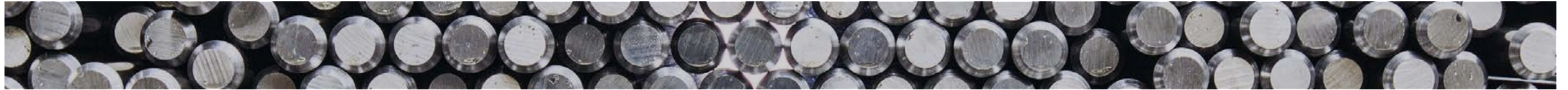


Non-Financial Report 2023



Swiss
Steel
Group

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Statement by the Chairman



Jens Alder
Chairman of the Board

Dear stakeholders,

In the ever-evolving landscape of business responsibility, Swiss Steel Group embraces the transformative power of Environmental, Social, and Governance (ESG) considerations. Since the change in management in 2021, sustainability has become a core driver of our strategy and daily operations. In consequence, over the last few years, ESG matters have been a catalyst for positive change within our organization.

Recognizing the profound impact steel has on our daily lives, we perceive it as our duty at Swiss Steel Group to contribute to a better, greener, and more sustainable world. Our commitment to sustainable steel production, rooted in circular economy principles and recycling, is ingrained in our DNA. Leveraging our expertise in recycling, electric arc furnace technology, and the use of renewable energy, we have successfully reduced the carbon footprint of our products well below the industry average, offering a distinctive environmental value proposition.

2023 marks a year of progress

In May 2022, Swiss Steel Group committed to set company-wide emission reduction targets in line with climate science with the Science Based Targets initiative (SBTi). According to the steel science-based target setting guidance published in July 2023, we developed our decarbonization targets. In December 2023 we submitted them to SBTi for validation as one of the first steel producers to use the new guidance. Starting from our base year in 2021, we are dedicated to reducing our greenhouse gas

(GHG) emissions with the ultimate goal of reaching net-zero by 2038.

Recognizing the profound impact steel has on our daily lives, we perceive it as our duty at Swiss Steel Group to contribute to a better, greener, and more sustainable world.

In recognition of our progress towards a sustainable future, Swiss Steel Group was honored with the prestigious German Sustainability Award. It also serves as a testament to the collective efforts of our employees, who have consistently championed sustainability even in challenging economic times. The award stands as a seal of trust for our valued stakeholders, reinforcing our position as a leader in the industry.

Our commitment to sustainable development and continuous improvement of our sustainability management system was acknowledged with a silver medal from EcoVadis. For the second year in a row, we have improved our CDP Climate Change score. We now have a B rating that affirms our efforts to address climate change and manage our environmental practices.

Maintaining transparency, we have successfully obtained limited assurance of our emissions inventory, reaffirming our dedication to accurate reporting and environmental responsibility. We are also in the early stages of implementing a Product Carbon Foot-

print (PCF) tool, aiming for more accurate emissions information based on actual production data.

As we look back on 2023, these highlights are not just achievements; they represent our journey toward a more responsible and sustainable future. We are grateful for the collective efforts of Swiss Steel Group in making this progress possible.

We are dedicated to reducing our greenhouse gas (GHG) emissions with the ultimate goal of reaching net-zero by 2038.

While we celebrate these achievements, we acknowledge and address sustainability risks and challenges. We continue to manage the reputation of the heavy industry, navigate political framework conditions, emerging regulatory requirements for sustainability reporting, and continue to advocate for comparable green steel standards.

Further, we will work hard to improve our health and safety performance. As a steel manufacturer, we prioritize the prevention of personnel accidents, acknowledging the inherent risks in our industry. We actively cultivate a “safety culture” globally, employing measures like reporting and analyzing accidents, conducting cross-business audits, risk assessments, and implementing behavioral-based safety training. These practices are integral to our standard operating procedure.

A pledge to integrity and future well-being

Addressing social and societal goals, we actively engage with our stakeholders, fostering closer connections with the communities where we operate. This commitment extends to the consideration of stakeholder needs in our production sites and service provision.

We reaffirm our commitment to global standards on human rights throughout our workplace and supply chains, aligning with the UN Sustainable Development Goals (SDGs).

Our commitment to sustainable development, healthy societies, and the needs of future generations is unwavering. We continually enhance our compliance management capabilities, learning from past events, and actively preventing non-compliance, including our dedication to anti-bribery efforts.

Our commitment to sustainable development, healthy societies, and the needs of future generations is unwavering.

This report addresses the new requirements outlined in Art. 964a et seq. of the Swiss Code of Obligations and provides a comprehensive overview of Swiss Steel Group’s commitment to environmental protection, the well-being of our employees, and our broader societal impact.

Thank you for your continued partnership as we navigate this journey towards a more sustainable future.

Jens Alder
Chairman of the Board

Regulations and Stand- ards Applied

This non-financial report has been compiled in accordance with Art. 964a et seq. and specifically fulfills the requirement of Art. 964j-k of the Swiss Code of Obligations and 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 covering child labor and conflict minerals are addressed in 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). The report includes a description of our business model, approach (objectives, policies, due diligence), performance and measures, and 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 its controlled group companies as listed in our Annual Report.



Steel production in Emmenbrücke, Switzerland.

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.

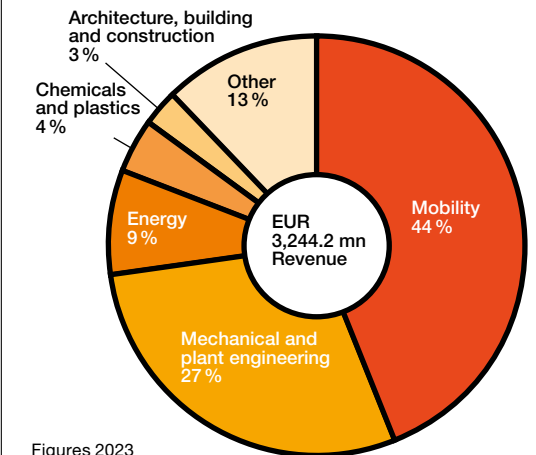
Swiss Steel Group has its major production facilities in France, Germany, Switzerland and North America, with distribution entities and smaller processing sites in over 25 countries. Through our strong local presence, Swiss Steel Group offers a wide range of individual solutions in the fields of engineering steel, stainless steel and tool steel. Swiss Steel Holding AG is listed on the SIX Swiss Exchange and employs approximately 8,800 employees, more than 90 % of whom are located in Europe and North America.



Click for locations

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.

Revenue by customer industry



Figures 2023

Our production process

Swiss Steel Group's production process begins with the collection, sorting and segregation of scrap, followed by the melting of scrap and alloys in electric arc furnaces (EAFs). While scrap is sourced locally, ferroalloys depend on global supply chains. After adjusting the temperature, chemical composition and cleanliness of the liquid steel 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.



Swiss Steel Group recycles approximately 2 million tons of scrap per year.

Effects of activities on non-financial 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 non-financial matters. Our operations can have an effect on non-financial 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 steel-making. 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.

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.

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.

Respect for human rights

We source materials globally and employ approximately 8,800 people worldwide. Due to varying laws and local circumstances, our activities may have an impact on human rights, particularly in the supply chain. Swiss Steel Group has initiated several actions in recent years to ensure that our business partners follow our standards aligned with best-in-class rules.

Combatting corruption

Based in more than 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 renewed its Code of Conduct in 2023 to ensure a common ground on anti-corruption, complemented by several policies and trainings.

Sustainability governance

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

The Vice President Corporate Technology, supported by a dedicated team, has overall functional responsibility for all sustainability issues at the Group. As a result, sustainability is a regular agenda item at Executive Board meetings. CAPEX plans, sustainability goals and initiatives, as well as environmental management and risks, are also discussed and reviewed at the quarterly Technical Board meetings. In addition, a Group-level Sustainability Working Group is committed to improve our sustainability management system.

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. ESG was one of the focus areas of our internal audit team in 2023. Multiple audits at the corporate and site levels were conducted to review sustainability performance and reporting accuracy. Strengths and weaknesses were identified and reported to the Audit Committee. These will be followed up by the relevant corporate and site functions in 2024.

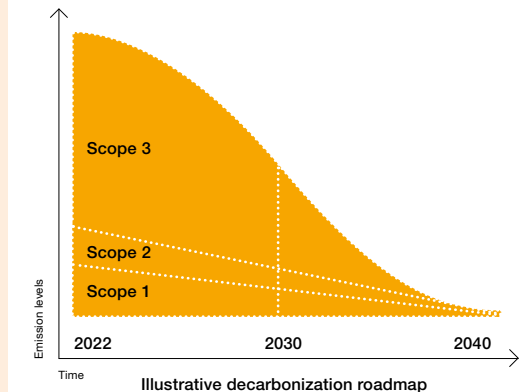
At Swiss Steel Group, sustainability and climate-related issues have been defined as one of our five top strategic priorities.

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.

Committed to the Science Based Targets initiative (SBTi)

In May 2022, Swiss Steel Group committed to setting company-wide emission reduction targets in line with climate science with the Science Based Targets initiative (SBTi). According to the 1.5°C steel target-setting guidance published in July 2023, we developed our decarbonization targets and submitted them in December 2023 to SBTi for validation as one of the first steel producers to use the new guidance.

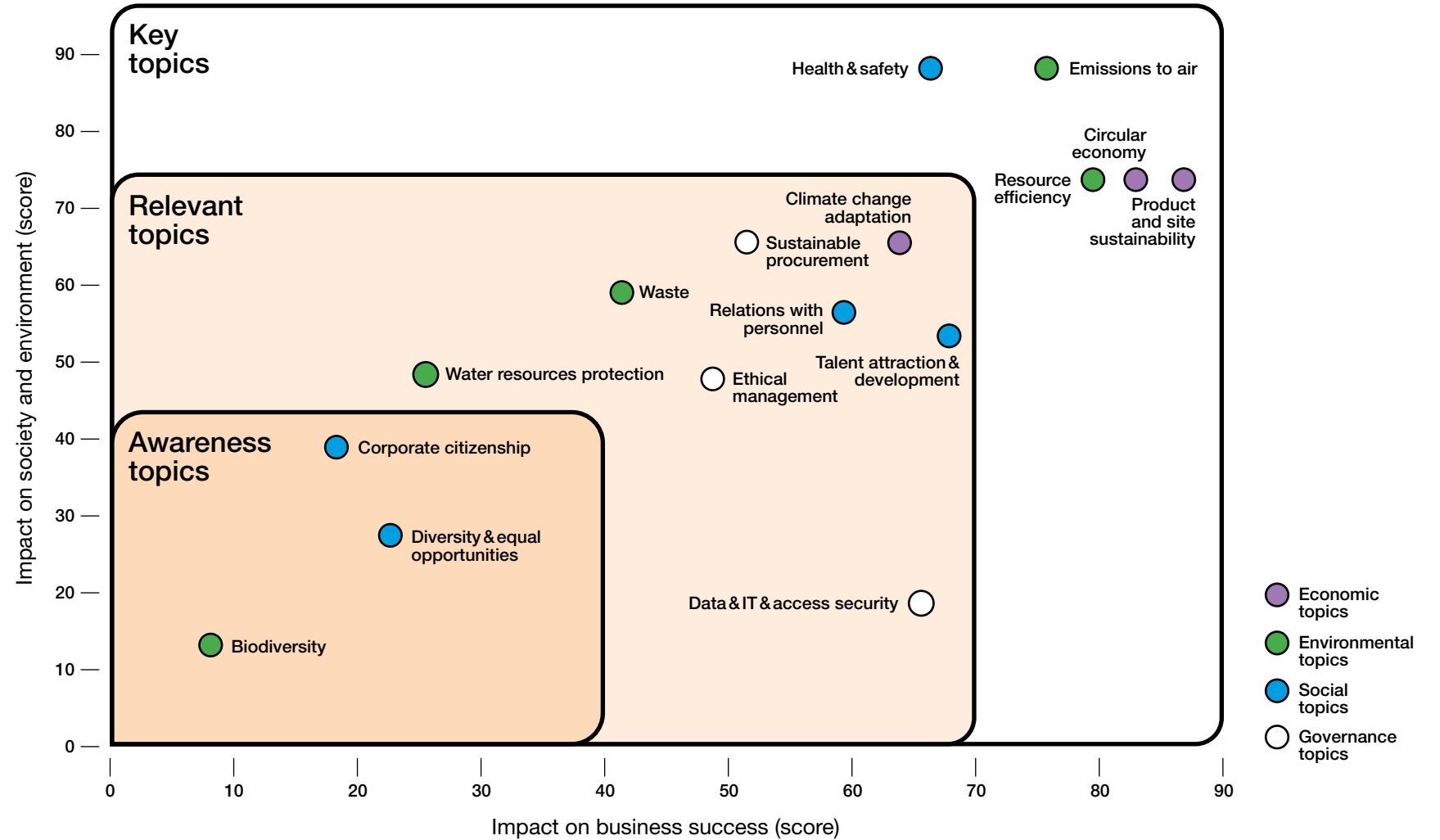
Swiss Steel Group is committed to the Science Based Target initiative (SBTi)



Material sustainability topics

A double materiality analysis was conducted in 2022 to align our sustainability strategy with stakeholder expectations, and in anticipation of future regulatory requirements. 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 and society with regard to the topics (inside-out). Further details regarding the methodology and interpretation of the matrix can be found in the annex.

