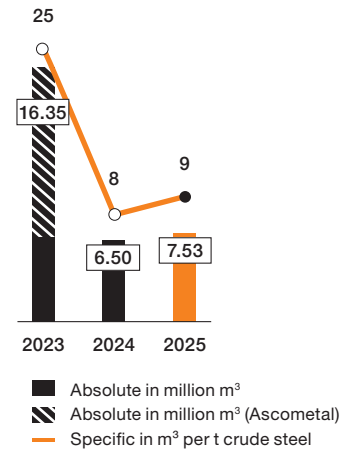
Water management

In steel production, water is mainly used for cooling equipment, for spray-cooling steel in our continuous casting machines and for pickling. Depending on local circumstances, we use recirculating water systems to minimize water withdrawal and impacts on water bodies.

In these systems, cooling towers are used to remove the absorbed heat of the outlet cooling water by heat dissipation and evaporation before the water re-enters the circuit. This ensures a constant temperature of the inlet cooling water, which is essential for operational safety. Our cooling systems are continuously monitored, and water is cleaned directly at our plants if necessary (e.g. through skimming or removal of solid fractions). Scale is removed from open process cooling water and can be recycled, for example in the cement industry. We strictly adhere to local laws and monitor emissions to water, supervised by relevant authorities.

According to an assessment using the Aqueduct Water Risk Atlas, we only withdraw a small amount of water from water-stressed areas (baseline water stress). None of our major production plants are located in areas of extremely high water stress.

Water withdrawal



Water metrics

in million m³

Water withdrawal	2023*	2024	2025
Surface water	8.8	6.9	7.5
Groundwater	0.8	0.6	0.7
Seawater	15.0	0.0	0.0
Municipal water supply	0.7	0.6	0.6
Total water withdrawal	**25.2**	**8.2**	**8.9**

Water discharge	2023*	2024	2025
Discharge to surface water	7.6	6.1	6.7
Discharge to sea	15.3	0.0	0.0
Discharge to municipal waste water system	0.5	0.5	0.5
Other	0.0	0.0	0.0
Total water discharge	**23.4**	**6.7**	**7.3**

Freshwater withdrawal	2023*	2024	2025
Areas of low water stress	5.5	5.0	5.6
Areas of low-medium water stress	2.8	2.9	3.1
Areas of medium-high water stress	1.1	0.1	0.1
Areas of high water stress	0.7	0.1	0.1
Areas of extremely high water stress	-	-	-
Total freshwater withdrawal	**10.2**	**8.2**	**8.9**

* includes Ascometal

Our risks

Identified environmental risks are assessed regularly (at least annually) as to impact, probability and progress of mitigation actions. In the annual risk cycle, potentially new, previously non-assessed risks are also discussed and included in the risk portfolio if applicable. Besides the annual risk cycle, the assessment of new risks can also be triggered ad-hoc by unforeseen internal or external events.

Uncontrolled emissions in case of extraordinary events

We use various types of chemicals such as oil, grease and acid in our manufacturing processes. Acid is primarily used in our pickling lines in Hagen and Ugine to remove oxide layers from the steel surface. In the event of extraordinary events such as technical malfunctions, accidents, fire or natural disasters, it cannot be completely ruled out that these substances or residual materials containing such substances may be released into the water, air or soil. The safety of our employees and neighbors is among our highest priorities, both in the operation of our treatment plants and in the handling of hazardous substances. Due to our extensive safety procedures, the probability of an incident can be classified as low. However, should an unforeseen incident occur, our emergency response plans (which are regularly challenged and updated) will take immediate effect.

Emissions to soil

Slag is essential in steelmaking and constitutes the most important by-product in terms of volume. Its successful re-use in other industries such as cement production or road construction depends on local legislation as well as on the technical properties of the slag. As shown in our waste statistics, a large portion of our slag still needs to be disposed of in landfills. We aim to continuously reduce this amount by re-using the slag in our processes and adjusting our practice to fulfill requirements for slag use in other industries.

When slag is exposed to rain, the lixiviation of potentially harmful contents such as heavy metals (e.g. chromium) from the slag can pose a risk to the environment (soil, water). Through monitoring and additional measures such as rapid cooling of the slag, we ensure that lixiviation is limited. In Emmenbrücke, Switzerland, and Siegen, Germany, we operate our own landfills. Where required, we work together with professional authorized third parties that support us in slag sale, monitoring, processing and depositing.

Lead emissions

Free-cutting steels typically contain sulfur and lead which are firmly bound in the steel. With their excellent machinability, these steel grades ensure highly efficient production processes across the value chain and thus play an essential role in the manufacturing of steel parts, primarily in the Automotive industry. We have built up a strong position as a European supplier of steels with improved machining properties (free-cutting steels with and without lead). In the development of our products, we take into account sustainability aspects (socio-economic considerations) and deliberately avoid the use of certain alloying elements.

In our melt shop in Emmenbrücke, Switzerland, we also produce lead-alloyed free-cutting steels. Lead is considered a substance of very high concern (SVHC) according to European REACH regulations. In line with the Restriction of Hazardous Substances Directive (RoHS), established material standards and our customers' specifications, we limit the lead content of our steel grades to max. 0.35 %. Furthermore, we use a unique alloying process for lead that is superior to standard alloying processes in terms of emissions, and we give utmost priority to the necessary protection and precaution measures. Workers at risk are equipped with the required protection equipment and are periodically evaluated for lead exposure, in line with Swiss health standards. Waste that contains lead is treated with additional precautionary measures and recovered where possible. We continuously monitor our lead emissions and implement further technological measures where required.

Contamination of input materials

Each year we recycle approximately 1.3 million tons of steel scrap. It cannot be completely ruled out that some input materials arrive at our plants contaminated with heavy metals or radioactive substances. We only work together with professional supply partners and use detectors at different stages of our production process to avoid radioactive materials entering our production.

Our targets

Energy efficiency

To counteract rising energy costs, enhance our competitiveness on the international market and reduce our impact on the environment, we have set a target to improve our energy efficiency.

We are dedicated to pushing toward maximum efficiency and have committed to decreasing our total energy consumption per ton of crude steel at our major sites by 7 % by 2030 compared with base year 2021.

The target boundary includes Emmenbrücke, Siegen, Hagen, Witten, Krefeld, Hattingen, Ugine, Chicago and Sorel. The excluded sites represent less than 5 % of the Group's energy consumption.

Circular economy

Circular economy is an integral part of our business model. We are committed to continually increasing the amount of recycled materials while reducing primary materials. By 2030, we will increase the recycled content of our stainless steel products by 5 % from base year 2021. This represents a reduction of more than 20 % in the primary materials used in the production of stainless steel.

Our calculation includes internal scrap from the melt shops. The target boundary includes melt shops in Siegen, Ugine and Witten.

Water

Our scenario-based physical climate risk assessment revealed that increasingly extreme weather conditions may lead to droughts and potentially to water scarcity in the vicinity of some of our sites. The Ugitech plant has been included in the French government's "Plan Eau" (Water Plan) as one of 50 industrial sites with significant water consumption. The Plan Eau sets a 10 % reduction target for water withdrawal by 2030. We support Ugitech's target and are committed across the Group to reducing our fresh-water withdrawals from surface and groundwater by 7 % by 2030 compared with base year 2021.

2030 Targets

Energy

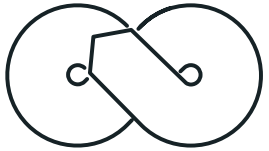
-7%

Total energy consumption per ton crude steel

The target boundary includes Emmenbrücke, Siegen, Hagen, Witten, Krefeld, Hattingen, Ugine, Chicago, Sorel.

Base year (2021)	Unit	Current level	Target 2030
2.14	MWh/t	2.37	1.99

Circular Economy



+5%

Recycled metallic content of stainless steel

The target boundary includes melt shops in Siegen, Ugine and Witten.

Base year (2021)	Unit	Current level	Target 2030
78	%	78	83

Water

-7%

Water withdrawal from surface and ground water

The target boundary includes all Group companies.

Base year (2021)	Unit	Current level	Target 2030
8.5	mio. m^3	8.2	7.9

Health and Safety

Our approach

Health and safety is critical in our industry due to the potentially hazardous work environment involving heavy machinery, extreme temperatures, and exposure to chemicals and physical risks. Swiss Steel Group's effective health and safety management system focuses on the protection of employees' and partners' company's physical and mental health, accident prevention and compliance with regulations.

Combining these management systems with a proactive culture of safety, ongoing risk assessment and continuous improvement allows us to significantly reduce incidents, improve health and safety outcomes, and uphold compliance with legal and statutory requirements. This systematic approach ensures that safety remains a top priority, and risks are continuously managed and mitigated in a sustainable manner.

An excellent safety culture and robust investigation and reporting processes are integral to Swiss Steel Group and are deeply rooted in our policies. This highlights the high priority we put on the health and safety of our employees – as well as of our partner companies.

Tailoring health and safety policies to local conditions provides a safer work environment. Health and safety management systems are in place at all production sites. They meet local legal requirements and also define global health and safety standards and directives.

The Steeltec sites are certified according to the international health and safety standard ISO 45001, and certifications are being rolled out at other sites. After the successful completion of the ISO 45001 audit in 2024, our site in Ugine was officially certified in 2025. In addition, we have started preparatory measures for the certification process at our Deutsche Edelstahlwerke sites, which is scheduled to begin in 2026. These initiatives attest to our commitment to developing and improving our management systems and having them assured by external parties.

Furthermore, Group-wide information sessions by safety managers are planned to develop a more comprehensive approach to all health and safety measures and initiatives. All of our managers play a crucial role in ensuring workplace safety by instructing, supporting and supervising employees on health and safety measures. They carry out regular inspections and audits to identify and eliminate any hazardous conditions or behaviors. We foster a culture that encourages employees to report unsafe behavior and situations. Coupled with a thorough analysis of root causes (especially near miss reporting), this provides an effective approach to cultivate and promote workplace safety.

To better internalize our principles, Swiss Steel Group has implemented golden rules for health and safety. Monitoring includes on-site audits that incorporate unions and local management with a view to evaluating the effectiveness of implemented measures and identifying potential need for additional improvement programs.

