



Salzgitter AG

2024 CDP Corporate Questionnaire 2024

Word version

Important: this export excludes unanswered questions

This document is an export of your organization's CDP questionnaire response. It contains all data points for questions that are answered or in progress. There may be questions or data points that you have been requested to provide, which are missing from this document because they are currently unanswered. Please note that it is your responsibility to verify that your questionnaire response is complete prior to submission. CDP will not be liable for any failure to do so.

[Terms of disclosure for corporate questionnaire 2024 - CDP](#)

10/01/2024, 12:43 pm

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C1. Introduction

(1.3) Provide an overview and introduction to your organization.

(1.3.2) Organization type

Select from:

Publicly traded organization

(1.3.3) Description of organization

The Salzgitter Group ranks among Europe's leading steel and technology companies, and as a German company steeped in tradition, it comprises around 150 subsidiaries and associated companies and more than 25,000 employees worldwide. In the financial year 2023, we generated around 10.8 billion in external sales and a pretax profit of 240 million with a crude steel capacity of 7 million tons. Since our flotation in 1998, we have more than tripled our sales and even multiplied equity sevenfold without sourcing additional equity through capital increases. With our "Salzgitter AG 2030" strategy, we have embarked on a path toward sustainable industry. Thanks to a sound balance sheet, we are also financially in a position to drive the imminent transformation of the steel industry. The Salzgitter Group is divided into the four business units of Steel Production, Steel Processing, Trading and Technology. The Industrial Participations/Consolidation unit also comprises the Group's own service companies as well as investments, such as in Europe's leading copper producer, Aurubis AG. Our core expertise lies in the production of rolled steel and tube and pipe products as well as their further processing, and in trading globally with such products, as well as in the engineering of special machinery and systems. With our "Salzgitter AG 2030" strategy, we have set ourselves the goal of becoming the market leader for circular economy solutions.

[Fixed row]

(1.4) State the end date of the year for which you are reporting data. For emissions data, indicate whether you will be providing emissions data for past reporting years.

(1.4.1) End date of reporting year

12/31/2023

(1.4.2) Alignment of this reporting period with your financial reporting period

Select from:

Yes

(1.4.3) Indicate if you are providing emissions data for past reporting years

Select from:

Yes

(1.4.4) Number of past reporting years you will be providing Scope 1 emissions data for

Select from:

3 years

(1.4.5) Number of past reporting years you will be providing Scope 2 emissions data for

Select from:

3 years

(1.4.6) Number of past reporting years you will be providing Scope 3 emissions data for

Select from:

3 years

[Fixed row]

(1.5) Provide details on your reporting boundary.

	<p>Is your reporting boundary for your CDP disclosure the same as that used in your financial statements?</p>
	<p>Select from: <input checked="" type="checkbox"/> Yes</p>

[Fixed row]

(1.6) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

ISIN code - bond

(1.6.1) Does your organization use this unique identifier?

Select from:

No

ISIN code - equity

(1.6.1) Does your organization use this unique identifier?

Select from:

No

CUSIP number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

Ticker symbol

(1.6.1) Does your organization use this unique identifier?

Select from:

No

SEDOL code

(1.6.1) Does your organization use this unique identifier?

Select from:

No

LEI number

(1.6.1) Does your organization use this unique identifier?

Select from:

Yes

(1.6.2) Provide your unique identifier

529900E12Z6HXIMHFA15

D-U-N-S number

(1.6.1) Does your organization use this unique identifier?

Select from:

No

Other unique identifier

(1.6.1) Does your organization use this unique identifier?

Select from:

No

[Add row]

(1.24) Has your organization mapped its value chain?

(1.24.1) Value chain mapped

Select from:

- Yes, we have mapped or are currently in the process of mapping our value chain

(1.24.2) Value chain stages covered in mapping

Select all that apply

- Upstream value chain
- Downstream value chain

(1.24.3) Highest supplier tier mapped

Select from:

- Tier 1 suppliers

(1.24.4) Highest supplier tier known but not mapped

Select from:

- Tier 4+ suppliers

(1.24.7) Description of mapping process and coverage

An integral part of the Salzgitter Group's approach to sustainability is viewing value added processes in a holistic manner. To ensure the requirements-based supply of all Group companies, we strive for long-term partnerships with key suppliers. Trust-based collaboration, flexibility and reliability as well as all-embracing standards of legality and integrity which include the observance of ethical values and labor principles are highly prized in our supplier relationships. We have therefore given ourselves a groupwide code of conduct, as well as implementing further measures to guarantee compliance across the board. We have identified our approach to risks concerning the environment, the observance of human rights and the development of preventive and remedial measures in our supply chain relationships as an area of strategic focus as part of our sustainability strategy. Environmental impacts are particularly important in the upstream supply chain for the metal producing and metal processing industries. As bulk raw materials such as iron ore, coal and bought-in coke are almost exclusively imported, we focus principally on the Supply Chain upstream from steel production when examining sustainability aspects. Due to their high material throughput, the spotlight naturally falls on the Salzgitter and Peine facilities when analyzing the environmental impact of steel production and steel processing in our plants. The Group's cost of materials in financial year 2023 amounted to around 7.2 billion. The purchase of raw materials and energy for steel production at Salzgitter Flachstahl GmbH (SZFG) and Peiner Träger GmbH (PTG) accounted for a considerable proportion of the cost of materials at 27%. Materials were procured via the SZFG's Purchasing Department, paying strict attention to all the principles of an integrated management system. We focus our efforts on procuring high-quality materials and ensure that all aspects of relevance to the environment, health and safety are complied with.

[Fixed row]

(1.24.1) Have you mapped where in your direct operations or elsewhere in your value chain plastics are produced, commercialized, used, and/or disposed of?

(1.24.1.1) Plastics mapping

Select from:

No, but we plan to within the next two years

(1.24.1.5) Primary reason for not mapping plastics in your value chain

Select from:

Not an immediate strategic priority

(1.24.1.6) Explain why your organization has not mapped plastics in your value chain

*Not an immediate strategic priority, due to other material topics like climate change, circular economy and the transformation to a green steel manufacturer.
[Fixed row]*

C2. Identification, assessment, and management of dependencies, impacts, risks, and opportunities

(2.1) How does your organization define short-, medium-, and long-term time horizons in relation to the identification, assessment, and management of your environmental dependencies, impacts, risks, and opportunities?

Short-term

(2.1.1) From (years)

0

(2.1.3) To (years)

1

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This period reflects the current financial year.

Medium-term

(2.1.1) From (years)

2

(2.1.3) To (years)

3

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time horizon is linked to our financial planning.

Long-term

(2.1.1) From (years)

4

(2.1.2) Is your long-term time horizon open ended?

Select from:

Yes

(2.1.4) How this time horizon is linked to strategic and/or financial planning

This time horizon is linked to our strategic planning.

[Fixed row]

(2.2) Does your organization have a process for identifying, assessing, and managing environmental dependencies and/or impacts?

	Process in place	Dependencies and/or impacts evaluated in this process
	Select from: <input checked="" type="checkbox"/> Yes	Select from: <input checked="" type="checkbox"/> Both dependencies and impacts

[Fixed row]

(2.2.1) Does your organization have a process for identifying, assessing, and managing environmental risks and/or opportunities?

	Process in place	Risks and/or opportunities evaluated in this process	Is this process informed by the dependencies and/or impacts process?
	Select from: <input checked="" type="checkbox"/> Yes	Select from: <input checked="" type="checkbox"/> Both risks and opportunities	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(2.2.2) Provide details of your organization’s process for identifying, assessing, and managing environmental dependencies, impacts, risks, and/or opportunities.

Row 1

(2.2.2.1) Environmental issue

Select all that apply

- Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Risks

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(2.2.2.4) Coverage

Select from:

- Partial

(2.2.2.5) Supplier tiers covered

Select all that apply

- Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- Qualitative and quantitative

(2.2.2.8) Frequency of assessment

Select from:

- Annually

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.10) Integration of risk management process

Select from:

- Integrated into multi-disciplinary organization-wide risk management process

(2.2.2.11) Location-specificity used

Select all that apply

- Site-specific

(2.2.2.12) Tools and methods used

Commercially/publicly available tools

- Other commercially/publicly available tools, please specify :Munich Re's Risk Suite

Enterprise Risk Management

- COSO Enterprise Risk Management Framework
- Enterprise Risk Management
- Internal company methods
- Risk models

Other

- External consultants
- Materiality assessment
- Partner and stakeholder consultation/analysis
- Scenario analysis

(2.2.2.13) Risk types and criteria considered

Acute physical

- Drought
- Tornado
- Landslide
- Wildfires
- Heat waves
- Cold wave/frost
- Cyclones, hurricanes, typhoons
- Heavy precipitation (rain, hail, snow/ice)
- Flood (coastal, fluvial, pluvial, ground water)
- Storm (including blizzards, dust, and sandstorms)

Chronic physical

- Heat stress
- Water stress
- Changing precipitation patterns and types (rain, hail, snow/ice)