Materiality matrix



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Climate & Environment

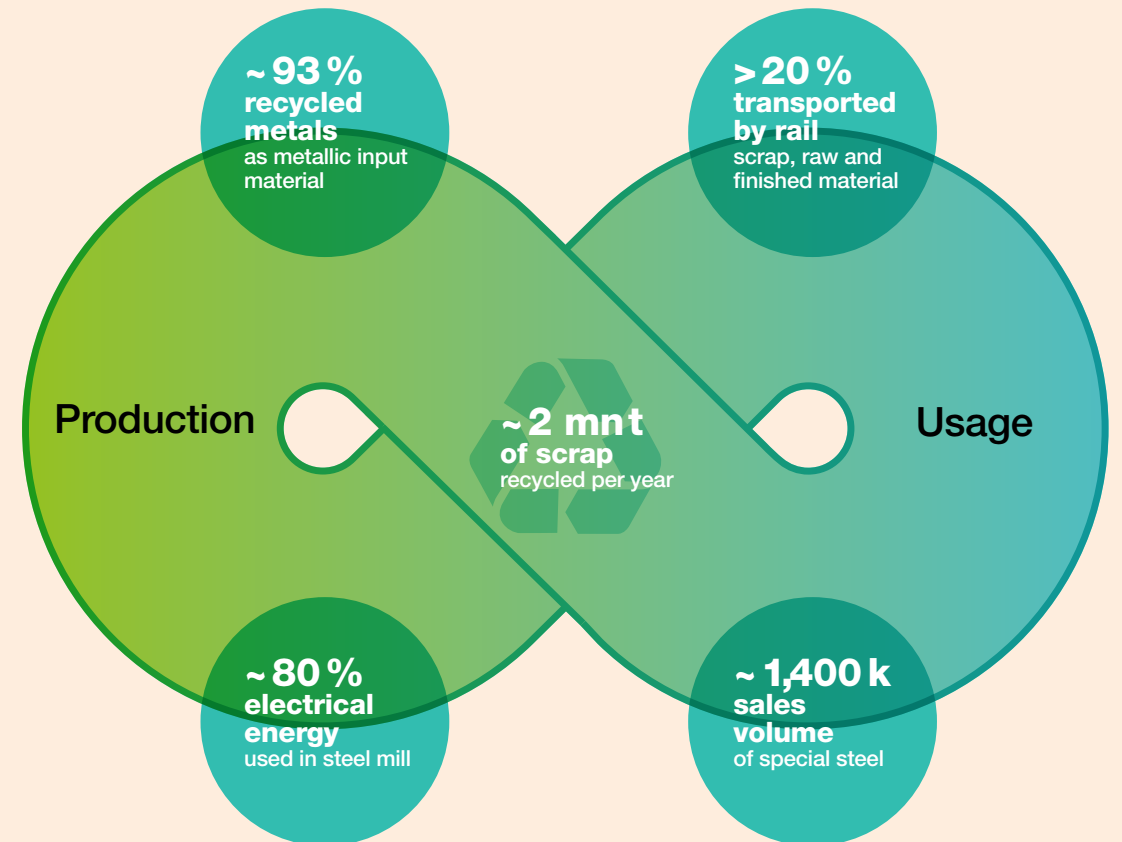
Our approach

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 does not only preserve 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.

Circular economy in Swiss Steel Group's production

Whether in transportation, infrastructure, energy or mechanical engineering, steel has been one of the most important materials for centuries. Not least because steel is the only material that is 100% recyclable, making it a prime example of a circular economy.



Figures 2023

Our environmental commitments are implemented through our Code of Conduct and our Production Assets' environmental policies and 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 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 the active involvement of our employees.

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 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.

Reporting scope & methodology

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

We distinguish between more than 3,000 different input materials.

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 are also included. 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), Ascometal (Hagondange, Fos-sur-Mer, Les Dunes), 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 the Scope 1 CO₂ emissions may also lead to later adjustments. Further details regarding our CO₂ reporting methodology can be found on our website.

We have obtained independent limited assurance by DNV over the greenhouse gas emissions data of 2021 and 2022. 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. For further information about the outcome of the verification and methodology, please refer to the statement issued by DNV (see link below).

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.



Click for Statement by DNV

Our performance

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 also play an important role. Volatility on the steel markets influences our product portfolio as well as our capacity utilization. 2023 was characterized by lower capacity utilization, resulting in lower energy efficiency due to smaller production orders and longer changeover and ramp-up times. To address these issues and achieve our short- and long-term sustainability goals, we have successfully implemented a number of improvements.

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 aspects such as price, 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 (pre-consumer 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; an aspect that becomes increasingly important in light of the increasing 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.

The adjustment of the chemical composition as required by the customer makes the addition of alloying elements indispensable in most cases. 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 (see “Our targets” for further details).

Carbon is used for slag-foaming (reducing energy consumption during 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 93 %.



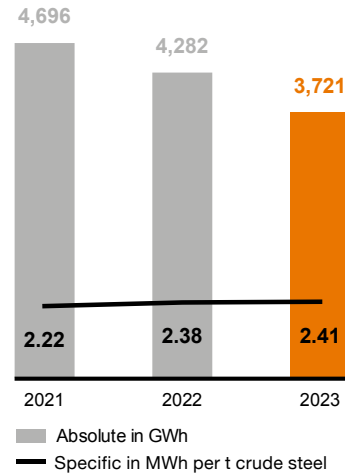
We source our scrap as locally as possible, favour rail transport and pay close attention to precise scrap sorting.

Materials used		2021	2022	2023
Scrap	kt	2,218	1,910	1,676
Pig iron (primary+secondary)	kt	78	67	46
Alloys and deoxidizers	kt	173	129	126
Coal, carbon, coke	kt	22	20	18
Slag formers	kt	147	121	106
Graphite electrodes	kt	7	6	5
Purchased steel from third parties	kt	49	102	22
Recycled metallic input	%	93	94	93

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 CO₂ 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



We will realize a strategic investment with the new 60 MN press in our forge shop in Sorel, Canada. We foresee replacing the existing forge press in the first half of 2024. In addition to providing significant increases in productivity, quality and yield, the investment will also improve equipment reliability in both the short and long term. The elimination of unnecessary reheats in the forging operation will reduce annual natural gas consumption by approximately 4 GWh or 750 t of CO₂ emissions. Furthermore, with more force to achieve better

core deformation, we will ensure the required microstructure is obtained by forging instead of additional heat treatment. We estimate that this will achieve further energy savings of approximately 7 GWh or 1300 t of CO₂ emissions. Scale and oil lost in the process that must be disposed of and treated according to environmental regulation will also be reduced. At the bright steel production sites in Emmenbrücke, we have achieved savings in energy consumption for heating in recent years. Lowering the heating temperature in ancillary areas, consistently programming a temperature reduction at night and during weekends, and further optimizing the heating system have generated savings of 1500 MWh per year. Waste heat from the rolling mill, which is no longer needed internally, can now be additionally fed into the district heating network of the city of Lucerne.

In Ugine, France, the lighting of the bar and wire finishing shops was converted to LED, immediately decreasing our energy consumption by approximately 2.3 GWh per year. By limiting heating for the finishing shops in Ugine to operating hours and lowering the general temperature in the buildings, we will save approximately 1.7 GWh of natural gas per year.



District heating at Ugine

To further optimize the operation mode of our rolling mill furnace in Hagen, Germany, especially in times of challenging production programs, we plan to install a furnace control model in 2024.

Further improvement measures regarding our energy consumption are described in the section “Greenhouse gas emissions – Scope 1.”

Our waste heat is used to heat around 600* households in Lucerne and our own buildings

In 2023, the Emmenbrücke rolling mill supplied more than 6 GWh of industrial waste heat (equivalent to the demand of approx. 600* households) to the district heating system of the city of Lucerne. In Ugine, approximately 2.6 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 2000–2022», Swiss Federal Office of Energy, November 2023.

Energy consumption in GWh	2021	2022	2023
Electricity consumption total	2,018	1,811	1,596
- thereof renewable	947	920	532
- thereof nuclear	647	519	690
- thereof fossil	424	372	374
Natural gas	2,658	2,451	2,107
Other (e.g. diesel, fuel oil)	20	20	18
Total energy consumption	4,696	4,282	3,721

Emissions to air

The most significant emissions from Swiss Steel Group’s production processes are carbon dioxide (CO₂), 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.

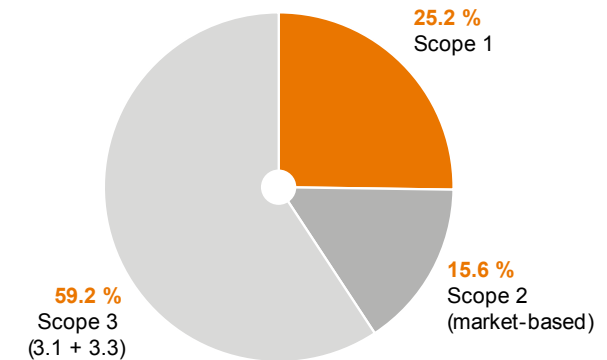
Greenhouse gas emissions

In line with the Greenhouse Gas Protocol Corporate Standard, we categorize CO₂ emissions into three scopes. Scope 1 emissions are direct emissions from combustion that occur from sources that are owned or controlled by Swiss Steel Group. Scope 2 emissions are indirect emissions from the generation of purchased energy. CO₂ 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 and rolling mill). The production output from each process step is used to calculate the carbon intensity. The figures in the subse-

quent section refer to CO₂e. Given the nature of Swiss Steel Group’s operations, CO₂ is the only material greenhouse gas (GHG) among direct emissions.

CO₂ emissions by Scope

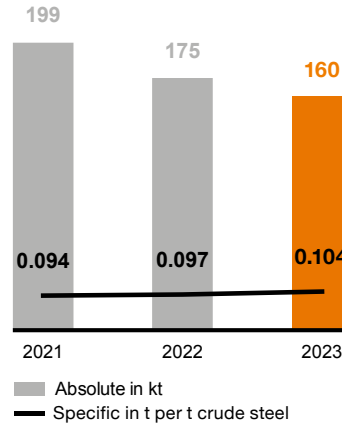


Scope 1

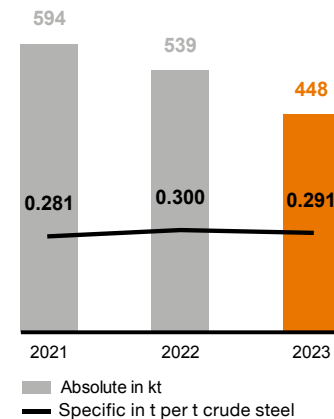
Swiss Steel Group's Scope 1 emissions mainly originate from the combustion of natural gas, the carbon content in raw materials and consumables, and the fuel consumption of internal logistics.