Our performance

We focus on preventing potential risks and delivering a significant improvement to overall health and safety skills through comprehensive health and safety training. These also include training for employees of partner companies, subcontractors and suppliers, which must be completed on regular basis and prior to working on our premises. Behavior-based safety (BBS) programs help us to identify unconsciously unsafe behavior.

Behavior-oriented occupational safety training remains a priority, exemplified by ongoing sessions at the Emmenbrücke site. These courses

focus on critical risk factors, including hazard perception, the impact of distraction, and preventing tripping and falling incidents.

Our Global Health and Safety Days are crucial for workers that are exposed to a range of hazards typical to the steel industry, where work environments can sometimes create high-pressure situations or a “get-the-job-done” mentality. Health and safety days give companies a chance to promote a culture of safety that encourages workers to prioritize their well-being, report unsafe conditions and follow safety procedures without cutting corners. As in the previous year, we continued to place special focus on human-behavior factors, as these remain a major source of incidents.

Furthermore, we launched targeted campaigns at our production sites addressing specific risks such as working in high-temperature environments and manual handling tasks. Additionally, we strengthened our controls for working in hazardous areas by implementing a lockout/tagout (LOTO) system. Another example is the new AI-powered tool for safety risk observations that automatically translates information into English. This innovation enhances the efficiency of information-sharing across our extensive international operations.

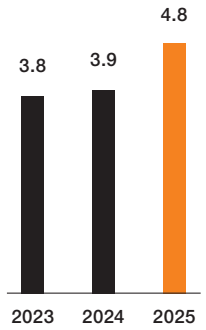
In 2025, Swiss Steel Group did not achieve the LTIFR target of 3.0. The Group LTIFR was 4.8, which is an increase compared with the LTIFR of 3.9 in 2024. This increase resulted from a combination of a slight rise in the LTI number and a reduction in the total number of hours worked. Although our LTI frequency rate increased, the LTI severity rate remained stable, and both first aid cases and medical treatment cases decreased significantly. To further reduce the number and severity of incidents in 2026, we will continue to strengthen safety awareness through targeted initiatives – for example, the “Strong hands, strong steel” campaign.

Our risks

As part of the health and safety management system, work-related risks are regularly assessed and appropriate measures taken to eliminate or reduce these risks. The main focus is on Production Assets with steel and rolling mills due to the high-risk factors in production such as rotating parts in operations, heat, transportation or risk of falling.

By addressing these risks with proper safety measures, ongoing training and a commitment to a strong safety culture, the steel industry can significantly reduce the frequency and severity of health and safety incidents.

Lost time injury frequency rate (LTIFR)



$$\text{LTIFR} = \frac{\text{Number of lost time injuries in reporting period}}{\text{Total hours worked}} \times 1.000.000$$

$$\text{LTISR} = \frac{\text{Number of accident-related days lost}}{\text{Total hours worked}} \times 1.500$$

Dedicated measures

By implementing and rolling out ISO 45001 and continuously refining safety measures through internal audits, steel industry workers are better protected from the potential hazards associated with their work environment. Continuous monitoring, risk assessment and a proactive approach to safety are key to ensuring a safe workplace.

Our targets

The target for the LTIFR in 2026 remains at 3.0. Our objective is to achieve zero accidents, which requires continued focus on establishing a strong safety culture that encourages employees to comply with applicable safety rules.

Safety statistics of Swiss Steel Group employees

	2023	2024	2025
Total number of hours worked (million)	13.0	12.0	11.2
Number of fatalities	1	0	0
Number of lost time injuries (LTI)	49	47	54
Lost time injury frequency rate (LTIFR)	3.8	3.9	4.8
Lost time injury severity rate (LTISR)	0.33	0.46	0.46
Number of medical treatment cases (MTC)	174	190	158
Number of first aid cases (FAC)	658	665	547

Our people

Employee commitment

Our approach

Our employees are our most crucial asset and key to our success. We promote a corporate culture characterized by different ways of thinking, varied perspectives and openness. To support diversity, the Talent Sourcing function has defined a series of sustainable actions. This includes, but is not limited to, effective internal and external candidate engagement, improved messaging in relation to our inclusive culture, hiring-manager education and increased awareness of diversity, as well as an enhanced focus on data-driven, accountable and transparent hiring decisions.

While supporting gender diversity remains a long-term goal in our industry, our company also embraces diversity in terms of ethnic or national origin, religion, age, disability or sexual orientation.

Our performance

Human rights training

In early 2024, Swiss Steel Group introduced a new Human Rights Policy, translated into all major languages spoken across the Group and communicated to employees via email. The policy is integrated into the compliance training program and featured in an internal video to ensure maximum awareness. Building on this foundation, we continued to reinforce these principles through ongoing training sessions over the course of 2025, ensuring that employees remained informed and aligned with our commitment to human rights. For more details, please refer to the section “Compliance”.

Our employees are our most important success factor and asset.

Gender structure

Out of our 6,968 employees across the Group as of December 31, 2025, the total number of women in management was 82. More than 90 % of employees work in locations outside Switzerland. In Switzerland we employ 637 people.

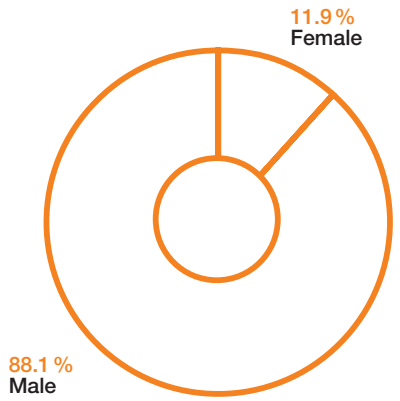
Workforce diversity

	Female	Male	Total
Management	82	341	423

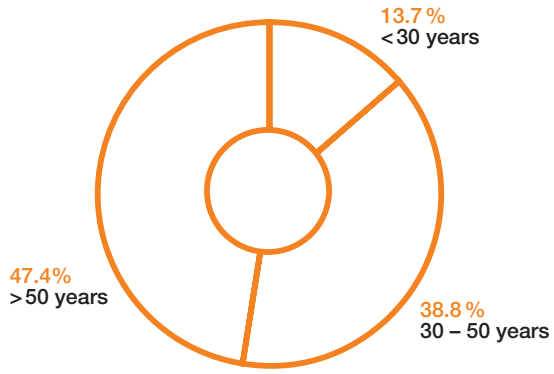
Workforce diversity
by age, gender, region

		2025		
		Blue collar	White collar	Mgt.
Europe	**Age**	**3,160**	**2,389**	**321**
Male	<30	19.27 %	6.82 %	0.62 %
	30-50	33.51 %	32.19 %	43.93 %
	>50	45.44 %	37.34 %	36.45 %
Female	<30	0.32 %	2.09 %	0.00 %
	30-50	0.82 %	11.05 %	7.79 %
	>50	0.63 %	10.51 %	11.21 %
North America	**Age**	**527**	**199**	**64**
Male	<30	14.23 %	13.57 %	1.56 %
	30-50	41.37 %	29.15 %	46.88 %
	>50	43.07 %	29.15 %	40.63 %
Female	<30	0.38 %	1.01 %	0.00 %
	30-50	0.19 %	14.07 %	4.69 %
	>50	0.76 %	13.07 %	6.25 %
Rest of world	**Age**	**116**	**154**	**38**
Male	<30	9.48 %	1.30 %	0.00 %
	30-50	30.17 %	11.69 %	34.21 %
	>50	57.76 %	46.10 %	28.95 %
Female	<30	0.00 %	1.95 %	0.00 %
	30-50	1.72 %	7.14 %	13.16 %
	>50	0.86 %	31.82 %	23.68 %

Workforce diversity
by gender



Workforce diversity
by age structure



Inclusion

Each of our production sites actively promotes an inclusive workplace culture. At Ugitech, for example, we prioritize disability awareness and carry out various activities. The Duo Day, a trial internship for persons with disabilities, made it possible to create encounters without further obligations, bringing about a change in perception of employability of persons with disabilities. In an interactive workshop to raise employee awareness and recognition of the qualifications of employees with disabilities, employees were given the opportunity to familiarize themselves with the concept of disability in the workplace and the various laws that regulate this status. Our collaboration with the soccer club “Union Sportive Motteraine” in La Motte Servolex, France, was continued in 2025.We again held an animated blind-football workshop that enables employees to better understand the challenges faced by visually impaired individuals.

Our risks

No material risks were identified in this area. Swiss Steel Group will continue its longstanding efforts to ensure diversity and protection of its employees/workforce.

Our targets

Overall, Swiss Steel Group remains dedicated to fostering a strong ethical culture by driving local initiatives and providing continuous training for employees on the new Code of Conduct, ensuring that these principles are embedded in everyday practices.

In 2025, Swiss Steel Group committed to increasing female representation in management and support positions (white-collar roles) from 25.4 % at the end of 2024 to 35 % by 2030. By increasing female representation in these roles, we aim to enhance innovation, strengthen organizational resilience and secure long-term success.

Additionally, we aim to achieve 80 % in the "Fairness" dimension of the bi-annual Group-wide employee satisfaction survey by 2031, starting from a baseline of 72 % in 2025. This dimension reflects employees' perception of fairness within the organization. For more details on the employee survey, see the section "Employee satisfaction".

Cultural diversity

Employees as of closing date

	2023	2024	2025
by region			
Germany	3,812	3,742	3,479
France	2,681	1,508	1,426
Switzerland	752	720	637
Italy	193	185	174
Other Europe	187	112	154
USA	507	462	461
Canada	309	342	158
China	199	168	329
Rest of world	172	211	150
by division			
Production	7,826	6,543	5,938
Sales & Services	848	768	908
Corporate center	138	139	122
Total number of employees	**8,812**	**7,450**	**6,968**

Employee development and satisfaction

Our approach

Swiss Steel Group is committed to long-term workforce and succession planning. This means ensuring the engagement and employability of our workforce across the organization. In addition, we actively manage talent-related risks – such as skill gaps, critical role dependencies and potential shortages in leadership positions – while identifying, developing and retaining top performers. Through these measures, we build a strong and sustainable pipeline of employees ready to take on future leadership and key roles.