- ☑ Sea level rise
- ☑ Precipitation or hydrological variability
- ☑ Changing temperature (air, freshwater, marine water)

Policy

- ☑ Carbon pricing mechanisms
- ☑ Changes to international law and bilateral agreements
- ☑ Changes to national legislation
- ☑ Lack of mature certification and sustainability standards

Market

- ☑ Availability and/or increased cost of certified sustainable material
- ☑ Availability and/or increased cost of raw materials
- ☑ Changing customer behavior
- ☑ Uncertainty in the market signals

Reputation

- ☑ Impact on human health
- ☑ Increased partner and stakeholder concern and partner and stakeholder negative feedback
- ☑ Negative press coverage related to support of projects or activities with negative impacts on the environment (e.g. GHG emissions, deforestation & conversion, water stress)
- ☑ Stakeholder conflicts concerning water resources at a basin/catchment level

Technology

- ☑ Dependency on water-intensive energy sources
- ☑ Data access/availability or monitoring systems
- ☑ Transition to lower emissions technology and products

Liability

- ☑ Non-compliance with regulations

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- NGOs
- Customers
- Employees
- Investors
- Suppliers
- Regulators
- Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- No

(2.2.2.16) Further details of process

The climate risk analysis is part of the Salzgitter Group's ESG perspective and thus of integrated risk management. The following applies to integrated risk management: We treat the risk management separately as a matter of principle. A separate reporting system documents the risks and facilitates the relevant monitoring activities. The risks captured in this system are not only those affecting the entire Salzgitter Group but also all risks that concern the individual Group companies and that exceed a specific financial risk of 1–2.5 million, depending on the probability of these risks occurring. We incorporate risks as an integral part of our intra-year forecasting, medium-term planning, and the risk management process is integrated into multi-disciplinary company-wide risk management process. We have defined a set of different procedures, rules, regulations and tools with the aim of avoiding potential risks and of controlling and managing the risks that arise and taking preventive measures. Our internal control system that incorporates the principles of the COSO model is an integral instrument in minimizing risk. The COSO model is based on the "Internal Control – Integrated Framework" published by the Committee of Sponsoring Organizations of the Treadway Commission. As a result of the high degree of transparency achieved with regard to developments that involve risk, we as a Group are able to take appropriate countermeasures and implement them in a targeted manner at an early stage. The conditions that must be fulfilled for these measures to be effective are documented, periodically examined, and updated if necessary. We use our groupwide reporting system to ensure that Group management is provided with the necessary, pertinent information. The Group companies report on the risk situation in accordance with reporting thresholds in monthly controlling reports or ad hoc, which they submit directly to the Executive Board. We analyze and assess the risks at Group level, monitor them punctiliously and align them to our overall business situation, especially risks requiring urgent action. All risks – including those on climate issues, covering the value chain stages direct operations and upstream – are structured in more or less the same way: The identification is done by the department, which is familiar with and in charge for the issue. In the next step the facts are assessed together by this department and the controlling department of the Group, ending up in a formal description of the risks also naming on how to address the risks. In this risk monitoring system we distinguish between short – medium – and long-term risks. After having identified and evaluated the risk in the described way, they get documented in a formalized way and given regularly to the board for decision how to deal with the specific risk. For example, our typical management method in regard to transitional risks is to reduce their impact by reduction of our energy consumption and carbon footprint in a systematic way. Due to the high relevance of this topic, especially with regard to steel production, the the reduction of the carbon footprint is one of the pillars of the new strategy "Salzgitter AG 2030". The central part in the decarbonization of our steel production is the SALCOS - Salzgitter Low CO2 Steelmaking project to gradually reduce CO2 emissions by 95 percent with the new "green steel" production route.

Row 2

(2.2.2.1) Environmental issue

Select all that apply

- Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Dependencies
- Impacts

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(2.2.2.4) Coverage

Select from:

- Partial

(2.2.2.5) Supplier tiers covered

Select all that apply

- Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

- Annually

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.11) Location-specificity used

Select all that apply

- Not location specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

- Internal company methods

Other

- External consultants
- Internal company methods
- Materiality assessment
- Partner and stakeholder consultation/analysis

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- NGOs
- Customers
- Employees
- Investors
- Suppliers

- Regulators
- Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- No

(2.2.2.16) Further details of process

We consider both our direct impacts as well as those in our upstream and downstream value chain, both domestically and abroad. In both risk management and opportunity management, the consideration and assessment of actual and potential dependencies and/or impacts is crucial. As part of the materiality assessment, the significance of the impacts caused by the company on the one hand, and the short- and long-term impacts of sustainability issues on the business success on the other hand, was assessed, taking into account stakeholder relevance.

Row 3

(2.2.2.1) Environmental issue

Select all that apply

- Climate change

(2.2.2.2) Indicate which of dependencies, impacts, risks, and opportunities are covered by the process for this environmental issue

Select all that apply

- Opportunities

(2.2.2.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(2.2.2.4) Coverage

Select from:

- Partial

(2.2.2.5) Supplier tiers covered

Select all that apply

- Tier 1 suppliers

(2.2.2.7) Type of assessment

Select from:

- Qualitative only

(2.2.2.8) Frequency of assessment

Select from:

- Annually

(2.2.2.9) Time horizons covered

Select all that apply

- Short-term
- Medium-term
- Long-term

(2.2.2.11) Location-specificity used

Select all that apply

- Not location specific

(2.2.2.12) Tools and methods used

Enterprise Risk Management

- Internal company methods
- Risk models

Other

- External consultants
- Internal company methods
- Materiality assessment
- Partner and stakeholder consultation/analysis

(2.2.2.14) Partners and stakeholders considered

Select all that apply

- NGOs
- Customers
- Employees
- Investors
- Suppliers
- Regulators
- Local communities

(2.2.2.15) Has this process changed since the previous reporting year?

Select from:

- No

(2.2.2.16) Further details of process

The identification and communication of opportunities are integral components of the steering and controlling system between the subsidiaries and the holding company. The management of the individual companies is directly responsible for identifying, analyzing, and implementing operational opportunities. Together with the holding company, targeted measures are developed to outline strengths and exploit strategic growth potential. To enable us to recognize, seize, and realize

opportunities, the continuous monitoring and analysis of relevant product, technology, market, and competitive developments in the environment of the Group companies is a central component of our opportunity management. Our Group and management structure provides an important basis for the consistent utilization of potential. It is geared towards efficient and effective structures and processes. In this way, we can quickly and specifically seize market opportunities in a challenging and dynamic environment and strengthen our competitiveness. Business opportunities should be exploited with a focus on sustainable profitability. We not only deal with initiated measures for organic growth but also examine new business models and external opportunities for their potential contribution to the success of the Salzgitter Group. As part of the development of the "Salzgitter AG 2030" strategy, opportunities for the Group were identified and integrated into the Group strategy in the form of targets for all business units.

[Add row]

(2.2.7) Are the interconnections between environmental dependencies, impacts, risks and/or opportunities assessed?

	Interconnections between environmental dependencies, impacts, risks and/or opportunities assessed	Description of how interconnections are assessed
	Select from: <input checked="" type="checkbox"/> Yes	As part of the double materiality assessment.

[Fixed row]

(2.3) Have you identified priority locations across your value chain?

(2.3.1) Identification of priority locations

Select from:

Yes, we have identified priority locations

(2.3.2) Value chain stages where priority locations have been identified

Select all that apply

Direct operations

(2.3.3) Types of priority locations identified

Sensitive locations

- Areas of rapid decline in ecosystem integrity
- Areas of limited water availability, flooding, and/or poor quality of water

Locations with substantive dependencies, impacts, risks, and/or opportunities

- Locations with substantive dependencies, impacts, risks, and/or opportunities relating to water

(2.3.4) Description of process to identify priority locations

We have used the Munich re tool to localize site-specific, physical climate changes. We have established an integrated risk management forum for the process, which takes place at least once a year, as well as workshops to discuss climate-related issues arising from materiality in greater depth.

(2.3.5) Will you be disclosing a list/spatial map of priority locations?

Select from:

- No, we have a list/geospatial map of priority locations, but we will not be disclosing it
[Fixed row]

(2.4) How does your organization define substantive effects on your organization?

Risks

(2.4.1) Type of definition

Select all that apply

- Qualitative
- Quantitative

(2.4.2) Indicator used to define substantive effect

Select from:

- Other, please specify :we defined a group wide indicator

(2.4.3) Change to indicator

Select from:

- Absolute increase

(2.4.5) Absolute increase/ decrease figure

0

(2.4.6) Metrics considered in definition

Select all that apply

- Time horizon over which the effect occurs
- Likelihood of effect occurring

(2.4.7) Application of definition

Based on the metrics, we created a scale and a threshold value that was used in the DMA to decide on the materiality of ESG-related risk topics. In this system we categorize the risks between 1 (very unlikely) up to 5 (very likely). The probabilities are classified as follows: Nearly 0 %: very unlikely (1); 0 – 25 % unlikely; 25 – 50 %: more likely; 50 – 75 %: likely and 75 – 100 % very likely. Only risks that exceed a primary potential financial impact of 1–2.5 million, depending on the probability of these risks occurring, are formally monitored in this system.