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 CO₂ emissions in the melt shops result from the combustion of natural gas by burners in the EAF, 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 CO₂ emissions melt shops



Scope 1 CO₂ emissions total



Hydreams annealing furnace

In the melt shop in Witten, we have switched another ladle preheating station from natural gas+air burners to natural gas+oxygen burners (oxy-combustion), aiming to reduce the natural gas consumption by more than 40%. We now operate all vertical ladle preheating stations in Witten with oxy-combustion technology.

Our Group operates more than 150 natural gas-fired furnaces for rolling and forging processes as well as for heat treatment. Five of our eight rolling mills apply inductive heating which partly replaces natural gas. At the steel plant in Sorel, Canada, we already operate electric heat treatment furnaces and plan to convert one forge furnace to electric heating in the near future. In Imphy, France, we have converted a natural gas-fired annealing furnace that is part of our medium and fine wire production route to electrical energy. Together with new state-of-the-art temperature regulation, this will result in higher product quality and a CO₂ reduction of approximately 300 t per year.

At the steel plant in Sorel, Canada, we already operate electric heat treatment furnaces

The conversion of natural gas-fired furnaces to alternative fuels is a central pillar of our decarbonization roadmap. We aim to convert more heat treatment furnaces to electrical energy, but we are also evaluating other technological options. The best choice depends primarily on the local availability and price of low-carbon

energy carriers, technological readiness, and greenhouse gas reduction potential. As part of our multi-year EU research project HY-DREAMS, we are investigating and evaluating options for replacing natural gas+air burners in furnaces with other gases such as hydrogen and oxygen-enriched air. To address future technical challenges, we investigate potential impacts on equipment and product quality. In addition to laboratory experiments, industrial-scale tests are conducted in heat treatment and reheating furnaces in Ugine and Krefeld. In Ugine, a pilot hydrogen electrolyzer will be built and operated, and we are currently ramping up the use of oxygen enriched combustion air in the rolling mill furnace there.

Although internal logistics represents only a small portion of our total Scope 1 emissions, we are including it in our decarbonization efforts. In Hagen, Germany, we have converted the entire fleet of forklifts – which covers all internal material handling – from internal combustion engines to electric motors. This will not only achieve annual CO₂ savings of approximately 350 t but has also allowed us to further raise the safety standards of the vehicles. In Emmenbrücke, Switzerland, we commissioned a new slag pot carrier that will reduce diesel consumption by 33 % or approximately 40,000 liters each year.

In Emmenbrücke, Switzerland, we commissioned a new slag pot carrier that will reduce diesel consumption by 33 % or approximately 40,000 liters each year.



New slag pot carrier, Emmenbrücke

Scope 2

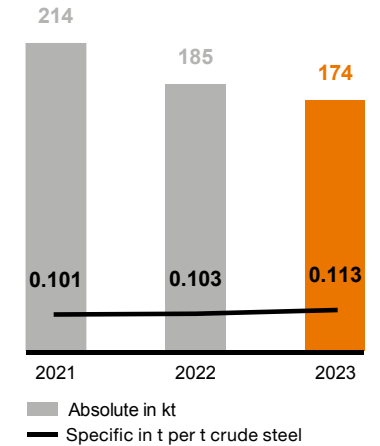
Our Scope 2 emissions almost exclusively originate from purchased power, which is mainly consumed by our electric arc furnaces and to a lesser extent by ladle furnaces, rolling and processing equipment, as well as shop infrastructure like lighting and electric motors of pumps or fans.

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.

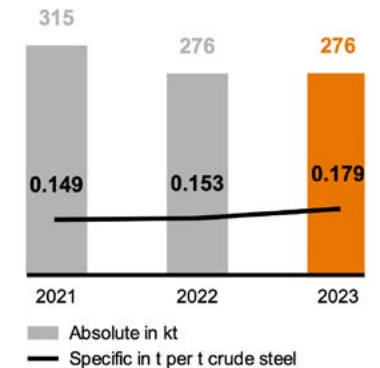


Click for location-based figures

Scope 2 CO₂ emissions melt shops (market-based)



Scope 2 CO₂ emissions total (market-based)



Scope 3

Upstream

The main contributors to our upstream Scope 3 emissions are purchased materials (Scope 3.1), particularly 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.

Our annual emissions data collection currently includes Scopes 3.1, 3.3, 3.4, 3.5 and 3.6. Going forward, we will continue to refine our inventory and communicate relevant categories as part of our SBTi Progress Report through CDP and other platforms. Scopes 3.1 and 3.3 represent approximately 70 % of our total Scope 3 emissions according to our SBTi base year inventory (2021), for which all categories were either screened or calculated.

To achieve a reduction in our Scope 3.1 emissions, we are striving to replace CO₂-intensive primary materials like ferroalloys and deoxidizers with secondary materials (e.g. alloyed scrap or recycled aluminum). This comes with technical and logistical challenges, especially regarding scrap management. In 2023, we

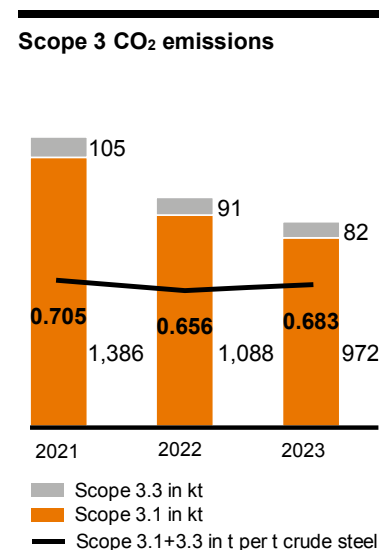
have entered additional customer partnerships to close material loops and establish a truly circular economy. We currently have more than ten closed loop partnerships with customers.

Some of the common higher-alloyed steel grades can already be produced without or with only a small addition of primary ferroalloys in Swiss Steel Group's plants. 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.

We currently have more than ten closed loop partnerships with customers.

Another pillar for the future reduction of our Scope 3.1 emissions is supplier engagement. We were the first European steel producer and the first EAF steel producer globally to participate in the Carbon Disclosure Project's (CDP) Supply Chain program. Via this disclosure system, in 2023 we reached out to approximately 150 of our major raw materials and consumables suppliers to better understand the specific carbon footprint of the materials we source

from them. Together with CDP, we hosted two webinars to explain the strategic importance of decarbonization for Swiss Steel Group, the role of our suppliers in our decarbonization roadmap, the contribution of purchased materials such as ferroalloys to our Scope 3 footprint, and the importance of transparency on climate-related issues in the supply chain – and in general. The received data enables us to incorporate the environmental performance of our suppliers into the buying decision process, and to improve the accuracy of our Scope 3.1 CO₂ reporting by retrieving primary emissions data.



Downstream

Apart from our measures aimed at CO₂ reduction within the upstream value chain, we also see ourselves as a facilitator for our customers to reduce their greenhouse gas emissions, either through our low-carbon footprint Green Steel portfolio or using innovative steel grades that simplify the downstream production process or reduce emissions throughout the life cycle.

The "Hydrogen Laboratory" project, launched in 2020, is part of one of the 2025 strategic priorities – "Innovating for our customers". Green hydrogen will play a key role along the global decarbonization path. We want to pave the way here by developing the best steel grades for hydrogen applications. To achieve this, we need to understand the mechanisms behind the impact of hydrogen on our products. Since 2022, hydrogen charging tests have been carried out internally and the measurement of total hydrogen has been done externally. In 2023, the Hydrogen Laboratory was equipped with a new analyzer, which allows us to determine the total amount of hydrogen in samples, as well as to distinguish trapped hydrogen from diffusible hydrogen – and to do so completely autonomously. The next stages and investments will allow us to test samples under hydrogen pressure between 100 bar and 1000 bar.

One example of product innovation is our bainitic steel. Products such as HSX130, Thermodur and Bainidur offer high strength and toughness, and often further technical advantages such as improved machinability without the need for additional heat treatment steps at the customer’s site.

Green hydrogen will play a key role along the global decarbonization path.

To realize the full potential of our specialty steels for reinforcement, we have extended the customer argument of economic life cycle benefits, such as the improved corrosion resistance of our stainless rebars (e.g. Top12, UGIGRIP) or the higher strength of Top700. It should be noted that the construction phase of infrastructure such as bridges generally exhibits only a small CO₂ contribution compared to the operational phase (including repair and maintenance or traffic disruptions). Ensuring 100 % availability of infrastructure is key to sustainable construction from a life cycle perspective and more than compensates for the higher price of stainless or high-strength reinforcing steel.

For example, working with a global foundation specialist, we have been able to reduce the amount of steel in foundation elements by an average of 20 % by using our high-strength Top700 reinforcing steel and taking advantage of its higher strength. In addition, an internally calculated product carbon footprint (PCF) of Top700 as a Green Steel Climate + product reveals approximately 30 % less emissions compared to standard reinforcing steel. We are currently looking for a first joint pilot project in Switzerland to demonstrate the benefits in practice. To verify our internally calculated PCF, we are working on an Environmental Product Declaration (EPD) according to EN 1504 for Top700 in 2024.

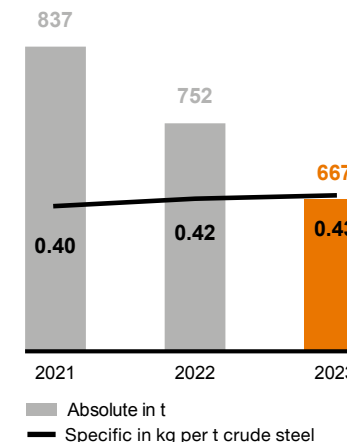
The cost of corrosion resistance depends on several factors, such as the quantity of stainless steel required, the choice of grade and the desired properties of the reinforcement. Our R&D program, in cooperation with the Gustave Eiffel University, enables us to make the best possible recommendation for these three criteria.

NO_x and dust

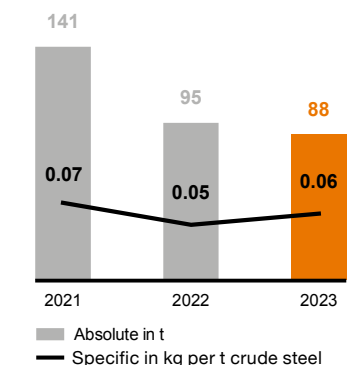
Dust emissions in steelmaking are unavoidable. They mainly originate from melting steel scrap and other input materials in our electric arc furnaces. At each melt shop, off-gas systems and filters capture more than 99 % of the dust. Even though nitrogen oxides (NO_x) are not considered a greenhouse gas, 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 (HNO₃) is 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 sections “Energy” and “Greenhouse gas emissions – Scope 1.”

NO_x emissions



Melt shop dust emissions to air



By-products & 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 steel-making process, the metallic content of the solidified slag can be recovered by magnetic separation. As an example, at DEW we recover up to approximately 20,000 tons of iron-rich fractions per year 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.