Our performance

Performance management

Short-term incentive regulations, aligned with local laws, continue to apply Group-wide for specific target groups. In conjunction with ongoing performance management, these regulations strategically coordinate the objectives pursued by Group, Division and Production Asset, enhancing overall organizational efficiency through aligned and cascaded objectives. The plan, featuring specific, measurable, achievable, relevant and time-bound (SMART) objectives agreed upon by management and employees, aims to incentivize entrepreneurial behavior and promote aligned performance and cross-departmental cooperation.

Performance management and talent development

Our commitment to developing and retaining top talent are key priorities for Swiss Steel Group. In 2020, we launched a Group-wide initiative to ensure talents are identified and high-performing employees with potential are promoted and retained within the organization. The process used currently includes around 837 employees out of the total 6,968 employees. Annual talent reviews ensure current performance and potential evaluations. Subsequent employee dialogs offer the opportunity to discuss career paths for our employees based on their potential and desire to continue their path in other countries, regions or fields of expertise. The dialogs also address training and development to achieve employees' goals. Ultimately, performance management guides the allocation of the organization's development efforts, budget and resources. Systematic follow-up measures ensure suitable placements, coordinated succession and personalized development plans.

In 2025, we launched a comprehensive, Group-wide initiative to establish a structured succession planning database. The primary objective of this initiative is to secure the long-term stability and success of our organization by proactively identifying, developing and retaining talented employees who are capable of stepping into critical leadership roles in the future.

Talent pool

Our talent management program "SSG Talent Pool" for experienced leaders and emerging talents has now entered its third year. In 2025, 16 employees from five countries entered the program. A total of 55 employees have participated in this program, 49 of whom are continuing their career journeys with Swiss Steel Group.

The process is open to all management worldwide, whereby they have the opportunity once a year to nominate identified talents within our organization. This ensures that these colleagues gain visibility and attract the attention of the Executive Board. The third round of the SSG Talent Pool was initiated in August 2025 with the "Innovation Days" in Düsseldorf, Germany. This event featured a two-day interactive workshop where members of the talent pool met in person and engaged in strategic discussions with the Executive Committee, while also forming project teams.

Workforce development

The SSG Talent Pool is engaged in three strategic projects sponsored by the Executive Committee. Participants are rapidly enhancing their skill sets, acquiring cross-functional knowledge, gaining valuable experience and building new networks across the Group. Additionally, these strategic projects promote innovative thinking and contribute to the Group's culture of innovation. Two touchpoints with our CEO provided continuous exposure to strategic questions and inspired discussions, enhancing leadership development.

In addition to project work, Talent Pool participants benefit from tailored training and coaching sessions that support both professional and personal growth. Throughout the year, three development talks are held between each participant, their manager, and a representative from the Corporate HR Talent Management department. These conversations focus on defining individual development goals, providing ongoing guidance and support, and conclude with a comprehensive review to assess progress and achievement of the objectives set.

An important indicator of workforce development is the internal leadership promotion rate, which represents the percentage of vacant leadership positions filled internally over the course of the year. As of the end of 2025, Swiss Steel Group continues to demonstrate a strong commitment to developing talent from within, with 80 % of leadership positions filled by internal candidates This reflects the effectiveness of our talent development programs and the trust placed in our employees to grow into key roles.

Training

In 2025, Swiss Steel Group maintained its commitment to investing in its employees by offering several comprehensive training programs. These ongoing initiatives at Swiss Steel Group units ensure the systematic development and enhancement of both basic and advanced skills and competencies, aligning with business needs to meet current and future demands. Learning and development measures not only secure the employability of the workforce but also provide career opportunities tailored to individual interests. The units conducted a variety of training sessions, including occupational and non-technical training, mandatory certification programs, as well as courses in leadership, IT, project management and communications.

In 2025, an average of 9.3 training hours were recorded per employee. Trainings are systematically designed and assigned based on the roles and risks of the employees. Major trainings in 2025 included:

1. Our Code of Conduct training covers important subjects such as anti-corruption, environment, human rights and the whistleblower line. It was conducted for exposed employees and management in two-hour, in person sessions; a ten-minute video on the same subject was also provided for employees without an email account. Employees with limited risk exposure will be trained in 2026 via e-learning. For further details, please refer to the section “Compliance” of this report.

2. Health and safety trainings remain a top priority. We delivered mandatory courses for employees, partner companies, subcontractors and suppliers, supported by behavior-based safety programs across our operational sites. Targeted campaigns addressed key risks such as high-temperature work and manual handling, ensuring our workforce is well equipped to maintain a safe working environment. For further details, please refer to the section “Health and Safety” of this report.

3. Cyber security awareness continues to be a major focus in our organization. The process introduced in 2023 was refined throughout 2024 and 2025 to strengthen employee engagement. In 2025, all employees with an email account were invited to complete quarterly training. Participation was 87-92 % per quarter on average, rising to above 95 % after follow-up measures in the subsequent quarter. To support these improvements, deadlines have been extended for greater flexibility, missed courses can be reactivated, and supervisors are informed when mandatory training is not completed. Regular refresher courses are also available to help employees reinforce their knowledge and stay up to date with evolving cyber security challenges. The first phishing simulation was also successfully conducted, with results in the very low double-digit range – well within expectations for an initial campaign. These efforts reflect our commitment to building a workforce that is well-equipped to navigate and mitigate cyber security risks effectively.

Technical training initiatives

We have introduced a dedicated “Onboarding Training” program to ensure that all employees, including new hires, possess a foundational understanding of cyber security. This initiative aims to provide essential knowledge from the very beginning of an employee’s journey within the organization, contributing to a stronger culture of cyber security awareness.

In addition to Group-wide training, local programs are held at our Production Assets and Sales & service sites based on local risks and needs and in line with local requirements.

- For instance, in Emmenbrücke, Switzerland, employees participated in a variety of internal, occupational and technical training sessions. Frontline leaders and managers were able to attend a “Führungswerkstatt” (management workshop) or other leadership sessions.

- The “Foreman Program” at the German sites is designed to clarify the roles and responsibilities of leadership positions within the company. It aims to develop and enhance leadership, operational and technical skills while fostering a platform for networking and improving cross-departmental and cross-site communication. Additionally, the program strengthens participants’ identification with the company and promotes our corporate values.

- Ugitech offered a comprehensive in-house training curriculum for hard and soft skills development and initiated an “Industrial Maintenance Operator” training course. Additionally, an in-house school was established to meet specific business needs and foster mastery and transmission of know-how. In Ugine, several courses spanning from machinists to leaders have been set up in partnership with the Metallurgy branch.

- Group-wide, individual coaching and qualification sessions and support for external degree programs are agreed between managers and employees, fostering on-the-job and career development.

Investment in future generations

Swiss Steel Group offers a variety of apprenticeship and internship programs and has established partnerships with vocational schools and international exchange programs to inspire young people. Through these programs, Swiss Steel Group demonstrates its commitment to empowering future generations by providing access to quality education and career opportunities in industrial professions.

In 2025, we hired 65 new apprentices and interns, of whom 70 % started at DEW, 15 % at Ugitech and 15 % at Steeltec.

At the end of 2025, a total of 263 apprentices and interns were employed Group-wide. Of these, 76 % were employed at DEW, 10 % at Steeltec, 11 % at Ugitech and 2 % at Finkl Steel. Less than 1 % are employed at Swiss Steel Europe.

- 85 % of apprenticeships and internships are trained in production-related areas; 15 % are in commercial and business administration.

- Most of the apprentices and interns are male, accounting for 95 % in operations as well as in commercial and business administration. Altogether, just 5 % are female.

We were able to take on 27 former apprentices or interns as regular employees after completing their program. The majority, approximately 85 %, now work in various production functions, and 15 % in IT and Innovation functions.

Across our sites, we continued to strengthen early career engagement and vocational development through a range of hands-on initiatives. At Ugitech, work-study students were welcomed with an introductory program combining team-building activities, practical workshops and behind-the-scenes insights into industrial operations. Steeltec apprentices also participated in a dedicated excursion that emphasized the value of shared experiences, open dialogue and trust-building outside the daily work environment.

In Germany, our Deutsche Edelstahlwerke site in Witten once again hosted the annual “Vocational Training Fair”, giving students direct access to more than 50 companies and providing them with a broad overview of potential career paths. In addition, long-standing partnerships with local schools at both Ugitech and DEW continued to promote industrial professions to young people, helping us cultivate interest in technical careers and support a strong future talent pipeline.

Work flexibility

Constructive and forward-looking collaboration and coordination with employee representatives and unions have been instrumental in guiding the day-to-day operations of our Group. Together with employee representatives and management, Swiss Steel Group sites are embracing the back-to-office trend, yet our approaches also incorporate hybrid work models, reflecting the evolving need for flexibility on the part of our workforce.

For Deutsche Edelstahlwerke, in collaboration with social partners, we have established a balance-of-interest and social plans to ensure a comprehensive approach to employee welfare during times of redundancies.

Employee satisfaction

To assess the status quo, identify areas for improvement and define future actions, Swiss Steel Group has launched a bi-annual employee engagement survey initiative. The first Group-wide survey was conducted in 2025 and was made available in 17 languages to ensure broad participation. It covered 11 key dimensions aligned with our corporate strategy and was administered by an independent provider to guarantee confidentiality and compliance with data protection standards. The participation rate reached 44 %, providing a solid basis for meaningful insights.

An additional indicator of employee satisfaction is the average length of service within the company. As of the end of 2025, employees remain with Swiss Steel Group for an average of 15.7 years, reflecting a strong level of commitment and loyalty.

Our risks

No material risks have been identified. Swiss Steel Group strives to nurture talent and sustain high levels of engagement and satisfaction among its employees.

Our targets

The SSG Talent Pool will be developed further through 2026/2027 with the goal of including a diverse group of experienced and emerging employees each year. These individuals are reviewed and nominated by management across the Group for their performance and potential.

We aim to maintain the internal leadership promotion rate of 70 % through 2030 by strengthening talent development, creating transparent career pathways and empowering employees to grow. This target is closely linked to our goal of increasing the average employment period from 15.3 years in 2024 to 18 years by 2030. Pursuing these two targets will ensure long-term organizational resilience and provide internal talent with opportunities for growth.

A further important aspect of our strategy is the satisfaction and engagement of our employees. We aim to increase the participation rate in the bi-annual Group-wide employee survey from 44 % in 2025 to 80 % by 2031. Additionally, also by 2031, we aim to raise the engagement score in the employee survey to 80 % from 71 % in 2025. This score reflects overall employee engagement within the organization.