Opportunities

(2.4.1) Type of definition

Select all that apply

- Qualitative

(2.4.6) Metrics considered in definition

Select all that apply

- Time horizon over which the effect occurs
- Likelihood of effect occurring

(2.4.7) Application of definition

Based on the metrics, we created a scale and a threshold value that was used in the DMA to decide on the materiality of ESG-related risk topics. In this system we categorize the risks between 1 (very unlikely) up to 5 (very likely). The probabilities are classified as follows: Nearly 0 %: very unlikely (1); 0 – 25 % unlikely; 25 – 50 %: more likely; 50 – 75 %: likely and 75 – 100 % very likely.

[Add row]

C3. Disclosure of risks and opportunities

(3.1) Have you identified any environmental risks which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

Climate change

(3.1.1) Environmental risks identified

Select from:

Yes, both in direct operations and upstream/downstream value chain

Plastics

(3.1.1) Environmental risks identified

Select from:

No

(3.1.2) Primary reason why your organization does not consider itself to have environmental risks in your direct operations and/or upstream/downstream value chain

Select from:

Not an immediate strategic priority

(3.1.3) Please explain

At this point in time, plastics are not an acute strategic issue, as we are still focusing on more material topics such as reducing CO2 emissions, improving occupational safety and fundamentally transforming the company (production of green steel).

[Fixed row]

(3.1.1) Provide details of the environmental risks identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.1.1.1) Risk identifier

Select from:

Risk1

(3.1.1.3) Risk types and primary environmental risk driver

Policy

Carbon pricing mechanisms

(3.1.1.4) Value chain stage where the risk occurs

Select from:

Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

Germany

(3.1.1.9) Organization-specific description of risk

In the context of the European emissions trading system (EU-ETS), free allocation is currently insufficient for our integrated steel production at our Salzgitter Flachstahl GmbH site, although the integrated steel plant located in Salzgitter, Germany, can be seen as a very efficient plant. Due to this, allowances have to be purchased. Not least due to the political will, we estimate a further increase in allowance prices. Our integrated steel site (Salzgitter Flachstahl GmbH) in Salzgitter emits around 8 million tons of CO₂ per year, which corresponds to a share of more than 90% of the Scope 1 emissions of Salzgitter Group. Due to a much too low allocation of free allowances out of the EU-ETS, we estimate to face an under-allocation in free allowances of around 25 % up to 2025.

(3.1.1.11) Primary financial effect of the risk

Select from:

- Increased direct costs

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

- Virtually certain

(3.1.1.14) Magnitude

Select from:

- High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

From today's perspective, the risks do not jeopardise the continued existence of the company in the medium term

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

- No

(3.1.1.26) Primary response to risk

Pricing and credits

- Other pricing or credit, please specify :Precautionary purchases of CO2 allowances

(3.1.1.27) Cost of response to risk

(3.1.1.28) Explanation of cost calculation

The medium-term shortfall in CO2 allowances has been compensated for the most part at the subsidiaries of the Salzgitter Group; the current market value of the CO2 allowances purchased for this purpose exceeds the figure accounted for in the balance sheet by around 300 million. (Extract from the publication dated June 14, 2019)

(3.1.1.29) Description of response

Response: As we have purchased additional CO2 certificates as a precautionary measure, the estimated medium-term shortfall following the allocation for the Salzgitter AG subsidiaries subject to emissions trading should be largely compensated. Greater accuracy can only be achieved once more detailed regulations on all aspects relevant to allocation are available, whether and to what extent the increased EU climate target planned by 2030 will also have an impact on the free allocation budget, especially after 2026. Case study: The situation: A few years ago, it was estimated that Salzgitter AG would not receive enough allowances from the free allocation in the fourth trading period of the European Emissions Trading System (2021-2030). We also saw the risk of rising CO2 prices during this period. Task: In terms of a medium-term risk, the aim was to manage the risk of high CO2 costs in the years 2021-2030, which is difficult to quantify due to volatile CO2 prices and rules for free allocation that are not yet definitively clear, especially from 2026 onwards. Measures: The Group Executive Board, chaired by the CEO, decided to purchase CO2 certificates as a precautionary measure in order to minimize the uncertainty resulting from the fluctuating prices for CO2 certificates. Result: We assume that the estimated medium-term shortfall following the allocation for Salzgitter AG subsidiaries subject to emissions trading should be largely compensated for in the medium term. As a result, the financial risk described above will not materialize, or at least not to the extent estimated.

Climate change

(3.1.1.1) Risk identifier

Select from:

Risk2

(3.1.1.3) Risk types and primary environmental risk driver

Policy

Changes to regulation of existing products and services

(3.1.1.4) Value chain stage where the risk occurs

Select from:

- Direct operations

(3.1.1.6) Country/area where the risk occurs

Select all that apply

- Germany

(3.1.1.9) Organization-specific description of risk

In 2022, the climate target was tightened as well at European as at national German level. For several years, companies are made more responsible step by step and have to contribute their part to limit climate change. The steel sector, as a particularly energy-intensive sector, is under additional pressure to achieve the transition to a low carbon industry. The companies in the Salzgitter Group have stood for the innovative, sustainable manufacture of steel products and high-tech goods for more than 150 years. In this tradition, and with regard to the sphere of action encompassed by our SALCOS-project, we have strengthened our ambition in the Salzgitter Group with the new strategy "Salzgitter 2030". Our target is to reduce CO2 emissions by 50 % by 2030. For this purpose, technologies are needed, that are currently not yet economically competitive to the conventional production route via blast furnace / blast oxygen furnace due to high investments needed for the transformation as well as higher operation costs compared to the status quo. Looking only at the first point, we are facing investment costs in the order of 2.2 billion to 2.4 billion euros in the next few years, that may touch competitiveness of Salzgitter Group.

(3.1.1.11) Primary financial effect of the risk

Select from:

- Increased capital expenditures

(3.1.1.12) Time horizon over which the risk is anticipated to have a substantive effect on the organization

Select all that apply

- Long-term

(3.1.1.13) Likelihood of the risk having an effect within the anticipated time horizon

Select from:

- Likely

(3.1.1.14) Magnitude

Select from:

High

(3.1.1.16) Anticipated effect of the risk on the financial position, financial performance and cash flows of the organization in the selected future time horizons

From today's perspective, the risks do not jeopardise the company as a going concern.

(3.1.1.17) Are you able to quantify the financial effect of the risk?

Select from:

No

(3.1.1.26) Primary response to risk

Diversification

Develop new products, services and/or markets

(3.1.1.27) Cost of response to risk

0

(3.1.1.28) Explanation of cost calculation

not applicable

(3.1.1.29) Description of response

The SALCOS program (Salzgitter Low CO2 Steelmaking) serves to secure the sustainable future and existence of steel production at Salzgitter AG (SZAG) and the Salzgitter site. The social demand for decarbonization and the associated market requirements are forcing the conversion of coal-based blast furnace production to the low-CO2 SALCOS process. The complexity of this program is very demanding, and it is also dependent on external factors. We basically distinguish between two phases, which result in the following risks: Phase I until 2025: investment phase, mainly investment volume higher than expected Phase II: from commissioning in 2026, approaches of the profitability analysis deviate and are a burden Detailed risk assessments of expected cost increases in plant construction and changes in technical requirements compared to the investment application have been continuously tracked in the PMO since last year until today. Interim results are constantly coordinated in the steering committee and with the entire Management Board.

[Add row]

(3.1.2) Provide the amount and proportion of your financial metrics from the reporting year that are vulnerable to the substantive effects of environmental risks.

Climate change

(3.1.2.1) Financial metric

Select from:

Revenue

(3.1.2.2) Amount of financial metric vulnerable to transition risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.3) % of total financial metric vulnerable to transition risks for this environmental issue

Select from:

Less than 1%

(3.1.2.4) Amount of financial metric vulnerable to physical risks for this environmental issue (unit currency as selected in 1.2)

0

(3.1.2.5) % of total financial metric vulnerable to physical risks for this environmental issue

Select from:

Less than 1%

(3.1.2.7) Explanation of financial figures

For the reporting year, we do not see any significant impact from environmental risks.

[Add row]

(3.5.2) Provide details of each Emissions Trading Scheme (ETS) your organization is regulated by.

EU ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

97.8

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

12/31/2022

(3.5.2.4) Period end date

12/30/2023

(3.5.2.5) Allowances allocated

6735433

(3.5.2.6) Allowances purchased

4650

(3.5.2.7) Verified Scope 1 emissions in metric tons CO₂e

7137956

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

Facilities we own and operate

(3.5.2.10) Comment

/

Germany ETS

(3.5.2.1) % of Scope 1 emissions covered by the ETS

0.32

(3.5.2.2) % of Scope 2 emissions covered by the ETS

0

(3.5.2.3) Period start date

12/31/2022

(3.5.2.4) Period end date

12/30/2023

(3.5.2.5) Allowances allocated

0

(3.5.2.6) Allowances purchased

23591

(3.5.2.7) Verified Scope 1 emissions in metric tons CO2e

23591

(3.5.2.8) Verified Scope 2 emissions in metric tons CO2e

0

(3.5.2.9) Details of ownership

Select from:

Facilities we own and operate

(3.5.2.10) Comment

/
[Fixed row]

(3.6) Have you identified any environmental opportunities which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future?