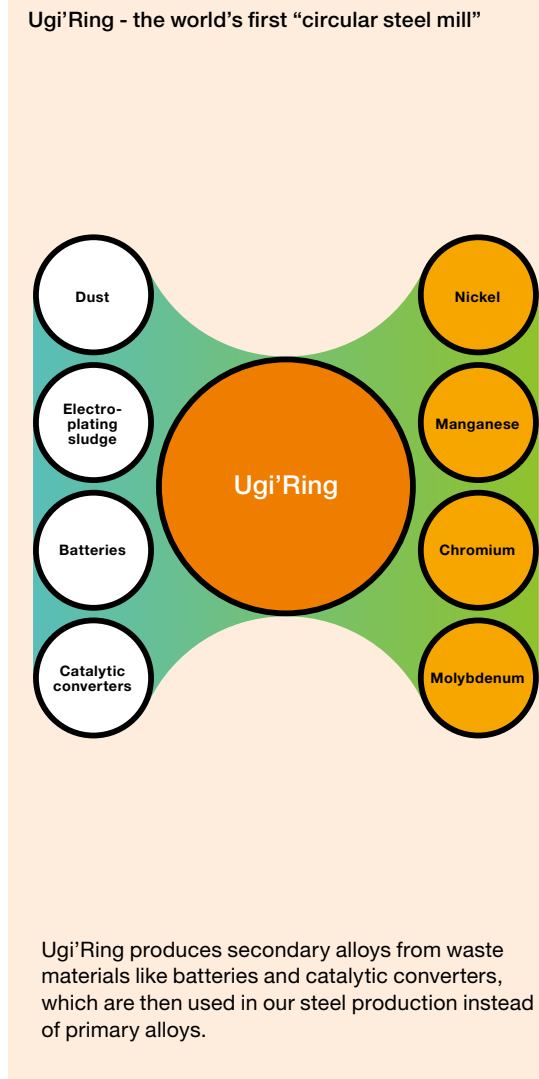
Some of our used refractories from melting furnaces and ladles are returned to our supply partners to be recycled into new refractories such as bricks and gunning materials or slag

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 opposite).

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	2021	2022	2023
Hazardous waste recovered	42	34	29
- thereof steelmaking dust	24	19	19
- thereof acid/acidic materials	9	6	5
Non-hazardous waste recovered	219	176	139
- thereof slag	128	97	70
- thereof scale	55	49	41
Total waste recovered	261	210	168
Hazardous waste directed to disposal	23	18	21
- thereof steelmaking dust	10	9	7
- thereof acid/acidic materials	0	0	0
Non-hazardous waste directed to disposal	238	230	166
- thereof slag	221	207	152
- thereof scale	3	6	3
Total waste directed to disposal	262	248	187



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.

In Ugine, France, we have replaced the water pumps that withdraw water from the Arly River with state-of-the-art variable frequency drive

pumps. This allows us to regulate the speed of the pumps according to the amount of water required by the plant and thus save an estimated 350 MWh/year. Furthermore, the new setup secures water supply when the water level of the Arly River is low and releases excess water close to where it was withdrawn. Compared to the old setup, our impact on the ecosystem is greatly reduced, especially during droughts.

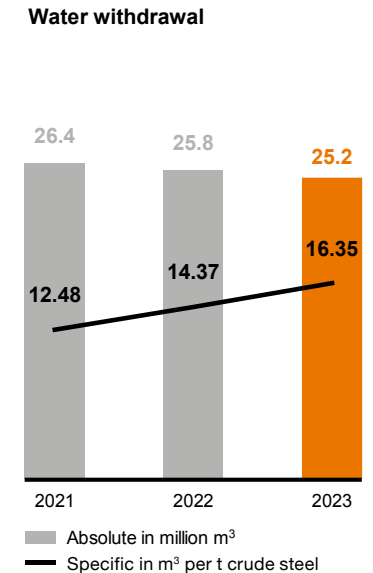
According to an assessment using the recently updated Aqueduct Water Risk Atlas, we only withdraw a small amount of water from water-stressed areas (baseline water stress). None of our major production plants are located in areas of extremely high water stress.

Water discharge figures can be found in the section “Sustainability notes.”

Water withdrawal in million m ³	2021	2022	2023
Surface water	9.7	9.3	8.8
Groundwater	0.8	0.8	0.8
Seawater	15.0	15.0	15.0
Municipal water supply	0.9	0.8	0.7
Total water withdrawal	26.4	25.8	25.2

Freshwater withdrawal in million m ³	2021	2022	2023
Areas of low water stress	5.6	5.8	5.5
Areas of low-medium water stress	3.7	3.0	2.8
Areas of medium-high water stress	1.2	1.1	1.1
Areas of high water stress	0.8	0.8	0.7
Areas of extremely high water stress	-	-	-
Total freshwater withdrawal	11.3	10.8	10.2

Our cooling systems are continuously monitored, and water is cleaned directly at our plants.



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. For the first time, scenario-based physical climate-related risks at the Group's main production sites were included in the 2023 annual Enterprise Risk Management (ERM) process. The results of a climate scenario analysis from a reinsurance company's tool were used as the basis for the risk assessment. This report describes the most significant risks in terms of our impact on the environment (inside-out perspective).

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 Fos-sur-Mer, 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. Safety for our employees and neighbors is a top priority both in the operation of our treatment plants and in the handling of hazardous substances. Due to our extensive safety precautions, 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.

Our physical climate risk assessment confirmed that floods are our most material physical climate risk both presently and in future scenarios. The highest risks have been identified for Emmenbrücke, Hagen, Siegen and Sorel. In Ugine, 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, Switzerland, and in 2021 in Hagen, Germany. Actions have been taken at both sites to prevent a 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 (river bank extension and rein-force-

ment), Emmenbrücke has now become a role model for flood prevention.

Emissions to soil

Slag is essential in steelmaking and 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 the local legislation as well as 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 are aiming to continuously reduce this amount by re-using the slag in our process 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 our plant in Fos-sur-Mer, France, we are currently working on developing a new slag treatment method to decrease chromium lixiviation. 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 lead or sulfur 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 regulations like REACH. 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 %. To avoid any impacts caused by lead, the necessary protection and precaution measures have utmost priority in our production process. The melt shop in Emmenbrücke uses a unique alloying process for lead that is superior to standard alloying processes in terms of emissions. 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. We are continuously monitoring our lead emissions and will implement further technological measures where required.

Contamination of input materials

Each year we recycle approximately 2.0 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 we use detectors at different stages of our production process to avoid radioactive materials entering our production.

Our targets

Decarbonization

With the 100 % EAF production route, Swiss Steel Group is perfectly positioned for a decarbonized future. Our steelmaking processes – which 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 May 2022, Swiss Steel Group committed to setting company-wide emission reduction targets in line with climate science with the Science Based Targets initiative (SBTi). According to the 1.5°C steel target-setting guidance published in July 2023, we developed our decarbonization targets and submitted them in December 2023 to SBTi for validation as one of the first steel producers to use the new guidance. From base year 2021 we have committed to reducing our GHG emissions covered by the iron & steel core boundary (Scopes 1, 2 and some Scope 3 emissions) by 23 % per tonne of hot-formed steel by 2030. We have also committed to reducing Scope 1 and 2 emissions outside the steel core boundary by 42 % over the same timeframe. In addition, we will reduce

our Scope 3.1 “Purchased goods and services” and 3.3 “Fuel- and energy-related activities” emissions outside the core boundary by 25 %. We are committed to achieving our net-zero target by 2038¹.

We were one of the first steel producers to develop our decarbonization targets and submit them for validation.

Our near-term targets will be primarily achieved through the technological conversion of rolling mill, forge and heat treatment furnaces, and the procurement of electrical energy from renewable sources along with energy efficiency improvements (see next section).

¹ Targets have been submitted to SBTi and are awaiting validation.

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 commit to decreasing our total energy consumption per tonne of crude steel at our major sites by 7 % by 2030, compared with the base year 2021².

² Target boundary includes Emmenbrücke, Siegen, Hagen, Witten, Krefeld, Hattingen, Hagondange, Fos, Ugine, Chicago, Sorel, Les Dunes. 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 the amount of primary materials used. By 2030, we will increase the recycled content of our stainless steel products by 5 % from base year 2021³. This represents a reduction of more than 20 % in the primary materials used in the production of stainless steel.

³ Our calculation includes internal scrap from the melt shops, which is excluded as per ISO 14021. 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 in Ugine 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 freshwater withdrawals from surface and groundwater by 7 % by 2030 from the baseline year 2021.



Swiss Steel Group's Ugitech plant in Ugine (France)

Targets	Unit	Base year level (2021)	Current level	Target	Target year
Decrease energy consumption per tonne crude steel	MWh/t	2.15	2.37	2.00	2030
Decrease fresh water withdrawal	mio. m ³	10.5	9.5	9.7	2030
Increase recycled content in stainless steel	%	78	78	83	2030

Targets	Target year
Create corporate environmental policy	2024
SBTi near-term target	2030
SBTi net-zero	2038

Health and safety

Our approach

As a steel company there are inherent risks associated with our working environment, involving factors such as high temperatures, dust and heavy machinery. Ensuring the health and safety of our employees and partner companies by addressing these risks is our utmost priority.

Our structures, processes and management systems provide the framework for the systematic identification and elimination of health and safety risks to continuously decrease the number of incidents and comply with statutory health and safety requirements.

An excellent safety culture is integral to Swiss Steel Group and rooted in our Code of Conduct, because our highest priority is the health and safety of our employees, and that of our partner companies, subcontractors and suppliers.

Tailoring health and safety policies to local conditions ensures a safer work environment. To meet local legal requirements and to redefine and implement global health and safety directives and standards, corresponding health and safety management systems are in place at all production sites. The Ascometal and Steeltec sites have been audited by

external and independent certification companies and certified in accordance with the international occupational health and safety standard ISO 45001. To continuously improve the safety of our production sites, additional certifications are planned.

Swiss Steel Group adopts a comprehensive approach to all health and safety measures and initiatives.

Managers play a crucial role in ensuring workplace safety by instructing, supporting and supervising employees on adhering to required health and safety measures. Additionally, they carry out regular inspections and audits to identify and eliminate any hazardous conditions or behaviors, contributing to a safer work environment. Encouraging employees to report unsafe behavior and situations, coupled with a thorough analysis of root causes (near miss reporting), is an effective approach widely accepted for promoting workplace safety. It is key to preventing potential risks and fosters a culture of transparency and proactive risk mitigation.

Swiss Steel Group has a comprehensive approach to all health and safety measures and initiatives. The implementation of the Global Directive Incident Investigation throughout Swiss Steel Group, coupled with regular tracking of health and safety performance, KPIs and detailed accident analysis, demonstrates our commitment to continuous improvement. The on-site audits by Group Health & Safety further enhance the effectiveness of implemented measures. Monitoring enables management at all levels to assess the effectiveness of implemented measures and to identify potential needs for additional improvement programs and ad-hoc initiatives.



Lasting and innovative improvement of health and safety at work, that is the main objective of the annual Challenge of the Groupement des Entreprises Sidérurgiques et Métallurgiques (GESiM), a French professional association with a social focus (Picture: Team Fos sur Mer).

Our performance

Swiss Steel Group's commitment to health and safety is evident in its comprehensive approach. Prioritizing the health and safety of all employees and fostering an excellent safety culture demonstrates Swiss Steel Group's commitment. The goal of preventing all accidents and work-related illnesses reflects our proactive approach to ensure the well-being of the workforce.

Applying the Plan-Do-Check-Act cycle, adhering to standards, and focusing on preventive measures such as health-promoting initiatives and ergonomic design, this underscores our dedication to employee well-being.

By continuing health and safety trainings including training initiatives for employees of partner companies, subcontractors and suppliers, and following up on the behavior-based safety (BBS) programs to identify unconsciously unsafe behavior, we focus on preventing potential risks and significantly improve overall health and safety skills.

Conducting the "5 Minutes for Safety" stand-up meetings is another efficient way to increase awareness, highlight current safety initiatives, remove roadblocks and stay aligned with current practice. Employees have access

to occupational medical health examinations and vaccinations (e.g. flu vaccinations).