Social sustainability

Targets

	Base year level	Base year	Current level	Target	Target year
Average employment period	15.3 years	2024	15.7 years	18 years	2030
Female respresentation rate in management and support positions	25.4 %	2024	24.2 %	35 %	2030
Internal leadership promotion rate	70 %	2024	80 %	70 %	2030
Participation rate in employee survey	44 %	2025	44 %	80 %	2031
Engagement score in employee survey	71 %	2025	71 %	80 %	2031
Fairness score in employee survey	72 %	2025	72 %	80 %	2031

Social Responsibility

Our approach

The basis of our corporate citizenship is our desire to make the society in which we operate a better place. We support people and communities in the vicinity of our sites who are committed to the betterment of our society. Swiss Steel Group has historical sites with generational employment. We are well known in these areas and have always supported and continue to support the communities through partnerships, sponsorships, donations and contributions during local crises. Our social involvement cultivates an open and active dialog with relevant interest groups; at the same time, however, it is important to connect further with people and society. As part of our engagement in the economies where we operate, we employ and train students and apprentices.

Our performance

In 2025, our Group mainly supported charity, education and sports programs. The Group contributed EUR 418,000 to those activities overall in 2025.

Our actions are initiated at our main sites in Switzerland, Germany, France, the USA and Canada, although not exclusively.

On our sites

Our entity Steeltec again participated in National Future Day in Switzerland in 2025, hosting 22 children from 5th to 7th grade who were able to get to know the workplace of their parents or friends and discover our industry. At Ugitech in France, we welcomed 35 college and high school students. Of these, 10 students completed a two-week assignment, while 25 students stayed for one week. The extended program was designed to give students exposure to various departments within the company.

We also offer a number of internships to interested young people in our different Production Assets as an investment in future generations. In 2025, Ugitech was recognized as offering the “Best Trainee Experience” for the fifth year in a row.

Furthermore, we conduct numerous plant tours with different stakeholders to provide an insight into our production processes, promote discourse and facilitate mutual understanding.

Partnering with associations and universities

At Finkl Steel in the United States, we participate and contribute to many charitable initiatives aimed at combating poverty, distributing food or fighting diseases.

In South Africa, we continue to sponsor the training costs of an outstanding student at a school we work with. Swiss Steel Group is financing the four-year apprenticeship program (2024-2028) with a total of EUR 22,000 to enable the student to complete his studies.

Through our different Production Assets and subsidiaries across the Group, we have donated the equivalent of over EUR 418,000 to more than 60 charity associations, universities and sports associations across the world.

To ensure transparency, Swiss Steel Group implemented a central register for all sponsorships and donations in 2023, accompanied by a Group-wide approval process involving Compliance and Communications. Prior to any contribution, due diligence is conducted on the respective third parties. In the anti-corruption policy targeting sponsorship and donations, among other subjects, we have reaffirmed our willingness to remain neutral in

terms of politics and religion and ensure that our contributions respect this rule.

Lobbying and political contributions

No political or religious contribution was made by Swiss Steel Group or its subsidiaries in 2025. Swiss Steel Group participates in several associations (both professional and trade associations) to support the expertise of our employees and defend the interest of our industry. In 2025, we implemented a register to record participation in all associations across the Group.

Donations, Community Contributions and Marketing Sponsorships Policy

Following the introduction of the sponsorship and donations register and the Group-wide approval process, Swiss Steel Group updated its Corporate Donations, Community Contributions and Marketing Sponsorships Policy in January 2026. The revised policy centralizes charitable contributions from our Headquarters, Production Assets and Sales & service sites around defined topics to ensure greater focus regarding supported activities.

Double materiality assessment update

In 2025, our double materiality assessment was updated to incorporate the insights gathered during the preparatory process for the double materiality assessment in line with the European Sustainability Reporting Standards (ESRS). A weighting of 50% was applied to reflect the impact of the new information. For more details, please refer to the section “Material sustainability topics” and the annex.

Economic value distributed

Economic value distributed (EVD) is the share of revenue and other operating income that Swiss Steel Group returns to society. This includes, for example, wages and salaries paid to employees, materials procured from local and international providers, the awarding of consulting contracts, donations, and interest and tax charges.

Our risks

Swiss Steel Group has not identified risks in this area. However, it is committed to maintaining rigorous controls on this subject to ensure our sponsorships and donations align with our objectives and values, while also reflecting stakeholder expectations.

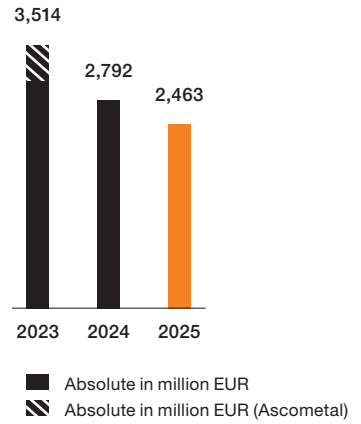
Focus areas

Following the centralization of the sponsorship and donations process and given ever-changing regulatory requirements and stakeholder expectations, we identified the need to further enhance our stakeholder engagement process across the Group.

Our targets

We aim to strengthen governance and transparency by enhancing stakeholder engagement, which will be integrated into the new Sustainability Management Policy in 2026. Furthermore, in 2027 we will conduct a double materiality assessment in accordance with the European Sustainability Reporting Standards (ESRS), expanding stakeholder involvement in the process.

Economic value distributed



Social responsibility

Targets

	Target year
Establish Sustainability Management Policy	2026
Conduct Double Materiality Assessment according to ESRS	2027

Compliance

Our approach

Swiss Steel Group is committed to operating ethically across its international network and following the Group values and rules enacted in the Swiss Steel Group Code of Conduct. For this purpose, Swiss Steel Group implemented a new compliance program in 2021 that includes ongoing training, targeted communication and a compliance officer network to ensure compliance with local regulations and international integrity standards. In 2025, the compliance program focused on the continued rollout of the compliance plan by (1) updating policies to align with the various new regulations, (2) reporting on a regular basis to the different Production Asset management teams and the Audit Committee, including on compliance KPIs, compliance status, etc. initiated in 2022, and (3) increasing the visibility of local compliance officers vis-à-vis local operations and management through communication and training measures, either face-to-face or via video.

Our performance

As a continuation of the 2024 program:

1. The compliance KPIs designed to monitor the compliance program rollout applicable to all organizational entities were the subject to regular reporting to the Audit Committee and local management (on 22 occasions in 2025) to provide updates on the management status and address any concerns.

   Each of our Production Assets and the Division management meet with a representative of the Compliance department at least quarterly. On top of this, the Compliance Director provided two updates to the Audit Committee in 2025. In addition to these regular and programmed updates, the Compliance program is discussed with the Executive Committee as dictated by business needs (on two occasions in 2025).

2. Compliance communications were issued on a regular basis throughout the year (three in total). These included Group-wide messages from the Group CEO concerning the whistleblower line and communications from local management announcing new or updated policies – such as the Conflict of Interests Policy, the Corporate Policy Manual, and other compliance-related matters. In addition, targeted communications were distributed to those departments identified as most at risk, addressing specific topics including sanctions and embargoes.

Supplier Code of Conduct

The Code of Conduct and the Supplier Code of Conduct were updated in 2023 and 2024, respectively. The process of distributing the Supplier Code of Conduct to our direct suppliers as well as to our entire supply chain was launched in 2025. Our Supplier Code of Conduct not only meets legal requirements, but also outlines clear expectations for our suppliers. The document was signed in 2024 by our Group CEO and our Vice President Procurement and published on our website in the most common languages used by our suppliers.

Corporate Policy Manual

While several policies are already in place, we identified the need to formalize our procedure relating to policy structure and content, creation and updating processes, review cycles, translations, communication, training, and roles and responsibilities. This information is documented in the Corporate Policy Manual, which was implemented in 2025.

Whistleblower system

Our whistleblower system, which has already been in place for a number of years, is regularly communicated to our employees.

In 2025, for the fourth consecutive year, our Group CEO sent an email to all employees of the Group reporting on the yearly activity (2024) in relation to our system. This action will be continued in 2026. The whistleblower system was also mentioned in all training provided by us in 2025, both in person and by video. We received a total of 31 alerts in 2025. All cases were investigated, as none of the cases were closed following the initial review.

Two cases remain open and are expected to be concluded in 2026. Of the remaining cases reviewed, fourteen were investigated but found to be unsubstantiated. Fifteen cases were substantiated, two of which related to corruption, while the remaining thirteen concerned HR matters. These substantiated cases led to two warnings and the departure of two employees in 2025. Additionally, internal process changes were implemented to enhance prevention and detection measures and avoid similar misconduct in the future.

The Ethics Steering Committee, created in 2021, is composed of the Group Heads of the Human Resources, Legal, Internal Audit and Compliance departments. The committee, which is responsible for reviewing alerts received from the whistleblower line and deciding on the next course of action, met 18 times in 2025. The Audit Committee received one update from the Compliance Director in 2025 on the overall situation pertaining to whistleblower cases. In case of major issues, the Head of Legal is responsible for immediately contacting the Audit Committee and the Board of Directors, as per our internal whistleblower policy.

Sanctions, embargoes and export controls

Sanctions and embargoes remained a major focus area in 2025, as in 2023 and 2024, due to the ongoing situation between Ukraine and Russia and the conflict in the Middle East, as well as the recurring sanction updates issued by various authorities. To manage this critical subject, the export control network established in 2022 is responsible for cascading information to the logistics, sales and procurement teams when important sanctions or internal decisions are taken on the matter. The export control team is also the primary point of contact for our Production Assets and our sales office employees who receive questions from our third parties (customers, suppliers, banks, etc.) about the controls we have in place

Compliance Risk Assessment

The first dedicated Compliance Risk Assessment was launched back in 2022, covering the risks of anti-corruption, sanctions, anti-trust, conflict of interests, human rights and specific environmental rules. In 2025, this process was undertaken by all of the Group's major entities comprising more than 100 employees. This represents over 95 % of total employees, as was the case in 2023 and 2024.