	Environmental opportunities identified
Climate change	Select from: <input checked="" type="checkbox"/> Yes, we have identified opportunities, and some/all are being realized

[Fixed row]

(3.6.1) Provide details of the environmental opportunities identified which have had a substantive effect on your organization in the reporting year, or are anticipated to have a substantive effect on your organization in the future.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

Opp1

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

Development of new products or services through R&D and innovation

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

Germany

(3.6.1.8) Organization specific description

Salzgitter AG is committed to the implementation of Germany's renewable energies policy with its own products and project ideas that are based in many respects on the German Renewable Energies Act (EEG). Noteworthy examples here are the extensive plate deliveries by the Group's subsidiary Ilsenburger Grobblech GmbH and Mannesmann Grobblech GmbH e.g. heavy plates for wind towers and the combination of the relevant Group's activities under the Salzgitter Mannesmann Renewables. e.g. tubes for offshore jackets. The political target of the German energy change requires an enormous expansion of renewable energy installations. Based on this we are realising a large investment at Ilsenburger Grobblech GmbH e.g. to increase the amount of heavy plates used for building wind towers. Currently the wind power industry is with around 20% of Ilsenburger Grobblech GmbHs contribution to the total revenue of the plate / section steel business unit one of the most important customer groups. With regard to the future we even try to increase this share.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Short-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- Virtually certain (99–100%)

(3.6.1.12) Magnitude

Select from:

- Medium

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Anticipated effect will be an increase of the revenue.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

- Yes

(3.6.1.17) Anticipated financial effect figure in the short-term - minimum (currency)

5200000

(3.6.1.18) Anticipated financial effect figure in the short-term – maximum (currency)

5200000

(3.6.1.23) Explanation of financial effect figures

Currently the wind power industry is with around 20% of Ilseburger Grobblech GmbHs revenue an important contribution to the total revenue of the plate / section steel business unit. If the revenue of this business section is rising by for example 1%, this would increase the total revenue by roughly 7,610,000 per year on the basis of 2023.

(3.6.1.24) Cost to realize opportunity

1500000

(3.6.1.25) Explanation of cost calculation

Estimation of the figure "Cost to realize opportunity": Approximately 10 FTEs with an average of 150,000 per FTE are engaged in the development and marketing of products in the area of renewable energies, which results in a cost burden of about 1.5 million per year.

(3.6.1.26) Strategy to realize opportunity

Already today the wind energy industry is an important economic pillar of the heavy plate companies in the Salzgitter Group. Our companies are one of a few fullrange retailers in Europe. With ongoing observation and active shaping of the market for renewable energies we want to extend our business activities in this segment and expand our market position. This is i. a. done by marketing our products to relevant industries. Salzgitter AG is committed to the implementation of Germany's renewable energies policy with its own products and project ideas that are based in many respects on the German Renewable Energies Act (EEG). The political target of the German "Energiewende" requires an enormous expansion of renewable energy installations and therefore the chance to sell corresponding products from the Groups portfolio for the construction of renewable energy systems.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

Opp2

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Resource efficiency

- Use of recycling

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Germany

(3.6.1.8) Organization specific description

Owing to its inherent properties, steel is infinitely recyclable and therefore offers holistic advantages compared with other materials used in construction. Salzgitter AG via its subsidiary Peiner Träger GmbH therefore is deeply involved also in the scientific work of "Bauforum Stahl" (<https://bauforumstahl.de/ueber-uns/mitglieder>). Along with society's increasingly strong interest in sustainability and recycling capability, steel has a competitive advantage compared with other materials. Salzgitter Group with a total revenue in 2023 of around 10.79 billion is one of the largest steel producer in Germany and covers both the primary blast furnace and the secondary electric arc furnace route, which both use scrap as an important input material for recycling. Due to this, we believe that, based on the explained change in consumers behaviour, sustainable materials - such as for example our sheet steel e.g. for consuming goods, or steel beams and pipes for construction - could win market shares in comparison with for instance plastics or concrete.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenues resulting from increased demand for products and services

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Anticipated effect will be an increase of the revenue.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

Yes

(3.6.1.19) Anticipated financial effect figure in the medium-term - minimum (currency)

44600000

(3.6.1.20) Anticipated financial effect figure in the medium-term - maximum (currency)

44600000

(3.6.1.23) Explanation of financial effect figures

The calculation of the financial impact was based on the following scenario: If for example due to these circumstances the steel demand is rising by 1%, this would mean additional crude steel production for Salzgitter Group (sites Salzgitter and Peine) and therefore revenue increase. Taking into consideration the revenues of 3.5 billion of the business unit steel production in 2023 a hypothetical revenue increase by around 1% would mean a higher revenue of about 35 million.

(3.6.1.24) Cost to realize opportunity

450000

(3.6.1.25) Explanation of cost calculation

Estimation of the figure "Cost to realize opportunity": Approximately 3 FTEs with an average of 150,000 per FTE are engaged in the field of recyclability of steel, which results in a cost burden of about 450,000 per year.

(3.6.1.26) Strategy to realize opportunity

The opportunity described here was recognized at an early stage and has led Salzgitter AG to develop a scrap strategy. This describes that the amount of scrap used annually is to be increased to up to 3 million tons by 2030. To obtain more scrap, one way is our green closed-loop, which is explained in the case study below. Case study: Situation: The excellent recycling properties of steel should be used to the best of their ability in specific business relationships with selected customers in order to achieve the highest level of resource efficiency. Task: Salzgitter Flachstahl supplies the BMW Group pressing plant in Leipzig with steel strips (coils). When processing these coils at our customer BMW, press scrap is inevitable, which cannot be further processed directly at BMW, but has to be brought back to the steelworks. Until now, coils and scrap have been transported by separate trucks, each of which drove inefficient without a load for part of its journey. Action: After the coils have been delivered, special trucks take all of the press shop scrap with them to Salzgitter. This "closed loop" is efficient in two ways. On the one hand, the trucks are running at full capacity and therefore have minimal CO2 emissions. On the other hand, recycling the steel scrap closes the material cycle. Thanks to closed loop, Salzgitter Flachstahl is now supplying an automobile plant directly and just in time for the first time. The usual consignment warehouse is no longer required. Result: Instead of being delivered to the warehouse exactly to the week, the coils now arrive in production at the BMW Group exactly half an hour on the day after the call, which can access the stocks in Salzgitter online. Salzgitter processes the electronically sent requirements fully automatically into transport orders that reach the forwarding agent within a few minutes. Monitoring guarantees that no order is lost.

Climate change

(3.6.1.1) Opportunity identifier

Select from:

Opp3

(3.6.1.3) Opportunity type and primary environmental opportunity driver

Products and services

Shift in consumer preferences

(3.6.1.4) Value chain stage where the opportunity occurs

Select from:

- Direct operations

(3.6.1.5) Country/area where the opportunity occurs

Select all that apply

- Germany

(3.6.1.8) Organization specific description

The Salzgitter Group considers that the steel industry's decarbonization harbors huge potential. We are setting about tapping this potential through our SALCOS transformation program. As part of the overall discussion in society, the topic of sustainability in the value chain is becoming increasingly important in the procurement decisions of many companies. In the view of many of our customers, substituting energy- and carbon-intensive gray steel for green steel is an important lever in reducing their carbon footprint in the upstream value chain (Scope 3 emissions) and for achieving their own sustainability goals. We therefore consider that possible surplus demand for green steel will present opportunities, particularly in the first years following the transformation of our sector. The keen interest of our customers from various sectors in being supplied with low carbon steel at an early stage, manifesting in further partnering agreements concluded in the financial year 2023, corroborates our assessment.

(3.6.1.9) Primary financial effect of the opportunity

Select from:

- Increased revenue resulting from price premiums

(3.6.1.10) Time horizon over which the opportunity is anticipated to have a substantive effect on the organization

Select all that apply

- Medium-term

(3.6.1.11) Likelihood of the opportunity having an effect within the anticipated time horizon

Select from:

- Very likely (90–100%)

(3.6.1.12) Magnitude

Select from:

- High

(3.6.1.14) Anticipated effect of the opportunity on the financial position, financial performance and cash flows of the organization in the selected future time horizons

Anticipated effect will be an increase of the revenue.

(3.6.1.15) Are you able to quantify the financial effects of the opportunity?