The incorporation of digital media and targeted training further enhances health and safety awareness. The emphasis on communication and employee involvement contributes to fostering a robust health and safety culture.

In 2023, we focused on the following initiatives:

Stay safe

Transportation Health & Safety Campaign of Steeltec AG, Logistics Division Emmenbrücke (CH)

The Transportation Health & Safety campaign by Steeltec AG's logistics team is a commendable initiative in rail transportation. Involving subcontractor employees and addressing risks through task-specific measures reflects a proactive approach, raises awareness and improves safety. The use of training, safety check documents and a video showcasing best practices contributes to raising awareness and improving safety standards in all rail transportation activities, e.g. when shunting and coupling and uncoupling wagons.

Lifting equipment

The replacement of the scrap charging crane in Ugine with new-generation equipment in summer 2023 was a significant project, prioritizing safety and ergonomics. Beyond renewing the crane fleet, the best practice benchmark on crane maintenance, training and inspection methods underscores our commitment to excellence. The utilization of crane diagnostic hardware and FEM software for predictive assessments reflects a forward-thinking approach to identifying and addressing critical crane conditions.

Pedestrian and forklift co-activity: layout, rules and equipment at Ugitech

Reinforcing requirements for pedestrian safety, regulary sharing and analyzing traffic-related incidents and implementing advanced safety systems on forklift trucks demonstrate our strong commitment to safety. Transitioning to a new generation of AI-assisted cameras, testing on-board systems projecting luminous red lines for danger limits, and planned ground arrangements indicate a best-in-class approach to adopting high-end safety technolo-

gies. The focus on separating pedestrian flows from machine movements and developing new technical lighting solutions aligns with creating safer work environments.

Unfortunately, Swiss Steel Group faced two fatal accidents at the Ugitech and DEW sites. We conducted very comprehensive investigations and we are taking every effort to prevent such incidents in the future. Prioritizing risk reduction and continuous improvement in safety-driven behavior is crucial.

Swiss Steel Group did not achieve the LTIFR target of 3.0 in 2023. The Group ended up at a level of 4.7. Establishing a strong safety culture to encourage all employees at all levels to comply with safety rules is a key element of our mission toward zero accidents.

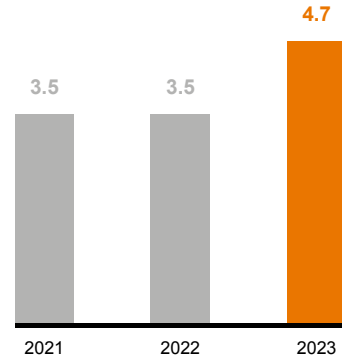


Installation of Ugitech's new scrap charging crane.

LTIFR = $\frac{\text{No. of lost time injuries in the reporting period}}{\text{Total hours worked}} \times 1,000,000$

LTISR = $\frac{\text{Number of accident-related days lost}}{\text{Total hours worked}} \times 1,500$

LTIFR
Lost time injury frequency rate



Safety statistics SSG employees	2021	2022	2023
Total number of hours worked (million)	16.7	16.1	14.6
Number of fatalities	0	1	1
Number of lost time injuries (LTI)	59	57	70
Lost time injury frequency rate (LTIFR)	3.5	3.5	4.7
Lost time injury severity rate (LTISR)	0.29	0.39	0.39
Number of medical treatment cases (MTC)	202	216	196
Number of first aid cases (FAC)	779	755	723



Replacement of high alloy scrap handling crane at Witten. The capacity has been increased to 16 t and the crane break system has been equipped with a modern energy recovery system.

Our risks

As part of the health and safety management system, work-related risks are regularly assessed and appropriate measures are taken to eliminate or reduce them. 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.

Dedicated measures

In plant areas with possible asbestos-containing material, all necessary protective measures and processes are precisely implemented, following country-specific and legal requirements. Qualified partner companies execute all replacement and disposal activities. All maintenance employees are instructed about how to handle asbestos-containing material. This topic is also comprehensively assessed in all construction projects.

Our people

Diversity

Our approach

Our employees are our most important success factor and asset. We promote a corporate culture characterized by different ways of thinking, varied perspectives and openness. To support diversity, the Talent Sourcing function has determined 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

New Code of Conduct

In 2023, the Code of Conduct of the Swiss Steel Group was revised to align it with the legal recent requirements in Europe. It has also laid the foundation for promoting diversity across Swiss Steel Group, for example through dedicated training campaigns in 2023 on the new Code of Conduct.



[Click for Code of Conduct](#)

Gender diversity activities

Ugitech has prioritized gender equality through a new agreement and engaged in events including a round table on entering the industry and discussions with “Les Elles de la métallurgie” on professional attractiveness and employee retention. Parity in recruitment was also emphasized. The aim is to eliminate barriers to integration, allowing the increased inclusion of women in production and maintenance roles. Ongoing enhancements to working conditions support this aim, making jobs more adaptable for a broader range of individuals, while at the same time addressing the prevention of strenuous work conditions.

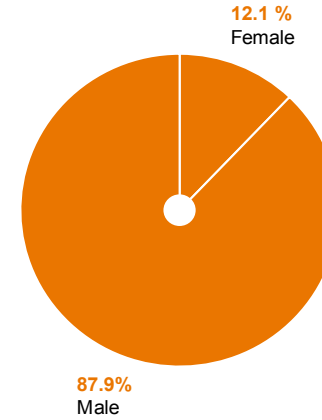
Out of our 8,812 employees across the Group as of December 31, 2023, the total number of women in management was 101.

Workforce	Female	Male	Total
Management	101	440	541

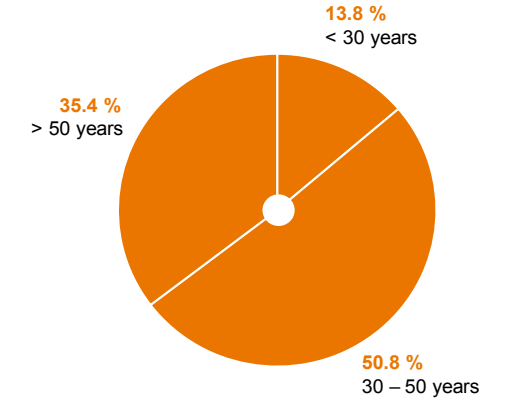
		2023		
		Blue collar	White collar	Mgt.
Europe	Age	5,433	1,781	411
Male	<30	15.52%	8.31%	0.24%
	30-50	49.27%	31.28%	41.36%
	>50	32.53%	22.85%	40.39%
Female	<30	0.33%	4.60%	0.00%
	30-50	1.34%	18.02%	10.46%
	>50	1.01%	14.94%	7.55%
North America		556	183	77
Male	<30	12.23%	9.29%	0.00%
	30-50	44.60%	28.96%	45.45%
	>50	41.73%	27.32%	45.45%
Female	<30	0.00%	2.19%	0.00%
	30-50	1.08%	17.49%	6.50%
	>50	0.36%	14.75%	2.60%
Rest of world		164	154	53
Male	<30	7.93%	7.14%	0.00%
	30-50	65.85%	36.37%	45.28%
	>50	21.95%	7.79%	16.98%
Female	<30	0.61%	5.20%	0.00%
	30-50	3.05%	35.71%	26.42%
	>50	0.61%	7.79%	11.32%

Workplace diversity

Gender



Age structure



In April, we hosted our annual GirlsDay in Germany, inviting girls to get to know the steel industry better.

Cultural diversity

Swiss Steel Group has employees in 29 countries on all continents. More than 90 % of employees work in locations outside Switzerland. In Switzerland we employ 752 people.

Employees as of closing date	2021	2022	2023
by region			
Germany	4,241	4,253	3,812
France	2,797	2,783	2,681
Switzerland	766	765	752
Italy	206	204	193
Other Europe	460	451	187
USA	516	509	507
Canada	373	363	309
China	324	312	199
Rest of world	231	217	172
by division			
Production	8,437	8,420	7,826
Sales&Services	1,346	1296	848
Corporate Center ¹⁾	131	141	138
Total number of employees	9,914	9,857	8,812

¹⁾ 2021 number includes 32 IT employees who transferred from Swiss Steel International (Sales & Services) and DEW (Production) to Corporate Center

Our risks

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

Our targets

Overall, SSG is committed to continuing its effort on the diversity program through local initiatives and as well through ongoing training of the workforce on the new Code of Conduct in 2024.



Swiss Steel Group has employees in 29 countries on all continents. More than 90 % of employees work in locations outside Switzerland (Picture: new recruits of the year 2023 on UGINE site.)

Talent management

Our approach

Swiss Steel Group is committed to long-term workforce and succession planning. This includes ensuring the engagement and employability of the workforce overall. Additionally, identifying and addressing talent risks appropriately as well as recognizing and retaining top talent helps to cultivate a pipeline of employees with potential for future success.

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 Group, Division and Production Asset objectives, enhancing overall organizational efficiency through aligned and cascading 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. Focused on driving outstanding performance, short-term objectives align variable compensation elements with the achievement of annual objectives, fostering a high-performance culture for long-term value creation at Swiss Steel Group.

SSG has been equipped since 2020 with a Group-wide process that was updated in 2022 to ensure talents across the Group are identified, and high-performing employees with potential are promoted and retained within

the organization. The process used currently includes over 750 employees out of the 8,800 SSG 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 steps ensure the right placements, coordinated succession, and personalized development plans.

Talent pool

Our newly established talent management program entered its first year with Group-wide participation. This program for experienced leaders and emerging talents with potential for roles with higher level of responsibilities, called "SSG Talent Pool", started with a total of 46 employees from nine countries, including ten women and 36 men.

The process is accessible to all management worldwide for nominating identified talents

in our organization on an annual basis and ensuring visibility of these colleagues to the Executive Board. The SSG Talent Pool started in 2023 with the "Innovation Days" in Düsseldorf, Germany, consisting of an interactive workshop over two days where Talent Pool members met in person and with the Executive Board for strategic discussions and to build project teams.

The SSG Talent Pool started in 2023 with the "Innovation Days" in Düsseldorf, Germany.

Since the kick-off, the Talent Pool members have been working in self-organized, cross-functional teams for one year on seven strategic projects that are sponsored by the Executive Board. In doing so, they are developing personally and professionally by quickly expanding their skill sets, developing cross-functional knowledge, gaining experiences and building new networks across the Group. Furthermore, their strategic projects foster out-of-the-box thinking and contribute to the Group's innovation culture. Two touchpoints with the CEO ensured continuous exposure to strategic questions and inspired discussions for enhanced leadership development.

Trainings

In 2023, Swiss Steel Group continued its investment in the employees contributing to the training. Training programs and continuous instruction at Swiss Steel Group units ensure systematic maintenance and building of baseline and enhanced skills and competencies in line with business needs to fulfil today's and tomorrow's demands. Learning and development also secures employability of the workforce and enables career options related to individual interests. Units conducted both occupational and non-technical training, legally necessary and essential certification programs, as well as training in e.g. leadership, IT, project management and communications.

In 2023, an average of 35.3 training hours were recorded per employee. Those trainings are systematically designed and assigned based on the roles and risks of the employees. Major trainings were conducted in 2023 on:

(1) the Code of Conduct, anti-corruption, environment, human rights and the whistleblower line via face-to-face trainings for exposed employees and management for two hours, and a ten-minute video on the same subject for shop floor employees.

(2) Face-to-face health and safety trainings were conducted across our operational sites.

(3) In 2023, a new process was implemented to increase employee awareness of cyber security threats. All employees with an email account were invited to cyber security awareness trainings on a quarterly basis. In 2023, 4,473 individuals were invited and a completion rate of 80 % was achieved. To further improve the completion rate, the definition of the target population will be refined further

and the training availability will be adapted to the needs of our employees.

In addition to Group-wide trainings, local programs are taking place at our Production Assets and Swiss Steel International sites based on local risks and needs and in line with local requirements.