To complete the Compliance Risk Assessment performed by our major entities, a Compliance Declaration is signed twice a year by all operational Swiss Steel Group legal entities confirming alignment with the Code of Conduct, Group policies, whistleblower reporting and the main expectations in matters of anti-corruption, antitrust, sanctions, environment and human rights (including child labor, forced labor, working conditions and discrimination).

Compliance training

Finally, in line with the compliance training program agreed with the Audit Committee and the Executive Board in 2022, training courses in various formats were launched in 2023 (face-to-face and videos). These training courses covered a wide range of subjects (Code of Conduct, anti-corruption, conflicts of interest, health and safety, human rights, environment, whistleblower protection), with the level of detail adapted to:

- risks, as derived from the employee roles
- functions, e.g. finance, operations, sales, human resources
- hierarchical levels, i.e. management, employees with and without email addresses

In 2025, Swiss Steel Group kicked off a new three-year training cycle (2025 / 2026 / 2027) following the same categories but expanding the breadth of subjects covered as listed above.

Our employees are split into three categories:

(1) For management and the most exposed employees (those in direct contact with

customers, suppliers and public authorities), a two-hour, face-to-face training session was provided, the scope of which was significantly expanded to include the Code of Conduct, anti-corruption, conflicts of interest, sanctions and embargoes, export controls, money laundering, health and safety, human rights, environment, whistleblower protection, counterfeit, fraudulent and suspect items (CFSI), data privacy, confidential sensitive data security, anti-trust and due diligence. In 2025, training coverage reached approximately 16 % of the target group.

(2) Employees with limited risk exposure will be trained in 2026 via e-learning content. This target group was delayed.

(3) To complete the training program, a 10-minute video was prepared for employees subject to a lower risk exposure without an email account (provided in English, French and German, the main languages spoken in our Group). In 2025, training coverage reached approximately 43 % of the target group.

For the new training cycle (2025/2026/2027), Swiss Steel Group aims to achieve a 90 % training rate across the relevant employee categories through face-to-face sessions, e-learning and video modules.

Our risks

As a result of the risk assessments performed in 2024 and feedback received from the over 1,500 employees trained face to face in the previous cycle, antitrust and conflicts of interest were identified as topics requiring training and support.

Our Group Conflict of Interest Policy was updated in 2025. In 2026, we will launch a Group-wide campaign requiring employees identified as most at risk to submit an annual declaration of any potential conflicts of interest, which will then be reviewed and assessed by Corporate Compliance. Additionally, a broader campaign and targeted communication will be rolled out to all employees in the same year. This topic is also comprehensively covered in the new face-to-face training cycle, which will continue through 2027.

Antitrust has been fully integrated into the face-to-face compliance training program since 2025. Parallel to this, Swiss Steel Group launched a global register of all associations in which the Group participates. This register strengthens internal controls and provides enhanced guidance to employees involved in association activities to ensure full adherence to fair competition principles.

Swiss Steel Group has a subsidiary in Russia, which represents less than 1 % of the Group's total sales. No investments have been made in this entity since 2023 as the Group continues to pursue its divestment. Furthermore, the subsidiary does not sell Swiss Steel Group products. The divestment was initially planned for 2024 but was delayed due to regulatory changes in Russia in late 2024. The share purchase agreement (SPA) was signed with a buyer in 2024, and the Russian authorities granted their approval in late 2025. Swiss Steel Group expects to complete the divestment in 2026.

The Group closely monitors its Russian subsidiary to ensure that all operations comply with applicable sanctions imposed by the United States, European Union, United Kingdom and other jurisdictions. This includes thorough screening of third-party partners and their respective sectors of activity.

Our targets

The objective for the coming years is to maintain certain activities at their current level (see “Compliance targets to maintain”) while further strengthening others (see “Compliance targets to improve”).

Swiss Steel Group has changed the review date for the Anti-Trust policy from 2024 to 2026.

Compliance targets

KPIs to maintain

	2024	2025	Target 2030
Number of Ethics Steering Committee (minimum)	18	18	12/year
Number of Group Compliance Communication (to all employees)	4	3	4/year
Quarterly Compliance meeting per production assets and divisions	4	4	4/year
Audit Committee participation - Compliance updates	2	2	2/year
Appoint a Compliance Officer and Export control expert	1/Prod.Asset	1/Prod.Asset	1/Prod.Asset
Sanctions & Embargoes: sanctions checks	100 %	100 %	100 %
Compliance declaration Letters	2	2	2/year
Due Diligence on charitable contributions	100 %	100 %	100 %
Number of Whistleblower cases	20	31	20 to 30 cases

Compliance targets

KPIs to improve

Compliance training (3 years cycle, target groups)	2022/2023/2024	2025/2026/2027	Target 2027
Face to face	88 %	16 %	90 %
E-learning	0 %	7 %	90 %
Video	39 %	43 %	90 %

Human Rights

Our approach

The quickly evolving legal environment surrounding human rights was a key focus for Swiss Steel Group in 2025. One of our strengths is our capacity to invest in future generations of employees. At our sites and warehouses, we often have students, apprentices and trainees who are working part-time as part of their course of study, or full-time during a fixed-term internship. To ensure that our facilities worldwide adhere to the highest standards for preventing child labor, forced labor, modern slavery and discrimination, and for promoting decent wages and the right of association, we have decided to work across three levels, as described below.

Our performance

Level 1

The Compliance Risk Assessment was continued in 2025 (as in 2023 and 2024) encompassing human rights (child and forced labor, modern slavery, freedom of association, health and safety, etc.) and environmental topics (mercury, persistent organic pollutants, waste and hazardous waste, etc.). The compliance risk assessment is aligned with the requirements of the Swiss Code of Obligations, the German Supply Chain Act, and the European Supply Chain Act. The risk assessment was performed by all major entities of the Group employing more than 100 staff, representing over 95 % of our workforce. As a result of the risk assessments conducted, we recognize that legislation on minimum employment age varies significantly by country. Since 2023, Swiss Steel Group has explicitly prohibited the employment of children under the age of 15, regardless of local laws.

Level 2

To complement the Compliance Risk Assessment conducted by our main entities, all Swiss Steel Group legal entities sign a Compliance Declaration twice per year confirming adherence to our Code of Conduct, group policies, the whistleblower reporting process and the relevant Swiss, German, French and Canadian regulations regarding human rights and environment. Since the third quarter of 2023, the declaration also includes specific questions on child labor, conflict minerals and environmental topics.

Child labor

Specifically concerning child labor, all Swiss Steel Group legal entities are required to report any employees, apprentices, trainees or students engaged under the age of 15. In 2025, reporting confirmed that Swiss Steel Group did not employ anyone under 15 years of age. However, we did provide training and/or apprenticeships to four students below the age of 15 as part of approved educational programs.

Level 3

Focus is also placed on our supply chain, further developed in the section “Sustainability in the Supply Chain”. Swiss Steel Group is committed to working with business partners with the same best-in-class standard. To reinforce this commitment and ensure the highest level of assurance, Swiss Steel Group enhanced its established three-step approach by introducing an additional control layer in 2025:

1. Our direct suppliers are required to formally acknowledge our Supplier Code of Conduct, ensuring that our standards are cascaded throughout their respective supply chains. Our current Supplier Code of Conduct includes several subjects such as child labor, modern slavery, freedom of association, health and safety, etc.

2. The Group due diligence tool was implemented in 2023 to continuously monitor our direct suppliers and ensure the identification of suppliers with the highest risks in their respective supply chains such as human rights (child labor, forced labor, health and safety, etc.), environment and corruption.

3. A targeted questionnaire is assigned to business partners identified as high-risk in their direct operations or supply chains. Subsequently, the questionnaire feedback is reviewed by our Due Diligence Expert Group.

4. Selected high-risk business partners undergo ESG onsite audits to verify compliance and address potential issues. This process, implemented in 2025, uses a comprehensive questionnaire guided by our ESG priorities and aligned with external standards.

Our risks

Overall, Swiss Steel Group has not identified any human rights related risks (including child labor, modern slavery, etc.) at its facilities and sites across the world. However, the risks identified in our Compliance Risk Assessment include risks within our supply chain.

Our targets

Our goal is to continue and further expand the implementation of ESG on-site audits for selected business partners identified as high-risk. These audits are a critical component of our due diligence process, ensuring that partners comply with our environmental, social and governance standards.

Furthermore, in 2025 we established a comprehensive set of targets related to human rights for our own operations, as detailed in the section “Our People”. These include measures to ensure fair working conditions, enhance diversity and inclusion and promote engagement.

The objective to implement and deploy our standard employment rules across the Group has been postponed to 2026. While our large and medium sites already comply with employment rules required by law, the rollout of this new standard will provide an opportunity to review and standardize existing practices across all locations.

Sustainability in the Supply Chain

Our approach

All sourcing processes of Swiss Steel Group are governed by our corporate values, which are based on key elements such as compliance with applicable laws, respect for human rights, health and safety at work, responsibility and integrity in business dealings, and the responsible, careful use of limited resources. These principles apply across national borders and represent a central point of guidance for our business activities. We therefore expect all our business partners, including all suppliers and subcontractors, to likewise abide by our principles of behavior and to live up to their responsibilities.

Our performance

Supplier Code of Conduct

Swiss Steel Group's Supplier Code of Conduct was updated in 2024. It defines the basic requirements for our business partners, including direct suppliers and subcontractors, regarding their responsibilities toward their stakeholders and the environment. Swiss Steel Group expects all its suppliers to adopt the principles which are expressed in our Supplier Code of Conduct, and which constitute an important component of supplier selection and evaluation. Moreover, Swiss Steel Group expects its direct suppliers to replicate these standards in their own supply chains. In 2025, Swiss Steel Group launched a global campaign to collect supplier acknowledgments for the new Supplier Code of Conduct, ensuring formal confirmation of compliance across its supply chain.

Due diligence in the supply chain

Swiss Steel Group applies an active risk-based approach in supplier management.

During 2022 and 2023, the Group harmonized its supplier risk assessment processes and implemented a due diligence tool to standardize and streamline the due diligence process across the Group. The tool supports screening and monitoring of the relevant supplier portfolio, clusters suppliers into associated risk levels, and offers functionalities to communicate on ESG related aspects through a customized questionnaire within the platform. Our due diligence tool includes: (a) reputational and sanction screening; and (b) enhanced risk assessment that indicates the level of risk that third parties represent to Swiss Steel Group, including its own supply chain (based on supplier activity, location and subsequent supply chain risks). For 2025, over 6,000 suppliers were screened and monitored, covering approximately 99 % of the Group spend.