Select from:

No

(3.6.1.24) Cost to realize opportunity

2300000000

(3.6.1.25) Explanation of cost calculation

In the case of Salzgitter Flachstahl GmbH, the investment costs to be expected in connection with the SALCOS project are also taken into account as part of the valuation and external support assumed for the implementation of low CO2 steel production (for example, in the form of government subsidies). At the Supervisory Board meeting of March 23, 2023, the likely total budget for the first stage of SALCOS was increased from the 1.5 billion to 2 billion previously assumed to 2.2 billion to 2.4 billion which also includes the subsidies applied for. It is also assumed that future increases in production costs for other reasons (for example, rising energy prices) will be largely passed on in product sales prices.

(3.6.1.26) Strategy to realize opportunity

The aim of SALCOS is to convert steel production in Salzgitter to low carbon crude steel production in stages by 2033. In implementing the first stage, we wish to supply our customers with significant quantities of low carbon steel as early as 2026. The direct reduction plant with connecting electric arc furnace using the hydrogen from a 100 MWeI electrolyzer will then account for roughly 30% of SZFG's primary steel production. At the same time, the first blast furnace will be shut down in 2026. With the contract for the 100 MW pressurized alkaline electrolyzer awarded to ANDRITZ, all central SALCOS systems for the first stage have been commissioned since September 2023. With construction of Tennet's transformer substation in Bleckenstedt/Süd also starting in September 2023, Salzgitter AG has taken a major step forward in terms of the timely supply of green energy. All the various elements making up the SALCOS program are thus in the manufacturing or construction phase. In this way, we are underlining our pioneering role in the decarbonization of industry. The "µDRAL" direct reduction demonstration plant which went into operation on SZFG's site in 2022 produced around 150 tons of direct-reduced iron for test purposes during its trial operation in the 2023 reporting year. Running the plant on 100% hydrogen proved a success. SZFG thus reached a further milestone in its preparations for low carbon steel production. Hot commissioning with flexibly adjustable mixtures of natural gas and hydrogen was continued.

[Add row]

(3.6.2) Provide the amount and proportion of your financial metrics in the reporting year that are aligned with the substantive effects of environmental opportunities.

Climate change

(3.6.2.1) Financial metric

Select from:

CAPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

112200000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

100%

(3.6.2.4) Explanation of financial figures

Capital expenditure incurred within the scope of the CapEx plan amounted to 112.2 million in the financial year 2023. This amount is accounted for by the first development stage of the SALCOS transformation program.

Climate change

(3.6.2.1) Financial metric

Select from:

OPEX

(3.6.2.2) Amount of financial metric aligned with opportunities for this environmental issue (unit currency as selected in 1.2)

5500000

(3.6.2.3) % of total financial metric aligned with opportunities for this environmental issue

Select from:

100%

(3.6.2.4) Explanation of financial figures

*In the reporting year, expenses of 5.5 million in connection with the CapEx plan were incurred for research, development and innovation activities.
[Add row]*

C4. Governance

(4.1) Does your organization have a board of directors or an equivalent governing body?

(4.1.1) Board of directors or equivalent governing body

Select from:

Yes

(4.1.2) Frequency with which the board or equivalent meets

Select from:

More frequently than quarterly

(4.1.3) Types of directors your board or equivalent is comprised of

Select all that apply

Non-executive directors or equivalent

Independent non-executive directors or equivalent

(4.1.4) Board diversity and inclusion policy

Select from:

No

[Fixed row]

(4.1.1) Is there board-level oversight of environmental issues within your organization?

Climate change

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

Yes

Biodiversity

(4.1.1.1) Board-level oversight of this environmental issue

Select from:

No, and we do not plan to within the next two years

(4.1.1.2) Primary reason for no board-level oversight of this environmental issue

Select from:

Not an immediate strategic priority

(4.1.1.3) Explain why your organization does not have board-level oversight of this environmental issue

At this point in time, biodiversity is not an acute strategic issue, as we are still focusing on more material topics such as reducing CO2 emissions, improving occupational safety and fundamentally transforming the company (production of green steel).

[Fixed row]

(4.1.2) Identify the positions (do not include any names) of the individuals or committees on the board with accountability for environmental issues and provide details of the board's oversight of environmental issues.

Climate change

(4.1.2.1) Positions of individuals or committees with accountability for this environmental issue

Select all that apply

Chief Executive Officer (CEO)

(4.1.2.2) Positions' accountability for this environmental issue is outlined in policies applicable to the board

Select from:

No

(4.1.2.4) Frequency with which this environmental issue is a scheduled agenda item

Select from:

Scheduled agenda item in some board meetings – at least annually

(4.1.2.5) Governance mechanisms into which this environmental issue is integrated

Select all that apply

Reviewing and guiding annual budgets

Overseeing the setting of corporate targets

Approving and/or overseeing employee incentives

Overseeing and guiding major capital expenditures

Monitoring the implementation of the business strategy

Overseeing and guiding the development of a business strategy

Overseeing and guiding acquisitions, mergers, and divestitures

Overseeing and guiding the development of a climate transition plan

Reviewing and guiding the assessment process for dependencies, impacts, risks, and opportunities

(4.1.2.7) Please explain

At Salzgitter AG, responsibility for ESG (Environmental, Social, Governance) topics and issues lies with the Executive Board and the Group Management Board. The Executive and Supervisory boards review the progress made and the results in the area of sustainability that are published in the separate combined nonfinancial report. In reviewing the report, the Supervisory Board is supported by an auditor (audit with limited assurance). Responsibility for conducting a preliminary audit of the nonfinancial Group report rests with the Supervisory Board's Audit Committee. The Supervisory Board in plenum is also responsible for Monitoring the Executive Board, including in matters pertaining to sustainability. We established a new ESG organizational structure in the 2022 reporting year. Under the leadership of the CEO, the ESG Steering Committee prioritizes the individual topics and issues and manages their operational implementation. The Steering Committee is comprised of the holding company's technically responsible departmental and unit heads and is headed by the Strategy and Corporate Development Department (SU) that is responsible for the overarching coordination of sustainability issues across the Group. For its part, the ESG working group serves the interdisciplinary exchange and knowledge transfer between the various technical departments dealing with sustainability issues. There is regular exchange of knowledge between sustainability-related bodies in the Group (e.g. the Group Steering Committee for Environment and Energy). The Executive Board bears the responsibility and decision-making authority for the ESG topics and issues and is informed every quarter in meetings of the Group Management Board of the current state of implementation. The Executive Board reports on developments and progress of significance in the sustainability area to Salzgitter AG's Supervisory Board on a regular basis. The ESG organization enables strategic decision-making processes to be pursued and managed and material sustainability aspects to be translated into corresponding Group

directives, operating instructions and target agreements – always taking account of the professional and strategic expertise and responsibilities of the individual Executive Board remits and departments.

[Fixed row]

(4.2) Does your organization's board have competency on environmental issues?

Climate change

(4.2.1) Board-level competency on this environmental issue

Select from:

Yes

(4.2.2) Mechanisms to maintain an environmentally competent board

Select all that apply

- Consulting regularly with an internal, permanent, subject-expert working group
- Engaging regularly with external stakeholders and experts on environmental issues
- Regular training for directors on environmental issues, industry best practice, and standards (e.g., TCFD, SBTi)
- Having at least one board member with expertise on this environmental issue

(4.2.3) Environmental expertise of the board member

Experience

- Executive-level experience in a role focused on environmental issues
- Management-level experience in a role focused on environmental issues

[Fixed row]

(4.3) Is there management-level responsibility for environmental issues within your organization?

Climate change

(4.3.1) Management-level responsibility for this environmental issue

Select from:

Yes

Biodiversity

(4.3.1) Management-level responsibility for this environmental issue

Select from:

No, and we do not plan to within the next two years

(4.3.2) Primary reason for no management-level responsibility for environmental issues

Select from:

Not an immediate strategic priority

(4.3.3) Explain why your organization does not have management-level responsibility for environmental issues

At this point in time, biodiversity is not an acute strategic issue, as we are still focusing on more material topics such as reducing CO2 emissions, improving occupational safety and fundamentally transforming the company (production of green steel).

[Fixed row]

(4.3.1) Provide the highest senior management-level positions or committees with responsibility for environmental issues (do not include the names of individuals).