For instance, at the Emmenbrücke, Switzerland, mill site, employees participated in a variety of internal and occupational and tech-

nical training sessions. Frontline leaders and managers were able to attend a "Führungswerkstatt" or other leadership sessions.

Deutsche Edelstahlwerke's, ongoing management development program "Karriereschmiede" continued in person with two modules. Additional soft skills training was offered and extensive leadership development training for the fire brigade was conducted. Ugitech (France, Germany and Italy) offered a comprehensive in-house training curriculum for hard and soft skills development and initiated a CQPM 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. At Ugine, several courses for 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 upon between managers and employees, fostering on-the-job and career development.



"Karriereschmiede" – our graduated future managers

Investment in future generations

At Swiss Steel Group, we offer a variety of apprenticeship and internship programs. Special partnerships with schools, e.g. at Ugitech, continue to promote industrial professions to young people. In 2023, we hired 122 new apprentices and interns, of whom 50 % started at DEW, 17 % at Ugitech, 16 % at Ascometal, 10 % at Steeltec, and less than 3 % each at Finkl, Swiss Steel International and Corporate Center. At the end of 2023, a total of 355 apprentices and interns were employed Group-wide. Of these, 65 % were employed at DEW, 11 % at Steeltec, 10 % at Ascometal, 9 % at Ugitech and less than 2 % each at Corporate Center, Finkl Steel and Swiss Steel International.

At the end of 2023, a total of 355 apprentices and interns were employed Group-wide.

90 % of apprenticeships and internships are in operations, while 10 % are in commercial and business administration. 95 % of apprentices and interns in operations are male; 50 % in

commercial and business administration are female. We were able to take on 60 former apprentices or interns as regular employees after completing their program. The majority, 68 %, now work in various production functions, 7 % in HR including Health & Safety, and the remaining colleagues in commercial and business administration functions.

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, but even more so in order to make SSG 2025 possible and start implementing the target operational model. For DEW, 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. Together with employee representatives and management, Swiss Steel Group sites are embracing the back-to-office trend, yet our approaches incorporate hybrid work models, reflecting the evolving need for flexibility on the part of our workforce.

Retention of employees

As a result of the above and the talent retention programs, the average length of service is 15 years.

Our risks

No material risks identified.

Our targets

The SSG Talent Pool program will be developed further and will continue through 2024 / 2025. The target is to include a diverse group of about 25 experienced and emerging employees in 2024 who have been reviewed and nominated by management across the Group for their performance and potential.

Social Responsibility

Our approach

The basis for 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 continued in open and active dialog with the respective interest groups, but it is also 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

At the 2023 National Future Day at Steeltec, 23 children from 5th to 7th grade were able to get to know the workplace of their parents or friends and discover our industry. We also offer a number of internships to curious young people in our different Production Assets as an investment in future generations.

In 2023, Ugitech received the label “Best Trainee Experience” for the third year in a row.



2023 National future day at Steeltec

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

Several employees of Finkl Steel volunteered to assist with Senior Brunch as part of their involvement in the local community of our US production site. Additionally, we contribute to many associations and collaborate in projects with universities. Through our different Production Assets, we have donated the

equivalent of over CHF 40,000 to more than 20 charity associations in North America and Europe. In context of sustainable mobility, we also contributed CHF 10,000 to the ETH student initiative “Swissloop”, which contributes to the research on and advancement of the Hyperloop technology.

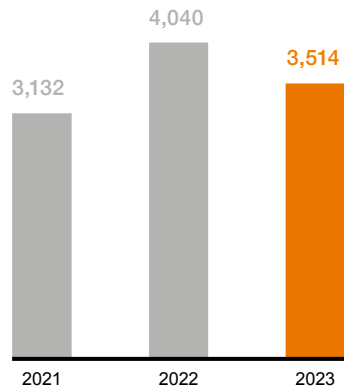


The Swiss Steel USA team donated their time to support the non-profit organization FMSC.

As part of the new anti-corruption policy launched in 2023, we have implemented a register for all sponsorships and donations, together with a Group approval process which includes compliance and communications. With the introduction of the new policy, it was also decided to perform due diligence on all third parties we contribute to prior to making

any donation. In this policy we have moreover reaffirmed our willingness as a company to be neutral in terms of politics and religion and to ensure that our contributions respect this rule. No political contribution was made by Swiss Steel Group or its subsidiaries in 2023. 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, or interest and tax charges.

Economic value distributed
in EUR million



Our risks

Dust and noise emissions

Most of our sites have a long history, and the residential areas around our plants continue to grow. The nature of steel production is such that noise and dust cannot be completely avoided. Dust is generated primarily in our melt shops, while noise can be caused by various production steps, as well as by the internal transportation and handling of materials. Each melt shop is equipped with dedusting systems to minimize emissions to the environment, and where necessary we have implemented measures to reduce noise emissions to the surrounding area. Beyond compliance with all local laws and regulations, we also maintain a close dialog with local communities, usually through local management, functional experts or other representatives.

Focus areas

As part of the introduction of the sponsorship and donations register in 2023 and the analysis of the current process, we identified the need within our Group to update our current CSR policy to centralize the focus of our charitable contributions undertaken by our headquarters, Production Assets and Swiss Steel International on specific topics to ensure a better focus on the activities and subjects supported.

Our targets

As a result of the abovementioned risks, the decision was taken in 2023 to introduce an updated CSR policy in 2024, with clear focus areas to be aligned with our strategy program Swiss Steel Group 2025. Our aim is to deploy the policy in 2024.

Targets	Target year
Update the CSR policy	2024
Materiality analysis update (to include external stakeholders further in the process)	2025

Compliance

Our approach

Swiss Steel Group is committed to operating ethically across its international network, following the Group values and rules enacted in the Swiss Steel Group Code of Conduct. For this purpose, the Swiss Steel Group implemented a new Compliance program in 2021 driven by management, including ongoing trainings, targeted communications and a compliance officer network, to abide by local regulations and comply with international integrity standards. The compliance program in 2023 focused on the continued rollout of the compliance plan by (1) updating policies to align with the many new regulations, (2) continuing regular reporting to the different Production Asset management teams and the Audit Committee including compliance KPIs, compliance status, etc. initiated in 2022, and (3) increasing the visibility of local compliance officers toward local operations and management through regular communication and trainings, either face-to-face or via videos.

Our performance

In continuity of the 2022 program:

- 1) The compliance KPIs designed to monitor the compliance program rollout applicable to all organizational entities were regularly reported to the Audit Committee and local Management (27 times in 2023) to provide management status and address any concerns;
- 2) Compliance communications were regularly made throughout the year to all Swiss Steel Group employees by the Group CEO or local management to provide information about the launch of new policies and remind employees about importance of their local compliance officers.

Code of Conduct

In 2023, the main new policies issued were the update of the anti-corruption policy and the complete revision of the Swiss Steel Group Code of Conduct.

The update to the Code of Conduct was an extensive exercise, involving more than 20

persons and 15 departments in the review, to ensure that the new Code of Conduct would not only meet legal obligations, but also include many pragmatic examples for our employees, as well as provide answers regarding the day-to-day operations of our 8,812 employees around the world. The document was signed in 2023 by our Chairman of the Board and Group CEO and published on our website.

Anti-corruption policy

In addition to the above, a new anti-corruption policy was launched with a specific focus on gifts, hospitality, sponsorship and donations, including thresholds and approval processes. A register has been implemented to complete the entire process where gifts, hospitalities or entertainment given or received are recorded, as well as sponsorship and donations awarded. This policy was followed by a communication in Q2 2023 at the time the policy was launched and a reminder before year end to all employees. In 2023, to ensure proper deployment of this policy, employees in critical positions such as sales, commercial business, procurement and many others (over 300 employees) were trained via video sessions lasting 30 minutes on this specific subject.

Whistleblower system

Our whistleblower system, in place for over 5 years, has been further promoted and communicated internally. Major communication campaigns have been launched since 2021 to increase the visibility of the whistleblower system, with posters in local languages at all Swiss Steel Group sites since 2022. An annual communication from the Group CEO to all employees in the Group reporting on yearly activity was initiated in 2022 and continued in 2023. Between 2022 and 2023, the cases reported increased from 20 to 23. All the cases have been investigated and 11 of them were substantiated leading to dismissal or mutual agreements on the departure of 13 employees. Other remedial actions such as warnings and temporary suspensions were as well taken in those cases. The Ethics Steering Committee created in 2021 (composed of the Group Heads of Human Resources, Legal, Internal Audit and Compliance) is responsible for reviewing alerts received from the whistleblower line and deciding the next course of action. The Ethics Steering Committee meets as often as business requires, usually at least once per month or more. The committee met 13 times in the fiscal year 2023, with each meeting lasting approximately one hour. The Audit Committee was updated 3 times in 2023

on the overall 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 the Swiss Steel Group internal whistleblower policy.

Sanctions and embargoes

Sanctions and embargoes were very important in 2023 due to the ongoing evolving situation between Ukraine and Russia, as well as the conflict in the Middle East and the recurring sanction updates from different authorities. To manage these extraordinary situations, export controls were imposed for each of our Production Assets and our International sales network. The export control network team is responsible for cascading information to the logistics, sales and procurement teams when important sanctions or internal decisions are taken on the matter, and for raising concerns from third parties which are reported to our Production Assets or our sales offices.

Compliance Risk Assessment

2022 saw the launch of the Compliance Risk Assessment, including the risks of anti-corruption, sanctions, anti-trust, conflict of interests, politically exposed persons, etc. While in 2022 the risk assessment was deployed only on the French entities of the Group, in 2023 this process was expanded to all the Group's major entities with more than 100 employees, representing over 95 % of employees.

To complete the Compliance Risk Assessment that is performed by our main entities, a Compliance Declaration is signed twice per year by all operational Swiss Steel Group legal entities to confirm alignment with the Code of Conduct, Group policies, whistleblower reporting, and the main expectations regarding matters of anti-corruption, antitrust, sanctions, etc.

Finally, in alignment with the compliance training program agreed with the Audit Committee and the Executive Board in 2022, trainings in different formats were launched in 2023 (face-to-face, e-learnings and videos). Those trainings covered several subjects (Code of Conduct, anti-corruption, human rights, environment, whistleblower protection) and the level of details was adapted to:

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

(1) For management employees, 60 persons worldwide received face-to-face training for two hours in 2023 (introducing the new Code of Conduct).

(2) For the most exposed employees in direct contact with customers, suppliers and public authorities, face-to-face training (2-hour session) was also given to more than 450 employees (introducing the new Code of Conduct).

Overall, 30 % of our management and most exposed employees were trained worldwide in 2023.

(3) To complete the training program, a 10-minute video was prepared for employees without an email account and with a lower risk exposure. This video was presented to 780 employees in 2023 and summarizes the principle of the new Code of Conduct and the whistleblower line, ensuring that no one is excluded from the compliance training program. Overall, 17 % of employees with no risk exposure were trained in this category.

Our risks

As a result of the risk assessments performed in 2023 and the over 500 employees trained face to face, support on antitrust and conflicts of interest was identified in terms of knowledge and trainings. These topics are currently covered by Group policies, but the operations have been asking for further support in that area similar to the offering provided in the past (prior to COVID-19) with face-to-face trainings and more frequent information.

Our targets

The objective for the upcoming years is to maintain some activities at the current level such as:

KPIs	Target 2030
Number of Ethics Steering Committee	12/year
Number of Compliance Communication	4/year
Quarterly Compliance meeting per production assets	4/year
Audit Committee participation - Compliance updates	2/year
Appoint a Human Rights Officer / Compliance Officer	1/Prod.Asset
Sanctions & Embargoes: sanctions checks (customers, suppliers and banks)	100%
Compliance declaration Letters	2/year
Due Diligence on charitable contributions	100%
Number of Whistleblower cases in 2023 (23) ¹⁾	

¹⁾ Based on the 2023 statistics received from our service provider, our large European footprint and our industry whistleblower cases should be in range between 9 and 45 cases per year.