The Due Diligence Steering Committee that was established in 2024 is responsible for deciding on further measures in case of confirmed violations, such as supplier audits, temporary suspension of business relationships or termination of business cooperation where necessary.

In 2025, the procurement team continued to send questionnaires to suppliers in the most at-risk categories, specifically targeting raw materials, refractories and scrap providers. Suppliers representing 80 % of the spend in these categories received a questionnaire in 2024 and 2025. In addition, the questionnaire feedback received from suppliers representing 55 % of spend in these categories was reviewed by the Due Diligence Expert Group, with follow-up actions carried out where deemed necessary. The Due Diligence Expert Group consists of representatives from Corporate Procurement, Compliance, Sustainability, Environment, Health & Safety and Human Resources.

We successfully completed the first Group-level ESG supplier on-site audit in 2025, marking a significant milestone in our commitment to responsible sourcing and sustainability.

The audit was conducted using a comprehensive questionnaire guided by our ESG priorities identified through the double materiality assessment and with reference to external standards such as the Initiative for Responsible Mining Assurance (IRMA). The scope of the audit covered critical areas including environmental sustainability, health and safety, human rights and responsible business conduct. The process involved a thorough document review, interviews with the supplier's site management and employees, as well as an on-site visit. Following the audit, the findings were analyzed and a corrective action plan was developed and shared with the supplier. The audit was carried out entirely by Swiss Steel Group without the involvement of an external partner.

For the selection of suppliers to be audited, the same high-risk categories are applied, namely raw materials, refractories and scrap providers. Suppliers that hold best-in-class ESG certifications and are subject to independent third-party audits are assessed and may be exempted from the audit list. Such decisions are made on a case-by-case basis by the Due Diligence Expert Group.

Conflict minerals

Swiss Steel Group has a Group policy on sourcing tin, tungsten, tantalum, gold (3TGs) and cobalt. Entities within the Group and their customers are subject to the main regulations (U.S. Dodd-Frank Act, EU and Swiss Conflict Minerals Regulation), and consequently their suppliers are indirectly subject to those laws as well. To comply with the above-mentioned regulations, Swiss Steel Group requests its suppliers to provide information on their supply chains, guaranteeing that sourced materials do not contain 3TGs or cobalt from a conflict region. For all purchases of 3TG or cobalt, a certificate of origin (or Conflict Minerals Reporting Template) is requested to prove that the material's origin is conflict-free. We only use small quantities of tungsten and cobalt as alloying elements. In 2025, the share of alloying elements containing tungsten and cobalt was less than 0.038 % of the total weight of purchased ferroalloys and metals. Only one Production Asset currently uses these materials in its production process at our sites in Germany. Based on the above information and the measures taken by Swiss Steel Group, we have determined that we are exempt from the obligations of due diligence and reporting on conflict minerals.

Our risks

Supplier Risk Assessment

In 2025, Swiss Steel Group maintained its proactive approach to managing supplier-related risks through regular updates of the Supplier Risk Assessment. This process identified approximately 170 suppliers with potentially elevated reputational risk and about 120 suppliers with elevated profile risk, based on factors such as the country and sector in which they operate. The supplier categories considered most at risk include raw materials, refractories and scrap providers. As an example, production of ferroalloys can have a significant impact on the environment, so we expect our suppliers to set targets for their environmental impact, which is one of the topics addressed in our questionnaire. Based on the results of the supplier risk assessment, the Compliance and Procurement teams prioritize reviewing these higher-risk third parties.

Our targets

Due diligence

As part of our ongoing due diligence efforts in managing our supply chain, we have defined two key targets for 2026. Our primary objective is to further strengthen the review process for the group of suppliers identified as most at risk. This review will follow a prioritized order based on the criticality of each supplier to our operations.

In addition, Swiss Steel Group will continue to conduct ESG on-site supplier audits. In 2026, we plan to audit four to six suppliers, either directly or through trusted third parties.

Supplier code of conduct distribution and acknowledgment

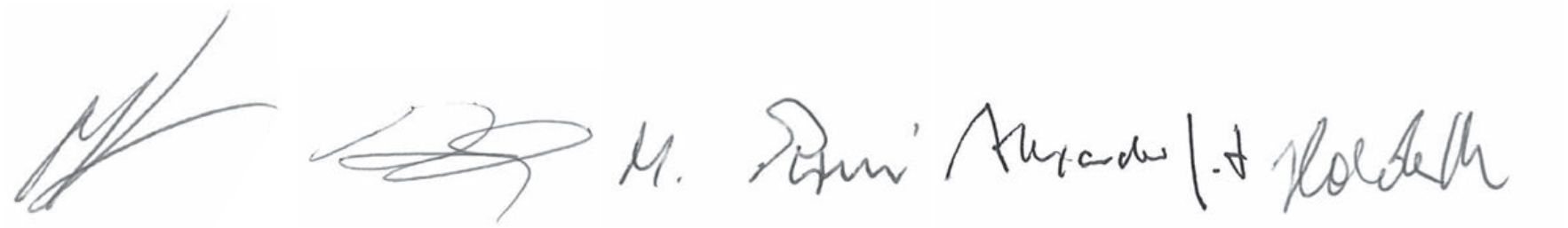
As part of the Supplier Code of Conduct update, it is the Group's clear aim to make the Supplier Code of Conduct an integral part of all its contracts and its general terms and conditions. With the signature of the new Swiss Steel Group's Supplier Code of Conduct (or equivalent), our target is that 90 % of our suppliers commit by end of 2026 to imposing the same standards to their own suppliers as those applied by Swiss Steel Group. The current Supplier Code of Conduct is available on the Group's website

Click for Supplier Code of Conduct

The Board of Directors of Swiss Steel Group approved the Sustainability Report for 2025.

Swiss Steel Group

Lucerne, March 19, 2026



Martin Lindqvist
Chairman of the Board

Frank Koch
Member of the Board

Mario Rossi
Member of the Board

Dr. Alexander Gut
Member of the Board

Dr. Karl Haider
Member of the Board

Annex

Stakeholder Engagement

Active engagement

Stakeholders encompass all individuals, groups or organizations that have a vested interest in our Group. They can influence the actions, objectives and policies of the Group, or also be affected by the same. Our key criteria for involving individual interest groups are the applicable legal conditions, the frequency and focal points of cooperation, any existing business relationships as well as physical proximity to the sites. We cultivate regular dialog with the aim of building long-term relationships with these groups and understanding their needs, and take these into account wherever feasible and appropriate. All employees are committed to this goal, and the employees entrusted with stakeholder relations always try to communicate with the parties involved in person. Our communication experts support and plan the processes and help facilitate measures that foster the active representation of interests. We engage with various interest groups beyond the scope of day-to-day business, using the following channels as appropriate:

- Publications (such as the short report, the sustainability report, media releases and the employee communication platform)
- Events (such as open houses, customer days, topical conferences and training programs)
- Customer and employee surveys
- Trade fairs
- Innovation partnerships with scientific institutions, industrial partners among our customers and suppliers
- Local and regional involvement by reciprocal invitation (such as visitor groups or participation in regional or local bodies)

We also take an active role in working groups of steel associations such as worldstainless, EUROFER and the German Steel Association. In this way, we contribute to industry-wide efforts to implement pertinent, well-adapted standards by contributing technical arguments in political spheres.

Our major interest groups are listed and described on the right-hand side.

Stakeholder	Definition
Customers	Close customer partnerships are ensured by committed Management, Key Account Managers and dedicated teams. Specifications, requirements and ongoing dialog provide the Group with direction and focus for maintaining and further developing products and services, as well as researching and developing innovative products and improving all aspects of the customer interface and customer service. Special attention is given to multi-site customers.
Investors and lenders	As a publicly traded company, shareholders, banks, credit insurers and financial analysts are important business partners for Swiss Steel Group. They finance the Group and influence opinions on the capital market. Our Corporate Finance and Treasury teams are in constant contact with banks and credit insurers that provide us with credit lines. This gives us the best possible financing conditions and adequate financial flexibility.
Suppliers	Our dedicated procurement officers are in regular contact with our suppliers, supported by topical teams to advance processes and technologies. We ensure that competitively priced materials and services are received in the right quantity and quality and on time – and to enable progress in a joint win-win mentality. Through integration across our sites, we ensure access to a large and diverse supplier base and are able to focus Group demands on strong suppliers and business partners.
Communities and public institutions	Regions and communities determine the environment and conditions for each of our operating sites. Beyond strict compliance with all local laws and regulations, we care for them and maintain a close dialog, usually with local management, functional experts and other representatives taking an active role. Typical functions include management, human resources, environmental engineers and scientific staff in research cooperation.
Certifying bodies	Beyond auditors of our financials and various functionally oriented management systems, we gladly and fully cooperate with certifying bodies within the context of sustainability on our environmental, social and governance management systems.
Employees	Employees at all our sites have the right to form and elect representative bodies, and management maintains close dialog with these. Employees' full engagement is sought and reinforced through everyday management as well as dedicated, larger-scale initiatives. Typical topics include workplace quality, health & safety, equal opportunity, and professional training and advancement. Dedicated human resources officers for each site are always available to listen to our employees' concerns and initiate appropriate responses. We foster an open business culture that attracts new talents and keeps the existing workforce motivated.
Management	The Board of Directors, the Group Executive Board as well as the Executive Boards of the Production Assets represent and lead the entire management that defines the Group's strategy and manages its business operations.

Materiality analysis

The 2022 materiality analysis was performed in three steps: identification of potentially material sustainability topics (based on reporting standards, regulations and competitors' reports); stakeholder engagement (structured face-to-face interviews with employees, customers and suppliers); and an analysis of environmental, social and governance (ESG)-related risks and opportunities.

In 2025, the double materiality assessment was updated to incorporate insights gained during the preparatory process for the double materiality assessment in line with the European Sustainability Reporting Standards (ESRS). A weighting of 50 % was applied to reflect the impact of the new information. As a result of this update, "Climate change adaptation" was upgraded from a relevant topic to key topic, and "Corporate citizenship" from an awareness topic to relevant topic. Please refer to the following page for definitions of key, relevant and awareness topics.