Climate change

(4.3.1.1) Position of individual or committee with responsibility

Executive level

Chief Executive Officer (CEO)

(4.3.1.2) Environmental responsibilities of this position

Dependencies, impacts, risks and opportunities

- Assessing environmental dependencies, impacts, risks, and opportunities
- Managing environmental dependencies, impacts, risks, and opportunities

Policies, commitments, and targets

- Measuring progress towards environmental science-based targets
- Setting corporate environmental targets

Strategy and financial planning

- Developing a climate transition plan
- Implementing a climate transition plan
- Implementing the business strategy related to environmental issues
- Developing a business strategy which considers environmental issues
- Managing acquisitions, mergers, and divestitures related to environmental issues
- Managing priorities related to innovation/low-environmental impact products or services (including R&D)

(4.3.1.4) Reporting line

Select from:

- Reports to the board directly

(4.3.1.5) Frequency of reporting to the board on environmental issues

Select from:

- More frequently than quarterly

(4.3.1.6) Please explain

Organizational structure: The position of the CEO lies on the highest Group level, the Executive Board. In accordance with the business distribution plan of Salzgitter AG, the CEO chairs this board which is responsible for leading the company. In cooperation with the Supervisory Board the Executive Board determines the companies' strategy. This regards also to climate-related issues, risks and opportunities. Due to the high importance and due to short decision paths related to this

topic, the responsibility for climate-related issues lies with the CEO. This position is anchored in the ESG Governance structure. The executive board chaired by the CEO functions as the responsible decision-making and escalation body and reviews the overall progress and overarching project statuses. The body holds the responsibility (1) for the endorsement of the Group's overall strategy and sustainability-related objectives, (2) for ESG risk management throughout the group and (3) makes key decisions and acts as escalation forum. The ESG Steering Committee (SC) ensures regular cross-divisional coordination on ESG and steering of operational implementation, thus guaranteeing that all relevant topics and stakeholders are taken into account at the operational level and escalating decisions to the executive board. The SC is sponsored by the CEO, is chaired by the head of Strategy and Corporate Development department and consists of relevant upper management from throughout the Group. The ESG Working Group (WG) consists of various experts at the operational level, guarantees interdisciplinary cooperation in the operational structuring of ESG issues and the consistent implementation of developed guidelines and initiatives in the Group.

[Add row]

(4.5) Do you provide monetary incentives for the management of environmental issues, including the attainment of targets?

Climate change

(4.5.1) Provision of monetary incentives related to this environmental issue

Select from:

Yes

(4.5.2) % of total C-suite and board-level monetary incentives linked to the management of this environmental issue

30

(4.5.3) Please explain

In order to reinforce the incentive of sustainable corporate growth for members of the Executive Board, 30 % of their variable remuneration paid in the form of an annual bonus and 30 % as a performance cash award depend on non-financial targets besides the financial component. When defining annual targets, the Supervisory Board ensures that they serve the Group strategy and the sustainability strategy, as well as the long-term growth of the company. In the process, the board takes into account priorities with a bearing on sustainability such as occupational health and safety, employee growth or implementation of the SALCOS transformation program for the decarbonization of steel production. As a general rule, the non-financial targets are also anchored in the individual target agreements with managing directors and senior executives in Group companies in order to ensure that they are effectively pursued. Please see our remuneration report (www.salzgitter-ag.com)

[Fixed row]

(4.5.1) Provide further details on the monetary incentives provided for the management of environmental issues (do not include the names of individuals).

Climate change

(4.5.1.1) Position entitled to monetary incentive

Board or executive level

- Board/Executive board

(4.5.1.2) Incentives

Select all that apply

- Bonus - % of salary

(4.5.1.3) Performance metrics

Targets

- Progress towards environmental targets
- Achievement of environmental targets
- Organization performance against an environmental sustainability index

Emission reduction

- Implementation of an emissions reduction initiative
- Reduction in absolute emissions

(4.5.1.4) Incentive plan the incentives are linked to

Select from:

- Both Short-Term and Long-Term Incentive Plan, or equivalent

(4.5.1.5) Further details of incentives

In order to reinforce the incentive of sustainable corporate growth for members of the Executive Board, 30 % of their variable remuneration paid in the form of an annual bonus and 30 % as a performance cash award depend on non-financial targets besides the financial component. When defining annual targets, the Supervisory Board ensures that they serve the Group strategy and the sustainability strategy, as well as the long-term growth of the company. In the process, the board takes into account priorities with a bearing on sustainability such as occupational health and safety, employee growth or implementation of the SALCOS transformation program for the decarbonization of steel production. As a general rule, the non-financial targets are also anchored in the individual target agreements with managing directors and senior executives in Group companies in order to ensure that they are effectively pursued. Details of the remuneration system are outlined in the remuneration report: <https://www.salzgitter-ag.com/fileadmin/finanzberichte/2023/gb2023/de/downloads/szag-verguetungsbericht-162AktG-2023-en.pdf>. As non-financial objective, two objectives, each weighted at 15 %, were set over the period from 2023 to 2026, namely on the one hand, of achieving key sustainability certifications and ambitious ESG ratings and, on the other, of developing a recycling strategy that would enable the scrap volume to be continuously expanded during the performance period. The degree to which the targets have been attained will be assessed at the end of the performance period, i.e. once the financial year 2026 has ended, and will depend on the quality of the ESG rating concept and the position the Salzgitter Group has achieved in the relevant ratings and certifications, along with growth in the scrap volume additionally secured.

(4.5.1.6) How the position’s incentives contribute to the achievement of your environmental commitments and/or climate transition plan

This incentive is in line with our SALCOS, our main project of the transition plan.
 [Add row]

(4.6) Does your organization have an environmental policy that addresses environmental issues?

	Does your organization have any environmental policies?
	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(4.6.1) Provide details of your environmental policies.

Row 1

(4.6.1.1) Environmental issues covered

Select all that apply

- Climate change

(4.6.1.2) Level of coverage

Select from:

- Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- Direct operations

(4.6.1.4) Explain the coverage

The policy applies to all group companies.

(4.6.1.5) Environmental policy content

Environmental commitments

- Commitment to a circular economy strategy
- Commitment to comply with regulations and mandatory standards
- Commitment to stakeholder engagement and capacity building on environmental issues

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- No, but we plan to align in the next two years

(4.6.1.7) Public availability

Select from:

- Publicly available

(4.6.1.8) Attach the policy

4.6.1_Environmental and Energy Guidelines of the Salzgitter AG.pdf

Row 2

(4.6.1.1) Environmental issues covered

Select all that apply

- Climate change

(4.6.1.2) Level of coverage

Select from:

- Organization-wide

(4.6.1.3) Value chain stages covered

Select all that apply

- Direct operations
- Upstream value chain
- Downstream value chain

(4.6.1.4) Explain the coverage

In our annual report, we emphasize the importance of the circular economy and the production of virtually CO2-free steel and have also committed ourselves to the SBTi, for example in the chapters GOALS AND STRATEGY (p. 21) and the chapter CLIMATE PROTECTION (p. 110).

(4.6.1.5) Environmental policy content

Environmental commitments

- Commitment to a circular economy strategy

- Commitment to stakeholder engagement and capacity building on environmental issues

Climate-specific commitments

- Commitment to 100% renewable energy
- Commitment to net-zero emissions

(4.6.1.6) Indicate whether your environmental policy is in line with global environmental treaties or policy goals

Select all that apply

- Yes, in line with the Paris Agreement

(4.6.1.7) Public availability

Select from:

- Publicly available

(4.6.1.8) Attach the policy

szag-ar2023-complete.pdf
[Add row]

(4.10) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

(4.10.1) Are you a signatory or member of any environmental collaborative frameworks or initiatives?

Select from:

- Yes

(4.10.2) Collaborative framework or initiative

Select all that apply

- Science-Based Targets Initiative (SBTi)
- Other, please specify :Stiftung KlimaWirtschaft

(4.10.3) Describe your organization's role within each framework or initiative

Our Science Based Targets (SBTs) consist of both short-term targets and long-term net zero targets across all three Scopes. Our targets are intended to put us on the required path to meet the 1.5C target defined in the Paris Climate Agreement. In defining our short-term targets, we opted for the earliest possible year of 2028 in accordance with the SBTi. By then we aim to achieve a 30 % reduction in emissions for our hot-rolled steel products based on the carbon intensity of Scopes 1 and 2. The Group's Scope 1 and 2 emissions are to be cut by 33.6 % by 2028 relative to the base year chosen of 2021. In the same period, our Scope 3 target provides for a 20 % CO2e reduction for the Group's main Scope 3 categories including "Purchased goods and services" and "Use phase of sold products". Our membership in the German Stiftung KlimaWirtschaft underlines our ambition by partnering with other companies that are also pioneers in becoming climate-neutral.

[Fixed row]

(4.11) In the reporting year, did your organization engage in activities that could directly or indirectly influence policy, law, or regulation that may (positively or negatively) impact the environment?

(4.11.1) External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the environment

Select all that apply

- Yes, we engaged directly with policy makers
- Yes, we engaged indirectly through, and/or provided financial or in-kind support to a trade association or other intermediary organization or individual whose activities could influence policy, law, or regulation

(4.11.2) Indicate whether your organization has a public commitment or position statement to conduct your engagement activities in line with global environmental treaties or policy goals

Select from:

- Yes, we have a public commitment or position statement in line with global environmental treaties or policy goals

(4.11.3) Global environmental treaties or policy goals in line with public commitment or position statement

Select all that apply

- Paris Agreement

(4.11.4) Attach commitment or position statement

(4.11.5) Indicate whether your organization is registered on a transparency register

Select from:

Yes

(4.11.6) Types of transparency register your organization is registered on

Select all that apply

Mandatory government register

(4.11.7) Disclose the transparency registers on which your organization is registered & the relevant ID numbers for your organization

Lobbyregister of Deutscher Bundestag: Registernummer: R002296 (<https://www.lobbyregister.bundestag.de/suche/R002296>) // Transparenzregister der EU: REG-Nummer: 484497715199-45 (https://transparency-register.europa.eu/searchregister-or-update/organisation-detail_de?id484497715199-45)

(4.11.8) Describe the process your organization has in place to ensure that your external engagement activities are consistent with your environmental commitments and/or transition plan

All activities at Salzgitter AG follow the overall strategy Salzgitter AG 2030 (<https://www.salzgitter-ag.com/en/company/strategy.html>), which includes improvements in various ESG KPIs. This Salzgitter AG 2030 strategy is in line with our SBTi commitment and thus successfully implementing our strategy directly leads to archiving the SBTi targets. A wide range of measures (e.g. the salary of managing directors and the board members depends on the successful implementation ESG targets) ensure that all ESG targets (thus our environmental commitments/transition plan) are archived in time.