The objective for the upcoming years is to improve some activities such as:

KPIs to improve	2023	2025
Compliance training (3-years cycle ¹⁾):	-	-
Face to face (target population)	30 %	90 %
E-learning (target population only)	0 %	90 %
Video (target population only)	17 %	90 %

¹⁾ Over the 3 years cycle

In terms of training, the Group has decided to terminate the third-party e-learning program and transition to in house e-learnings. This will be developed in 2024 and launched in 2025.

In addition to the above actions earmarked for 2024, one objective of the risk assessments and face-to-face trainings performed in 2023 is to update the conflict of interests and antitrust policies, and to provide face-to-face training to the most at-risk populations over the course of the next two years.

Human Rights

Our approach

The quickly evolving legal environment surrounding Human Rights was a key focus for Swiss Steel Group in 2023. One of our strengths is our capacity to invest in future generations of employees. As such, 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 our facilities across the globe adhere to the highest standards on preventing child labor, forced labor, modern slavery, decent wages, right of association and discrimination, the decision was taken to work on three different levels, which are described below.

Our performance

Level 1: In 2023, the Compliance Risk Assessment was expanded as mentioned above with new subjects including 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, and conflict minerals). The update to the document was aligned with the German Supply Chain Act, the requirements of the Swiss Code of Obligations and in preparation of the new European supply chain law. The risk assessment was performed by all major entities of the Group with more than 100 employees, representing over 95 % of our workforce. As a result of the risk assessment performed in 2023, we understand that legislation is very flexible on the working hours for children depending on the country. Swiss Steel Group decided in 2023 to launch a human rights policy (approved in January 2024) explicitly forbidding our subsidiaries irrespective of local law to employ any children under 15 years old.

Level 2: To complete the Compliance Risk Assessment that is performed by our main entities, a Compliance Declaration is signed twice per year by all operational Swiss Steel Group legal entities to confirm that our entities are working in accordance with our Code of Conduct, group policies, the whistleblower reporting process, and the Swiss, German and French authorities in matters of human rights and the environment. Since the third quarter of 2023, questions regarding child labor, conflict minerals and the environment are specifically asked.

Child labor

On child labor specifically, the Group is asking all its legal entities to report any employees, apprentices, trainees or students contracted under 15 years of age. The result of second half 2023 reporting confirmed that Swiss Steel Group did not employ anyone under 15 years of age nor apprentices, trainees or students in 2023.

Level 3: Focus is also placed on our supply chain, further developed in the “Sustainability in the Supply Chain” section below. Swiss Steel Group is committed to working with business partners with the same best-in-class standard. To achieve this commitment and provide the best possible assurance, the Swiss Steel Group has been using 3 different processes:

1. Signature of our Supplier Code of Conduct for our direct suppliers to cascade our standards for their respective supply chain. 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 that we implemented in 2023 to continuously monitor our direct suppliers and ensure the identification of suppliers with the highest risks in their own supply chain such as human rights (child labor, forced labor, health and safety, etc.), environment and corruption.
3. The supplier questionnaire for suppliers with a high risk in their own direct operations or supply chain.

Our risks

As a result of the Compliance Risk Assessments on our operations and the Supplier Risk Assessment, the decision was taken in early 2023 to implement:

- A due diligence policy. The main reason behind the need for this policy is to formalize the due diligence process and ensure harmonized criteria, especially for suppliers that are shared among all Group entities. Further details are available in the “Sustainability in the Supply Chain” section below.
- A human rights policy. Within the Compliance Risk Assessment, we came to the realization that the legal age for workers, apprenticeships and trainees varies a lot from country to country, and the same applies to compulsory school age. Even if no children under 15 year old were employed based on our assessment in 2023 by any of our subsidiaries, we understand that this could be legal in many countries. This policy was needed to clarify the Group’s expectations in terms of employment of minors (under 18 years old).

- Overall, Swiss Steel Group is based on its operational sites (most countries where we operate have controlling authorities, reporting and declaration systems in case of infringement),
- Internal regulations (policies, guidelines, etc.) and controls in place have limited risks on human rights (child labor, freedom of association, etc.): declarations, reporting, etc.
- Swiss Steel Group’s human rights risk is higher in the raw material supply chain in countries where legislation is not as strict as the legislation under which we operate.

Our targets

The objective for 2024 is to deploy the due diligence and human rights policies. Both policies were drafted in 2023 and approved in January 2024. To ensure the human rights risk in our supply chain is further reduced, we will send a questionnaire addressing all the relevant topics (child labor, forced labor, health and safety, compliance, environment, etc.) to suppliers most at risk based on the above aspects.

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

Our sources of supply

Swiss Steel Group sources a large portion of materials and services locally. To ensure flexible supply, support local economies, and foster our relations with local communities, we strive for a high share of our procurement spend with suppliers that are located no more than 100 km (linear distance) from our sites. In 2023, the share of spend with local partners at our most significant sites (all sites with an electric arc furnace) was approximately 54 % (excluding raw materials other than scrap). Regional sourcing also helps to close material loops and further cut down on emissions caused by the transport of materials. Approximately 22 % of our scrap is delivered by rail.

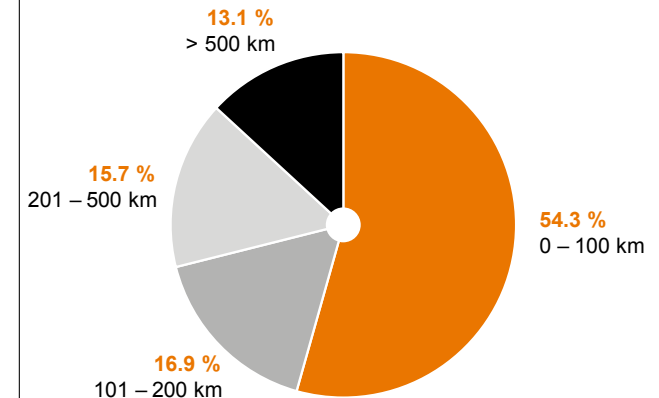
Supplier Code of Conduct

Swiss Steel Group's Supplier Code of Conduct defines the basic requirements for our Group's suppliers, including subcontractors, with regard to their responsibilities toward their stakeholders and the environment. Swiss Steel Group expects all its suppliers to share

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 suppliers to replicate these standards in their own supply chains.

In the most recent evaluation conducted in 2023, Swiss Steel Group covered more than 81 % of its purchasing spend with a signed Supplier Code of Conduct or an equivalent declaration.

Share of procurement spend by supplier distance



Due diligence in the supply chain

Swiss Steel Group applies an active risk-based approach in supplier management. Before a supplier is qualified and added to the Group's supplier portfolio, it needs to undergo a thorough approval process. In this process, potential risks are identified and evaluated to ensure all suppliers comply not only with legal requirements, but also with the Group's standards. In 2022, the Group harmonized its supplier risk assessment processes, and in 2023 a Group due diligence tool was implemented across all Production Assets to facilitate this process. 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.

To achieve the best analysis with our due diligence program, we have chosen a two-stage approach including:

(A) Reputational and sanction screening focusing on (1) sanctions and embargoes screening, (2) publicly available legal decisions taken by governments: indictments, sentences, etc., and (3) adverse media reporting on

possible wrongdoings (corruption, human rights, environment, etc.).

(B) SSG enhanced risk assessment. It is important to note that the risk assessment focusing on anti-corruption, human rights and environment risks on our direct suppliers is tailor made by Swiss Steel Group to ensure that risks linked to (1) our supplier activity (services or goods), (2) their subsequent supply chain risks, and (3) the location of the supplier are included. Our Supplier Profile Risk indicates the level of risk that third parties represent to SSG including its own supply chain.

Our Supplier Profile Risk indicates the level of risk that third parties represent to SSG including its own supply chain.

Tool implementation was completed in 2023 and Swiss Steel Group has loaded over 5,000 suppliers representing more than 90 % of the total group spend. The Group tool not only makes potential red flags promptly identifiable, but also helps the Group's procurement professionals to better understand and mitigate the ESG-related risk in the supply chain.

A due diligence policy was drafted in 2023 and approved in January 2024. This policy includes an escalation process and defines the role and responsibilities of the Due Diligence Risk Committee (including the Group Head of Procurement, Compliance and Sales). This committee is responsible for deciding on further measures in case of confirmed violations, such as supplier audits, temporary suspension of the business relationship or termination of the business cooperation whenever necessary.

Beside the (1) harmonized supplier risk assessment processes and the (2) implementation of a Group due diligence tool, the Procurement team (3) regularly trains its personnel on ESG-related aspects to increase risk awareness. In 2023, multiple trainings were given to the Procurement and Compliance teams on using the new Group due diligence tool, with over 50 employees trained.

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 proving the material's origin is conflict-free. We only use small quantities of tungsten and cobalt as alloying elements. In 2023, the share of alloying elements containing tungsten and cobalt was less than 0.065 % of the total weight of purchased ferroalloys and metals. Only two Production Assets of Swiss Steel Group currently use those materials in their production process at our sites in France and 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.



Click for Supplier Code of Conduct

Our risks

Supplier Risk Assessment

The Supplier Risk Assessment conducted in 2023 identified several suppliers (approx. 100) with elevated risk. Swiss Steel Group was already equipped with a screening tool for sanctions and embargoes in past years, but the new due diligence tool resulted in the identification of new risks (human rights, environment, etc.). As a result, Swiss Steel Group Compliance and Procurement will need to focus in early 2024 on assessing the situation of those third parties. With our new due diligence process, we not only assess new suppliers against sustainability criteria based on the country and sector in which they operate, but we also screen existing suppliers. If risks are identified, we trigger further actions.

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 footprint, which is one of the topics addressed in our questionnaire.

Our targets

The due diligence policy was approved in January 2024 and will be rolled out across the organization to ensure full understanding of the process. Based on our first analysis, approximately 100 suppliers with the highest risk rating will receive our Swiss Steel Group questionnaire.

The Supplier Code of Conduct will be revised in early 2024 following the Swiss Steel Group Code of Conduct update.

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 SSG Supplier Code of Conduct (or equivalent), our target is that 90 % of our suppliers commit by 2025 to imposing the same standards as those applied by SSG to their own suppliers. The current Supplier Code of Conduct is available on the Group's website.



The production of ferroalloys can have a significant impact on the environment.

The Board of Directors of Swiss Steel Group approved the Non-Financial Report for 2023.

Swiss Steel Group

Emmenbrücke, 12. März 2024




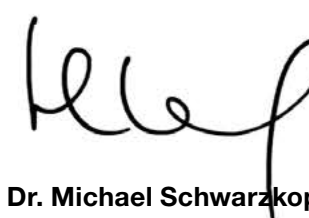
Jens Alder
Chairman of the Board

Barend Fruithof
Member of the Board

David Metzger
Member of the Board




Mario Rossi
Member of the Board



Dr. Michael Schwarzkopf
Member of the Board

Oliver Streuli
Member of the Board



Emese Weissenbacher
Member of the Board

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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 the 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 them 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 fostering the active representation of interests.

We engage with various interest groups beyond the scope of day-to-day business, through the following possible channels:

- Publications (such as the annual 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 invitations (such as visitor groups, or our participation in regional or local bodies)

We also participate actively in working groups of steel associations such as worldstainless, EUROFER and the German Steel Association and thus contribute to industry efforts toward pertinent, well-adapted standards through technical arguments in the political spheres.