In identifying sustainability topics, we took holistic account of all aspects of sustainability (economic, environmental, social and governance). We identified the following topics:

Key material topics

Economic Topics	Definition
Product and site sustainability	Continuous business success of our sites through innovation, investments, site development and improvement of the product portfolio.
Climate change adaptation	Our ability to adapt to climate change and manage related risks and opportunities. Risks can be physical risks like floods or droughts, or transition risks like changing markets, additional need for CapEx, etc. Opportunities can include higher demand for green steel, attracting funds for green investments or increased attractiveness as an employer.
Circular economy	Using a 100% EAF and scrap-based production route, we play a significant role in fostering a circular economy. We continuously observe how industry trends affect the availability of our supplies, such as the conversion from the BF-BOF route to EAF steelmaking and the resulting increased demand for scrap and electrodes. We strive for the highest recycling content technically and economically possible in our input materials.

Environmental Topics	Definition
Waste	The management of unwanted materials (e.g. dust, scale, oily sludge) or byproducts (e.g. slag) that cannot be fully avoided in our technical processes and need to be disposed of or recovered.
Resource efficiency	The efficient use of raw materials, energy and all other resources.
Emissions to air	The control and reduction of all emissions to air, including CO2, NO_x and dust.
Water resources protection	Responsible withdrawal and discharge of water. Protection of water resources through minimization of emissions to water and avoidance of leaks and spills.
Biodiversity	The protection and support of biodiversity at and around our sites.

Social Topics	Definition
Health & Safety	The protection and promotion of the safety, health and welfare of employees, contractors and other people at our sites (e.g. visitors).
Relations with personnel	The maintenance and promotion of a positive relationship with employees, employee representatives and unions.
Diversity & Equal opportunities	The equal treatment of all employees, regardless of social and ethnic background, gender, age, religion, political views, disabilities or any other features that differentiate groups in society.
Corporate citizenship	All our social, economic, cultural and environmental responsibilities toward the communities where we operate.
Talent attraction & development	Our ability to attract and develop high-potential and high-performing employees.

Governance Topics	Definition
Ethical management	Strict compliance with legal requirements and behavioral principles of business ethics in relations with all our business partners and stakeholders.
Sustainable procurement	The identification and assessment of risks and opportunities associated with our suppliers and the monitoring and management of environmental and social impacts in the supply chain, including the responsible sourcing of conflict minerals.
Data + IT + access security	Protection of data and IT infrastructure from external destruction, unauthorized use, cyberattacks and data breaches, as well as controlling physical access to our sites, plants and offices through technical and organizational means.

Based on the score of each topic along the two dimensions, we distinguished three clusters:

Key topics

Key topics either have a significant impact on our business success and/or we have significant impact on the environment and society with regard to these topics. For key topics, we report key performance indicators (KPIs), set targets aligned with our business strategy and measure our target achievement.

Relevant topics

Relevant topics have medium impact. We report on relevant topics and where applicable we report KPIs.

Awareness topics

Despite the lower impact of these topics based on our materiality assessment, we still consider them to be important sustainability topics. We closely monitor awareness topics and define principles relating to these topics in our policies. We report on awareness topics less comprehensively than on relevant topics or key topics.

UN Sustainable Development Goals

The 17 United Nations Sustainable Development Goals that were adopted by the member states as part of the 2030 Agenda provide a framework for achieving prosperity for people and the planet through sustainable development.

In line with our materiality assessment and our strategic focus, we selected six goals from the United Nations Sustainability Development Goals where we can make a valuable and meaningful contribution in line with the target definitions by the United Nations.

Goal 7
To achieve the targets set by our Science Based Targets initiative (SBTi) commitment, we will increase the share of renewable energies and take measures to improve our energy efficiency. Our plants in Switzerland and Canada already use 100 % power from renewable sources. In Ugine and Emmenbrücke, we feed excess heat into the district heating networks.

Goal 8
We employ approximately 7,000 people worldwide. Providing a safe working environment is our top priority. Each year we contribute to the education and training of young people by offering apprenticeships. At many locations we play an important role in social integration and employment for immigrant populations. Our steel from recycled scrap contributes to sustainable growth without exploiting natural resources.

Goal 9
Steel is an integral part of modern and sustainable infrastructures. Our technical sales and research teams develop innovative products that meet our customers' requirements. Through investments, innovation and continuous improvement, we upgrade our technological capabilities and processes to boost economic and environmental performance.

Goal 12
Steel recycling is our core business. Using a 100 % EAF and scrap-based production route, we play a crucial role in fostering a circular economy. We strive to achieve the highest possible recycling content in our products and avoid using primary materials where feasible. We cooperate with our business partners to recover by-products and waste, such as slag and dust.

Goal 13
Our carbon footprint is significantly lower than the industry average, and with our EAF-based production route we are in a strong position to lead a decarbonized future. In 2022, we committed to setting ambitious SBTi decarbonization targets and following up on their implementation.

Goal 17
Partnerships are a prerequisite for achieving our sustainability targets. We have established Green Steel partnerships with our customers and foster successful partnerships in scrap and waste management as well as with local communities. Our Research and Development (R&D) teams work together with renowned universities and participate in publicly funded research projects. Beyond that, we contribute to industry efforts to establish pertinent, well-adapted standards by actively participating in working groups on the part of associations.

Environmental Reporting Methodology

In line with the Greenhouse Gas Protocol Corporate Standard, we categorize CO_2 emissions into three scopes. Scope 1 emissions are direct emissions from combustion originating from sources owned or controlled by Swiss Steel Group. Scope 2 emissions are indirect emissions from the generation of purchased energy. CO_2 emissions that occur in our value chain (excluding Scope 2 emissions) are classified as Scope 3.

Site-level carbon emissions are assigned to the relevant production process (e.g. melt shop). The production output from each process step is used to calculate the carbon intensity. The figures in the subsequent section refer to CO_2e (CO_2 equivalent). Given the nature of Swiss Steel Group's operations, CO_2 is the only significant greenhouse gas (GHG) within direct emissions.

Swiss Steel Group's emissions calculation manual is based on the framework and principles of the WRI/WBCSD Greenhouse Gas Protocol for Corporate Accounting and Reporting Standard. In Europe and Canada, direct emissions are reported annually to the authorities under an ETS (emissions trading system). Sites that do not fall under any ETS apply a mass balance methodology to calculate their Scope 1 emissions. Scope 2 emissions are calculated according to the market- and location-based method.

For Scope 3.1, we distinguish between more than 3,000 different input materials, which are aggregated into material categories. Secondary emission factors from public sources such as worldsteel, industry associations or life cycle assessment (LCA) databases are then applied to these categories to calculate Scope 3.1 emissions. If available, primary emissions data from specific suppliers are used.

To calculate our Scope 3.3 emissions, all fuels considered in Scope 1 are tracked and either location-specific emission factors or secondary emission factors from public sources are applied. Transmission and distribution losses as well as upstream emissions of purchased electricity are also included.

Swiss Steel Group tracks emissions from waste EAF slag using the worldsteel methodology. Other waste and discharged water are included in the Scope 3.5 inventory. Disposal operations are categorized as landfill or incineration.

Accounting for Scope 3.10, Sold volumes are categorized by country and first use (e.g. forging, cold forming, machining). Representative energy consumptions per ton sold are allocated to each category, based on our operations or industry data. These consumptions are then multiplied by the emission factor for natural gas or the location-based Scope 2 emission factor for electrical energy.

Emissions from preparing steel products for recycling (e.g., handling, pressing, cutting, shredding) are included in category 3.12. Primary emission factors are applied to the sold steel volume of the reporting year.

Unless stated otherwise, the environmental and emissions figures presented in this report were collected from our major production sites that generate more than 95 % of our emissions. These include all Ugitech and Steeltec production sites as well as all major Deutsche Edelstahlwerke sites (Hagen, Hattingen, Krefeld, Siegen, Witten), Finkl Steel Chicago and Finkl Steel Sorel. The published data represent the best available data at the time of publication. The pending emissions trading systems (ETS) verification of Scope 1 CO_2 emissions may also lead to later adjustments.

We have obtained independent limited assurance by DNV over the greenhouse gas emissions data for 2021, 2022, 2023 and 2024. The following Scope categories were within the boundary of the DNV verification: Scope 1, Scope 2, Scopes 3.1, 3.3., 3.4, 3.5, 3.6, 3.10 (year 2023 only), 3.12 (year 2023 only).

Due to a slightly different reporting boundary (i.e. number of smaller sites) and the continuous improvement of our methodology, some emission figures presented in this report differ slightly from the assured figures. Further details regarding our CO_2 reporting methodology and the statement issued by DNV can be found on our website.