[Fixed row]

(4.11.1) On what policies, laws, or regulations that may (positively or negatively) impact the environment has your organization been engaging directly with policy makers in the reporting year?

Row 1

(4.11.1.1) Specify the policy, law, or regulation on which your organization is engaging with policy makers

(4.11.1.2) Environmental issues the policy, law, or regulation relates to

Select all that apply

- Climate change

(4.11.1.3) Focus area of policy, law, or regulation that may impact the environment

Financial mechanisms (e.g., taxes, subsidies, etc.)

- Sustainable finance
- Emissions trading schemes
- Subsidies on infrastructure
- Subsidies on products or services
- Subsidies for renewable energy projects
- Subsidies for low-carbon, non-renewable energy projects

(4.11.1.4) Geographic coverage of policy, law, or regulation

Select from:

- Regional

(4.11.1.5) Country/area/region the policy, law, or regulation applies to

Select all that apply

- Europe

(4.11.1.6) Your organization's position on the policy, law, or regulation

Select from:

- Support with major exceptions

(4.11.1.7) Details of any exceptions and your organization's proposed alternative approach to the policy, law, or regulation

In order to be able to cope with initially certain additional costs involved in the production of "green steel", we are taking a two-pronged approach: On the one hand, we are focusing on establishing green lead markets that are willing to share this burden. On the other hand, we are promoting an integration of the real CO2 costs into the product prices with effective carbon leakage protection at the same time. The EU Commission has already addressed this with "Fit for 55", but there is still room for improvement. The new instrument CBAM (Carbon Border Adjustment Mechanism) has yet to prove its effectiveness. Until then, it is crucial to get a sufficient allocation of allowances in the European emissions trading system EU-ETS for new technologies. In other words, we must be able to (also) earn the money for the forthcoming transformation with the existing systems.

(4.11.1.8) Type of direct engagement with policy makers on this policy, law, or regulation

Select all that apply

- Ad-hoc meetings
- Discussion in public forums
- Responding to consultations
- Submitting written proposals/inquiries
- Participation in voluntary government programs
- Participation in working groups organized by policy makers

(4.11.1.9) Funding figure your organization provided to policy makers in the reporting year relevant to this policy, law, or regulation (currency)

0

(4.11.1.10) Explain the relevance of this policy, law, or regulation to the achievement of your environmental commitments and/or transition plan, how this has informed your engagement, and how you measure the success of your engagement

The production of steel on the currently and worldwide dominant integrated route is inherently associated with the emission of carbon dioxide. Due to this Salzgitter AG aims to switch from state of the art blast furnaces (using coal as reduction agent) to new direct reduction processes using hydrogen as reduction agent. However, this transformation goes beyond of the current state of the art and requires significant higher investments than using blast furnaces as well as the OPEX are expected to be significantly higher. Thus, Salzgitter AG must ensure that the external cost of carbon dioxide emissions are internalised into the price of products in the EU. Further, the climate border adjustment mechanism (CBAM) is required to ensure that the emission of carbon dioxide is not simply moved into other countries (also called carbon leakage).

(4.11.1.11) Indicate if you have evaluated whether your organization's engagement on this policy, law, or regulation is aligned with global environmental treaties or policy goals

Select from:

Yes, we have evaluated, and it is aligned

(4.11.1.12) Global environmental treaties or policy goals aligned with your organization's engagement on this policy, law or regulation

Select all that apply

Paris Agreement

[Add row]

(4.11.2) Provide details of your indirect engagement on policy, law, or regulation that may (positively or negatively) impact the environment through trade associations or other intermediary organizations or individuals in the reporting year.

Row 1

(4.11.2.1) Type of indirect engagement

Select from:

Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

Other trade association in Europe, please specify :VIK - Verband der Industriellen Energie- und Kraftwirtschaft

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

This association (VIK) represents positions geared toward creating climate protection instruments that are compatible with industry. Salzgitter Group is represented on various committees and working groups. Salzgitter Group (SZAG) is represented on the Management Board of VIK.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

45463

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The aim is here to discuss positions in various especially energy-intensive industry sectors. Conclude common positioning, is possible.

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

No, we have not evaluated

Row 2

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

- Other trade association in Europe, please specify :German Steel Federation (WV Stahl)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

- Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

- Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

This association (WV Stahl) represents positions geared toward creating climate protection instruments that are compatible with the steel producing industry. Salzgitter Group is represented on various committees and working groups.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

The steel industry in Germany has set itself the goal of becoming climate neutral by 2045. However, the production of low-CO2 steel is associated with significantly higher production costs than conventional processes, without its technical properties differing from conventionally produced steel. Therefore, political framework conditions must be created that enable investments in low-CO2 production processes and competitive production of green steel. On the way to climate neutrality, cost burdens from energy and climate policy must also be avoided and a reliable energy supply must be ensured. Source: <https://www.stahl-online.de/themen/energie-und-klima/>

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

No, we have not evaluated

Row 4

(4.11.2.1) Type of indirect engagement

Select from:

Indirect engagement via other intermediary organization or individual

(4.11.2.2) Type of organization or individual

Select from:

Non-Governmental Organization (NGO) or charitable organization

(4.11.2.3) State the organization or position of individual

Stiftung KlimaWirtschaft

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

This NGO (Stiftung KlimaWirtschaft) represents positions geared toward creating climate protection instruments that are in line with the Paris agreement as well as compatible with the German industry. Salzgitter Group is represented on various committees and working groups.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

50000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Quote from: <https://klimawirtschaft.org/english> "Climate Policy The Stiftung KlimaWirtschaft is a progressive voice in the climate policy discourse and provides answers from the engine room of corporate climate protection. It highlights ways in which businesses can be more effectively enabled to fulfill their central role in fighting climate change and to unleash their innovation potential for climate protection. The foundation forges alliances with businesses, the scientific community and society at large. These alliances promote the development of a political framework that will enable business to drive the transition toward climate neutrality. The new German government is moving full speed ahead with ambitious climate protection measures. But in what ways must the Renewable Energy Sources Act (EEG) be amended to ensure that real progress is made on expanding renewables? What will be the role of states, towns and municipalities? How can energy efficiency be increased and in what ways must industrial policy be aligned with the goal of climate neutrality? And what role must the building and transport sectors play in corporate climate protection? European and International Climate Policy German climate policy is largely shaped by European legislation. The European Green Deal

encompasses almost all areas of economic life: expansion of renewable energies, the transformation of European industry, the mobility sector, the construction industry, and the financing of these transformation processes. Together with our member companies, we actively engage as the voice of progressive German business in influencing the ongoing development of the Green Deal and the Fit-for-55 implementation package. We engage in dialogue with members of the European Parliament and with national governments to highlight ways in which free enterprise can be leveraged for ambitious climate protection. We act as a bridge builder between Brussels and Berlin and as a dialogue platform for ambitious climate protection and progressive economic policy. Our member companies operate all over the world. They compete successfully every day in the international race toward climate neutrality — as technology leaders in their industries and as ambassadors for business and investment in Germany, Europe and across the globe. These companies play an important role in making the EU Green Deal an internationally effective blueprint for climate neutrality „made in Europe.““

(4.11.2.11) Indicate if you have evaluated whether your organization’s engagement is aligned with global environmental treaties or policy goals

Select from:

- Yes, we have evaluated, and it is aligned

(4.11.2.12) Global environmental treaties or policy goals aligned with your organization’s engagement on policy, law or regulation

Select all that apply

- Paris Agreement

Row 5

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

- Hydrogen Europe

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

This association (hydrogen europe) represents positions geared toward creating climate protection instruments that are compatible with the european hydrogen industry. Salzgitter Group is represented on various selected working groups

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

18000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Hydrogen europe aims to propel global carbon neutrality by accelerating the European hydrogen industry. Source: <https://hydrogeneurope.eu/mission-vision/>

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

- No, we have not evaluated

Row 6

(4.11.2.1) Type of indirect engagement

Select from:

- Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

- European Steel Association (Eurofer)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

- Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

- Consistent

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

- Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

This association (EUROFER) represents positions geared toward creating climate protection instruments that are compatible with the steel producing industry. Salzgitter Group is represented in various committees and working groups. The head of Environmental Protection and Energy Policies is, for instance, chairman of EUROFER's Climate Change Committee.