Our major interest groups are listed and described below

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 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 can 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 and safety, equal opportunity, and professional training and advancement. Dedicated human resource 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, namely the identification of possibly 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 identifying sustainability topics, we took holistic account of all aspects of sustainability (economic, environmental, social and governance). We identified the following 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 CO ₂ , 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 in the two dimensions, we distinguished three clusters:

Key topics

Key topics either have significant impact on our business success and/or we have significant impact on the environment and society in 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 according to our materiality analysis, we still consider them as important sustainability topics. We closely monitor awareness topics and define principles regarding these topics in our

policies. We report on awareness topics less comprehensively than on relevant 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 analysis and our strategic focus, we selected six goals where we can make a valuable and meaningful contribution in accordance with the target definitions of the United Nations.



Goal 7

In order to achieve the targets set by our Science Based Targets initiative (SBTi) commitment, we will further increase the share of renewable energy and aim 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

Globally we employ more than 8,800 people. 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 the social integration and employment of immigrants. Our steel from recycled scrap contributes to sustainable growth without exploiting natural resources.



Goal 9

Steel is an integral part of modern and sustainable infrastructure. Our technical sales and research teams are developing innovative products that meet our customers' requirements. Through investments, innovation and continuous improvement, we upgrade our technological capabilities and processes regarding economic and environmental performance.



Goal 12

Steel recycling is our core business. Using a 100 % EAF and scrap-based production route, we play a significant role in fostering a circular economy. We strive for the highest possible recycling content in our products and avoid the use of 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 for 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 to achieve our sustainability targets. We have established Green Steel partnerships with our customers and we foster successful partnerships in scrap and waste management and 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 toward pertinent, well-adapted standards by actively participating in working groups of associations.

Sustainability Notes

Environmental sustainability

Location-based Scope 2 CO₂ emissions in kt	2021	2022	2023
Melt shops	224	244	199
Total	334	350	304

Dust emissions in t	2021	2022	2023
Melt shop dust emissions filtered	32,487	26,188	25,320
Melt shop dust emissions to air	141	95	88

Water discharge in million m³	2021	2022	2023
Discharge to surface water	8.0	7.6	7.6
Discharge to sea	15.4	15.5	15.3
Discharge to municipal waste water system	0.6	0.5	0.5
Other	0.1	0.0	0.0
Total water discharge	24.0	23.6	23.4

Social sustainability

		2021			2022			2023		
		Blue collar	White collar	Mgt.	Blue collar	White collar	Mgt.	Blue collar	White collar	Mgt.
Europe	Age	4,980	3,029	461	4,897	3,102	457	5,433	1,781	411
Male	<30	18.61%	7.46%	0.43%	17.48%	7.48%	0.66%	15.52%	8.31%	0.24%
	30-50	46.73%	35.26%	36.01%	47.70%	36.52%	39.82%	49.27%	31.28%	41.36%
	>50	32.89%	28.36%	46.20%	32.98%	27.18%	42.01%	32.53%	22.85%	40.39%
Female	<30	0.42%	3.83%	0.22%	0.29%	3.22%	0.22%	0.33%	4.60%	0.00%
	30-50	0.68%	13.80%	9.11%	0.82%	14.76%	9.19%	1.34%	18.02%	10.46%
	>50	0.66%	11.29%	8.03%	0.74%	10.83%	8.10%	1.01%	14.94%	7.55%
North America		633	184	72	604	195	73	556	183	77
Male	<30	14.26%	9.06%	0.00%	14.07%	9.74%	0.00%	12.23%	9.29%	0.00%
	30-50	46.72%	36.60%	48.61%	44.70%	36.41%	42.47%	44.60%	28.96%	45.45%
	>50	36.10%	19.25%	38.89%	39.24%	21.54%	46.58%	41.73%	27.32%	45.45%
Female	<30	0.73%	3.40%	0.00%	0.33%	2.05%	0.00%	0.00%	2.19%	0.00%
	30-50	2.04%	21.51%	8.33%	1.16%	17.95%	6.85%	1.08%	17.49%	6.50%
	>50	0.15%	10.19%	4.17%	0.50%	12.31%	4.11%	0.36%	14.75%	2.60%
Rest of world		255	243	57	217	253	59	164	154	53
Male	<30	16.42%	6.79%	0.00%	11.52%	5.53%	0.00%	7.93%	7.14%	0.00%
	30-50	60.20%	40.12%	38.60%	62.21%	40.71%	38.98%	65.85%	36.37%	45.28%
	>50	16.42%	8.64%	22.81%	22.58%	11.46%	22.03%	21.95%	7.79%	16.98%
Female	<30	1.00%	6.79%	0.00%	0.92%	5.14%	0.00%	0.61%	5.20%	0.00%
	30-50	5.47%	32.72%	26.32%	2.30%	31.62%	25.42%	3.05%	35.71%	26.42%
	>50	0.50%	4.94%	12.28%	0.46%	5.53%	13.56%	0.61%	7.79%	11.32%

	2021	2022	2023
Female	1,274	1,285	1,069
Full time	78.18%	77.98%	77.83%
Part time	21.82%	22.02%	22.17%
Permanent	94.90%	94.40%	93.36%
Temp	2.75%	2.88%	3.37%
Intern/Apprenticeship	2.04%	2.72%	3.27%
Employee turnover	12.95%	13.62%	22.17%*
Male	8,640	8,572	7,743
Full time	90.61%	90.56%	91.75%
Part time	9.39%	9.44%	8.25%
Permanent	93.02%	94.39%	94.49%
Temp	1.71%	1.83%	1.39%
Intern/Apprenticeship	2.77%	3.78%	4.12%
Employee turnover	9.72%	9.58%	13.21%*

* The high increase in employee turnover is due to the sale of sites in eastern Europe and due to the restructuring program with a social plan at DEW.

	2021	2022	2023
Employed persons with disabilities	427	421	342
Employees on parental leave at end of reporting period	252	248	8*
Average training hours per employee	19.09	17.34	35.31
Absence rate	6.45%	6.76%	6.00%
Employees covered by collective bargaining agreements	83.78%	84.00%	88.41%

* Reported figures for 2021 and 2022 included all parental leaves throughout the year. To harmonize the reporting standard for all figures, from 2023 onward the reported figure refers to employees on parental leave on the reference date only

Sustainability in the supply chain

Transport mode incoming scrap in %	2021	2022	2023
Transport by road	74.8	75.7	78.0
Transport by rail	25.2	24.3	22.0

GRI Content Index

GRI standards	Information	Comment/reference
Statement of use		Swiss Steel Group has reported the information cited in this GRI content index for the period 01.01.2023-31.12.2023 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 Landenbergstrasse 11 CH-6005 Luzern
2-2	Entities included in the organization's sustainability reporting	All Swiss Steel Group entities. For environmental data please see p. 14.
2-3	Reporting period, frequency and contact point	January 1 – December 31 (annually) Burkhard Wagner, Vice President Corporate Finance, burkhard.wagner@swissteelgroup.com
2-4	Restatements of information	Definitions of environmental indicators were harmonized across the Group in line with the newly implemented reporting manual. This resulted in corrections to GRI 305-7 (dust), 306-4 and 306-5 (waste).
2-5	External assurance	None
2-6	Activities, value chain and other business relationships	p. 7-8, AR 18-22, AR 35
2-7	Employees	p. 30-32, 52-53
2-9	Governance structure and composition	p. AR 63-74
2-10	Nomination and selection of the highest governance body	p. AR 63-68, AR 87
2-11	Chair of the highest governance body	p. AR 63-65
2-13	Delegation of responsibility for managing impacts	p. 10

GRI standards	Information	Comment/reference
2-14	Role of the highest governance body in sustainability reporting	p. 10, 46
2-16	Communication of critical concerns	p. 39
2-19	Remuneration policies	p. AR 82-101
2-20	Process to determine remuneration	p. AR 82-101
2-22	Statement on sustainable development strategy	p. 4-5
2-23	Policy commitments	p. 38-45
2-24	Embedding policy commitments	p. 38-45
2-26	Mechanisms for seeking advice and raising concerns	p. 39
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 stakeholder engagement	p. 48-50
2-30	Collective bargaining agreements	p. 53
GRI 3:2021	Material Topics	
3-1	Process to determine material topics	p. 11, 48-50
3-2	List of material topics	p. 11
3-3	Management of material topics	p. 9-45
GRI 201:2016	Economic Performance	
201-1	Direct economic value generated and distributed	p. 37
201-2	Financial implications and other risks and opportunities due to climate change	p. 24-26, AR 52-54
201-3	Defined benefit plan obligations and other retirement plans	p. AR 140-145
201-4	Financial assistance received from government	p. AR 124



GRI standards	Information	Comment/reference
GRI 204:2016	Procurement practices	
204-1	Proportion of spending on local suppliers	p. 43
GRI 205:2016	Anti-corruption	
205-1	Operations assessed for risks related to corruption	p. 39-40
205-2	Communication and training about anti-corruption policies and procedures	p. 38-40
205-3	Confirmed incidents of corruption and actions taken	p. 39
GRI 301:2016	Materials	
301-1	Materials used by weight or volume	p. 15
301-2	Recycled input materials used	p. 15
GRI 302:2016	Energy	
302-1	Energy consumption within the organization	p. 17
302-3	Energy intensity	p. 16
302-4	Reduction of energy consumption	p. 16-17
GRI 303:2018	Water and Effluents	
303-1	Interactions with water as a shared resource	p. 23-24, 26
303-3	Water withdrawal	p. 23
303-4	Water discharge	p. 51
GRI 305:2016	Emissions	
305-1	Direct (Scope 1) GHG emissions	p. 18-19
305-2	Energy indirect (Scope 2) GHG emissions	p. 19
305-3	Other indirect (Scope 3) GHG emissions	p. 20-21

GRI standards	Information	Comment/reference
305-4	GHG emissions intensity	p. 18-20
305-5	Reduction of GHG emissions	p. 16-21
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	p. 21
GRI 306:2020	Waste	
306-1	Waste generation and significant waste-related impacts	p. 22
306-2	Management of significant waste-related impacts	p. 22
306-4	Waste diverted from disposal	p. 22
306-5	Waste directed to disposal	p. 22
GRI 308:2016	Supplier environmental assessment	
308-2	Negative environmental impacts in the supply chain and actions taken	p. 44-45
GRI 401:2016	Employment	
401-1	New employee hires and employee turnover	p. 53
401-3	Parental leave	p. 53
GRI 403:2018	Occupational Health and Safety	
403-1	Occupational health and safety management system	p. 27
403-2	Hazard identification, risk assessment, and incident investigation	p. 27, 29, 41
403-3	Occupational health services	p. 28
403-4	Worker participation, consultation, and communication on occupational health and safety	p. 27-29
403-5	Worker training on occupational health and safety	p. 27-28

GRI standards	Information	Comment/reference
403-6	Promotion of worker health	p. 28
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	p. 27-28, 41-43
403-8	Workers covered by an occupational health and safety management system	p. 27
403-9	Work-related injuries	p. 29
GRI 404:2016	Training and Education	
404-1	Average hours of training per year per employee	p. 53
404-2	Programs for upgrading employee skills and transition assistance programs	p. 33-35
404-3	Percentage of employees receiving regular performance and career development reviews	p. 33
GRI 405:2016	Diversity and Equal Opportunity	
405-1	Diversity of governance bodies and employees	p. 31, AR 63
GRI 406:2016	Non-discrimination	
406-1	Incidents of discrimination and corrective actions taken	p. 39
GRI 407:2016	Freedom of association and collective bargaining	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	p. 41-45, 53
GRI 408:2016	Child labor	
408-1	Operations and suppliers at significant risk for incidents of child labor	p. 41-45
GRI 409:2016	Forced or compulsory labor	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	p. 41-45



GRI standards	Information	Comment/reference
GRI 414:2016	Supplier social assessment	
414-2	Negative social impacts in the supply chain and actions taken	p. 41-45
GRI 415:2016	Public Policy	
415-1	Political contributions	None, p. 37

Page numbers refer to the Non-Financial Report unless otherwise noted (AR=Annual Report).

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