Additional Sustainability Metrics

Environmental Sustainability

Environmental figures

Location-based Scope 2 CO2 emissions in kt	2023*	2024	2025
Melt shops	209	168	157
Total	313	253	234

* includes Ascometal

Dust emissions in t	2023*	2024	2025
Melt shop dust emissions filtered	25,320	20,898	19,742
Melt shop dust emissions to air	88	72	59

* includes Ascometal

Social Sustainability

Social sustainability

		2023			2024			2025		
		Blue collar	White collar	Mgt.	Blue collar	White collar	Mgt.	Blue collar	White collar	Mgt.
Europe	**Age**	**5,433**	**1,781**	**411**	**3,284**	**2,587**	**331**	**3,160**	**2,389**	**321**
Male	<30	15.52 %	8.31 %	24.00 %	20.31 %	9.05 %	1.51 %	19.27 %	6.82 %	0.62 %
	30-50	49.27 %	31.28 %	41.36 %	45.59 %	36.03 %	38.67 %	33.51 %	32.19 %	43.93 %
	>50	32.53 %	22.85 %	40.39 %	32.54 %	29.88 %	43.20 %	45.44 %	37.34 %	36.45 %
Female	<30	33.00 %	4.60 %	0.00 %	0.21 %	2.32 %	0.30 %	0.32 %	2.09 %	0.00 %
	30-50	1.34 %	18.02 %	10.46 %	0.58 %	10.78 %	9.97 %	0.82 %	11.05 %	7.79 %
	>50	1.01 %	14.94 %	7.55 %	0.76 %	11.94 %	6.34 %	0.63 %	10.51 %	11.21 %
North America	**Age**	**556**	**183**	**77**	**537**	**194**	**73**	**527**	**199**	**64**
Male	<30	12.23 %	9.29 %	0.00 %	14.90 %	9.79 %	1.37 %	14.23 %	13.57 %	1.56 %
	30-50	44.60 %	28.96 %	45.45 %	40.22 %	29.90 %	42.47 %	41.37 %	29.15 %	46.88 %
	>50	41.73 %	27.32 %	45.45 %	43.39 %	29.38 %	43.84 %	43.07 %	29.15 %	40.63 %
Female	<30	0.00 %	2.19 %	0.00 %	0.37 %	2.06 %	0.00 %	0.38 %	1.01 %	0.00 %
	30-50	1.08 %	17.49 %	6.50 %	0.93 %	14.43 %	8.22 %	0.19 %	14.07 %	4.69 %
	>50	0.36 %	14.75 %	2.60 %	0.19 %	14.43 %	4.11 %	0.76 %	13.07 %	6.25 %
Rest of world	**Age**	**164**	**154**	**53**	**165**	**223**	**56**	**116**	**154**	**38**
Male	<30	7.93 %	7.14 %	0.00 %	12.12 %	4.48 %	0.00 %	9.48 %	1.30 %	0.00 %
	30-50	65.85 %	36.37 %	45.28 %	58.79 %	41.70 %	28.57 %	30.17 %	11.69 %	34.21 %
	>50	21.95 %	7.79 %	16.98 %	26.06 %	15.25 %	32.14 %	57.76 %	46.10 %	28.95 %
Female	<30	0.61 %	5.20 %	0.00 %	0.00 %	4.48 %	0.00 %	0.00 %	1.95 %	0.00 %
	30-50	3.05 %	35.71 %	26.42 %	2.42 %	24.22 %	23.21 %	1.72 %	7.14 %	13.16 %
	>50	0.61 %	7.79 %	11.32 %	0.61 %	9.87 %	16.07 %	0.86 %	31.82 %	23.68 %

Workforce Composition and Employment Trends

	2023	2024	2025
Female	**1,069**	**948**	**832**
Full time	77.83 %	79.75 %	80.41 %
Part time	22.17 %	20.26 %	19.59 %
Permanent	93.36 %	94.04 %	95.67 %
Temp	3.37 %	3.09 %	2.76 %
Intern/Apprenticeship	3.27 %	2.87 %	1.56 %
Employee turnover*	22.17 %	27.74 %	1.90 %
Male	**7,743**	**6,502**	**6,136**
Full time	91.75 %	90.94 %	95.09 %
Part time	8.25 %	9.06 %	4.91 %
Permanent	94.49 %	91.62 %	94.25 %
Temp	1.39 %	3.74 %	1.68 %
Intern/Apprenticeship	4.12 %	4.63 %	4.07 %
Employee turnover*	13.21 %	35.44 %	9.60 %

* The higher employee turnover in 2023 and 2024 is primarily attributable to the sale of sites in Eastern Europe and the restructuring program, including a social plan, implemented at DEW. In addition, from 2025 onward, the definition of this metric was updated to include only Swiss Steel Group's own headcount, excluding certain employee categories such as temporary workers. This update ensures that the turnover metric is now fully aligned with all other headcount-related reporting.

	2023	2024	2025
Emplyoed persons with disabilities	342	289	223
Employees on parental leave at end of reporting period	8*	100	94
Average training hours per employee**	35.31	17.24	9.26
Absence rate	6.00 %	6.00 %	6.16 %
Employees covered by collective bargaining agreement	88.41 %	95.00 %	94.50 %

* To ensure consistency in reporting standards, the 2023 figure specifically represents employees on parental leave on the reference day. In contrast, figures from 2024 onward include all parental leaves throughout the year, reflecting the total number of employees who benefited from parental leave.

** In 2023, the scope of the training hours included onboarding trainings, which resulted in significantly higher average training hours per employee. From 2024 onward these onboarding trainings are excluded to better measure skill- and capability-building activities. Additionally, the value reported for 2024 has been corrected using the most up-to-date data.

GRI Content Index

Disclosure requirement	Description	Reference
Statement of use		**Swiss Steel Group has reported the information cited in this GRI content index for the period 01.01.2025-31.12.2025 with reference to the GRI Standards.**
GRI 1 used	**GRI 1: Foundation 2021**	
GRI 2:2021	**General disclosures**	
2-1	Organizational details	Swiss Steel Holding AG Werkstrasse 7 CH-6014 Lucerne
2-2	Entities included in the organization's sustainabiltiy reporting	All Swiss Steel Group entities. For environmeltal data please see p. 60
2-3	Reporting period, frequency and contact point	January 1 - December 31 (annually) Anina Berger Vice President Corporate & Strategic Affairs anina.berger@swisssteelgroup.com
2-4	Restatement of information	Due to the derecognition of Ascometal, its data was excluded or displayed separately where appropriate.
2-5	External assurance	None
2-6	Activities, value chain and other business relationships	p. 6
2-7	Employees	p. 38-40, 62-63
2-9	Governance structure and composition	p. 9, 12, 55
2-11	Chair of the highest governance body	p. 55
2-13	Delegation of responsibility for managing impacts	p. 9, 12
2-14	Role of the highest governance body in sustainabiltiy reporting	p. 9, 12, 55
2-16	Communication of critical concerns	p. 47-48
2-22	Statement on sustainable development strategy	p. 5
2-23	Policy commitments	p. 47-54
2-24	Embedding policy commitments	p. 47-54
2-26	Mechanisms for seeking advice and raising concerns	p. 47-48

Disclosure requirement	Description	Reference
2-28	Membership associations	We are a member of, among others, World Steel Association (worldsteel), German Steel Association (Wirtschaftsvereinigung Stahl), European Steel Association (EUROFER).
2-29	Approach to stakegholder engagement	p. 57-59
2-30	Collective bargaining agreements	p. 63
GRI 3:2021	**Material Topics**	
3-1	Process to determine material topics	p. 10, 57-59
3-2	List of material topics	p. 10, 58-59
3-3	Management of material topics	p. 12-54
GRI 201:2016	**Economic Performance**	
201-1	Direct economic value generated and distributed	p. 46
201-2	Financial implications and other risks and opportunities due to climate change	p. 13-18
GRI 205:2016	**Anti-corruption**	
205-1	Operations assessed for risks related to corruption	p. 48-50
205-2	Communication and training about anti-corruption policies and procedures	p. 48-50
205-3	Confirmed incidents of corruption and actions taken	p. 47-48
GRI 301:2016	**Materials**	
301-1	Materials used by weight or volume	p. 30-31
301-2	Recycled input materials used	p. 30-31
GRI 302:2016	**Energy**	
302-1	Energy consumption within the organization	p. 26-27
302-3	Energy intensity	p. 26-27
302-4	Reduction of energy consumption	p. 23, 34-35

Disclosure requirement	Description	Reference
GRI 303:2018	**Water and Effluents**	
303-1	Interactions with water as a shared resource	p. 32-33, 35
303-3	Water withdrawal	p. 32-33
303-4	Water discharge	p. 33
GRI 305:2016	**Emissions**	
305-1	Direct (Scope 1) GHG emissions	p. 27
305-2	Energy indirect (Scope 2) GHG emissions	p. 27-28, 61
305-3	Other indirect (Scope 3) GHG emissions	p. 28
305-4	GHG emissions intensity	p. 27-28
305-5	Reduction of GHG emissions	p. 23-26
305-7	Nitrogen oxides (NO_x), sulfur oxides (SOx), and other significant air emissions	p. 31, 61
GRI 306:2020	**Waste**	
306-1	Waste generation and signifcant waste-related impacts	p. 31-32
306-2	Management of significant waste-related impacts	p. 31-32
306-4	Waste diverted from disposal	p. 31-32
306-5	Waste directed to disposal	p. 31-32
GRI 308:2016	**Supplier environmental assessment**	
308-2	Negative environmental impacts in the supply chain and actions taken	p. 51-54
GRI 401:2016	**Employment**	
401-1	New employee hires and employee turnover	p. 63
401-3	Parental leave	p. 63

Disclosure requirement	Description	Reference
GRI 403:2018	**Occupational Health and Safety**	
403-1	Occupational health and safety management system	p. 36
403-2	Hazard identification, risk assessment, and incident investigation	p. 36-37, 51
403-3	Occupational health services	p. 36-37
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 36-37
403-5	Worker training on occupational health and safety	p. 36-37
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 36-37, 51-54
403-8	Workers covered by an occupational health and safety management system	p. 36
403-9	Work-related injuries	p. 37
GRI 404:2016	**Training and Education**	
404-1	Average hours of training per year per employee	p. 42, 63
404-2	Programs for upgrading employee skills and transition assistance programs	p. 41-44
404-3	Percentage of employees receiving regular performance and career development reviews	p. 41
GRI 405:2016	**Diversity and Equal Opportunity**	
405-1	Diversity of governance bodies and employees	p. 38-40, 62-63
GRI 406:2016	**Non-discrimination**	
406-1	Incidents of discrimination and corrective actions taken	p. 47-48
GRI 407:2016	**Freedom of asseciation and collective bargaining**	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p. 51-54
GRI 408:2016	**Child labor**	
408-1	Operations and suppliers at significant risk for incidents of child labor	p. 51-54

Disclosure requirement	Description	Reference
GRI 409:2016	**Forced or compulsory labor**	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 51-54
GRI 414:2016	**Supplier social assessment**	
414-2	Negative social impacts in the supply chain and actions taken	p. 51-54
GRI 415:2016	**Public Policy**	
415-1	Political contributions	None

Page numbers refer to this Sustainability Report.

ESRS Content Index

Disclosure requirement	Description	Page
ESRS 2 GOV-3	Integration of sustainability-related performance in incentive schemes	p. 12
ESRS E1-1	Transition plan for climate change mitigation	p. 13, 19-22, 24-26
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	p. 13-18
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks, and opportunities	p. 19
E1-2	Policies related to climate change mitigation and adaptation	p. 19-20
E1-3	Actions and resources in relation to climate change policies	p. 20-23
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