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

249000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Steel production is an energy-intensive process using raw materials that must be mined and/or processed before being made into steel. Steel production itself, whilst also creating emissions, also creates by-products of various kinds which can be used in other products, or that must be treated in order to avoid harming the environment. Steel production also involves the use of various chemicals or other metals to give various properties to the steel itself. Because of the complexity of the production process and the ramifications of the sector on the European economy and the environment, EUROFER works intensively on environmental issues, including in the circular economy, recycling, water and air quality, waste management, products policy, chemicals policy, raw materials and lifecycle assessment. Information about each of these areas can be found here. Source: <https://www.eurofer.eu/issues/environment>

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

No, we have not evaluated

Row 7

(4.11.2.1) Type of indirect engagement

Select from:

Indirect engagement via a trade association

(4.11.2.4) Trade association

Europe

Federation of German Industries (BDI)

(4.11.2.5) Environmental issues relevant to the policies, laws, or regulations on which the organization or individual has taken a position

Select all that apply

Climate change

(4.11.2.6) Indicate whether your organization's position is consistent with the organization or individual you engage with

Select from:

Mixed

(4.11.2.7) Indicate whether your organization attempted to influence the organization or individual's position in the reporting year

Select from:

Yes, we publicly promoted their current position

(4.11.2.8) Describe how your organization's position is consistent with or differs from the organization or individual's position, and any actions taken to influence their position

This association (BDI) represents positions geared toward creating climate protection instruments that are compatible with the German industry. Salzgitter Group is represented in selected working groups

(4.11.2.9) Funding figure your organization provided to this organization or individual in the reporting year (currency)

98000

(4.11.2.10) Describe the aim of this funding and how it could influence policy, law or regulation that may impact the environment

Economy and ecology belong together and must not be played off against each other. This is a key lesson learned from environmental policy in recent years. Without an intact environment, sustainable economic development is not possible. Without an efficient industry, the transformation cannot succeed. Source: <https://bdi.eu/umwelt-und-nachhaltigkeit>

(4.11.2.11) Indicate if you have evaluated whether your organization's engagement is aligned with global environmental treaties or policy goals

Select from:

No, we have not evaluated

[Add row]

(4.12.1) Provide details on the information published about your organization's response to environmental issues for this reporting year in places other than your CDP response. Please attach the publication.

Row 1

(4.12.1.1) Publication

Select from:

In mainstream reports, in line with environmental disclosure standards or frameworks

(4.12.1.2) Standard or framework the report is in line with

Select all that apply

GRI

(4.12.1.3) Environmental issues covered in publication

Select all that apply

Climate change

Water

(4.12.1.4) Status of the publication

Select from:

Complete

(4.12.1.5) Content elements

Select all that apply

- Governance
- Risks & Opportunities
- Strategy
- Emissions figures
- Emission targets

(4.12.1.6) Page/section reference

96-152

(4.12.1.7) Attach the relevant publication

szag-ar2023-complete.pdf

(4.12.1.8) Comment

n.a

[Add row]

C5. Business strategy

(5.1) Does your organization use scenario analysis to identify environmental outcomes?

Climate change

(5.1.1) Use of scenario analysis

Select from:

Yes

(5.1.2) Frequency of analysis

Select from:

Annually

[Fixed row]

(5.1.1) Provide details of the scenarios used in your organization's scenario analysis.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

RCP 8.5

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

SSP5

(5.1.1.3) Approach to scenario

Select from:

- Qualitative

(5.1.1.4) Scenario coverage

Select from:

- Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Acute physical
- Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 4.0°C and above

(5.1.1.7) Reference year

1995

(5.1.1.8) Timeframes covered

Select all that apply

- 2030
- 2050
- 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Physical risks were analyzed with the aid of a data-driven risk analysis for Salzgitter AG's global facilities for their short-term, medium-term and long-term impact, drawing on climate scenarios.

(5.1.1.11) Rationale for choice of scenario

The two extreme scenarios were selected.

Climate change

(5.1.1.1) Scenario used

Physical climate scenarios

- RCP 2.6

(5.1.1.2) Scenario used SSPs used in conjunction with scenario

Select from:

- SSP1

(5.1.1.3) Approach to scenario

Select from:

- Qualitative

(5.1.1.4) Scenario coverage

Select from:

- Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Acute physical
- Chronic physical

(5.1.1.6) Temperature alignment of scenario

Select from:

- 2.0°C - 2.4°C

(5.1.1.7) Reference year

1995

(5.1.1.8) Timeframes covered

Select all that apply

- 2030
- 2050
- 2100

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Climate change (one of five drivers of nature change)

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

Physical risks were analyzed with the aid of a data-driven risk analysis for Salzgitter AG's global facilities for their short-term, medium-term and long-term impact, drawing on climate scenarios.

(5.1.1.11) Rationale for choice of scenario

The two extreme scenarios were selected.

Climate change

(5.1.1.1) Scenario used

Climate transition scenarios

- IEA NZE 2050

(5.1.1.3) Approach to scenario

Select from:

- Quantitative

(5.1.1.4) Scenario coverage

Select from:

- Organization-wide

(5.1.1.5) Risk types considered in scenario

Select all that apply

- Policy
- Market
- Technology

(5.1.1.6) Temperature alignment of scenario

Select from:

- 1.5°C or lower

(5.1.1.7) Reference year

2021

(5.1.1.8) Timeframes covered

Select all that apply

- 2030
- 2050

(5.1.1.9) Driving forces in scenario

Local ecosystem asset interactions, dependencies and impacts

- Climate change (one of five drivers of nature change)

Stakeholder and customer demands

- Consumer attention to impact

Regulators, legal and policy regimes

- Global regulation
- Methodologies and expectations for science-based targets

(5.1.1.10) Assumptions, uncertainties and constraints in scenario

The uncertainties are the usual ones which come along with using the IEA NZE scenario. Most important are probably the following categories: Policy and Regulatory Frameworks, Consumer Behavior, Public Acceptance and Energy Security.

(5.1.1.11) Rationale for choice of scenario

The Science Based Target Initiative chose after the analysis of the different pathways, the IEA NZE scenario as base for the iron & steel Sector Decarbonisation Approach. Due to our SBTi intensity target, we also chose this pathway/scenario indirectly. As our existing decarbonisation strategy with its expected CO2 reduction over time - after the quantitative SBTi target setting method - matches the requirements of the SBTi, no adaption had to be made to our strategy.
[Add row]

(5.1.2) Provide details of the outcomes of your organization's scenario analysis.

Climate change

(5.1.2.1) Business processes influenced by your analysis of the reported scenarios

Select all that apply

- Risk and opportunities identification, assessment and management
- Strategy and financial planning
- Resilience of business model and strategy
- Capacity building
- Target setting and transition planning

(5.1.2.2) Coverage of analysis

Select from:

- Organization-wide

(5.1.2.3) Summarize the outcomes of the scenario analysis and any implications for other environmental issues

The locations with extreme climate changes were analysed and assessed in terms of their relevance to the Group. The scenario used for the resilience analysis was used to test our transformation strategy and conformity with the Paris Climate Agreement. Nothing had to be adapted.

[Fixed row]

(5.2) Does your organization's strategy include a climate transition plan?

(5.2.1) Transition plan

Select from:

- Yes, we have a climate transition plan which aligns with a 1.5°C world

(5.2.3) Publicly available climate transition plan

Select from:

- Yes

(5.2.4) Plan explicitly commits to cease all spending on, and revenue generation from, activities that contribute to fossil fuel expansion

Select from:

Yes

(5.2.5) Description of activities included in commitment and implementation of commitment

SALCOS is a transformation project that aims to decarbonize steel production. The Salzgitter Group takes responsibility for the challenges posed by climate change. Climate protection is therefore a key element of the "Salzgitter AG 2030" strategy. By 2026, we intend to have laid the foundation with the first step of our SALCOS program to make it technically feasible to reduce our Scope 1 and Scope 2 CO2e emissions by 30% compared with 2018. The target is to halve emissions by comparison with 2018 by 2030 as further parts of the program come on stream. Salzgitter AG is thus exceeding the 30% carbon reduction climate target by 2030 of the European Steel Association EUROFER by a wide margin.

(5.2.7) Mechanism by which feedback is collected from shareholders on your climate transition plan

Select from:

We have a different feedback mechanism in place

(5.2.8) Description of feedback mechanism

The transition plan (SALCOS) is one of the major topics of the strategy "Salzgitter AG 2030" and therefore an important point in every discussion with shareholders for example on roadshows or investment conferences. Within these discussions, feedback to our transition plan is collected either orally or in written form.

(5.2.9) Frequency of feedback collection

Select from:

More frequently than annually

(5.2.10) Description of key assumptions and dependencies on which the transition plan relies

The SALCOS project management organization that has been set up monitors the underlying assumptions on which an investment decision is based, such as sales expectations, commodity and energy price assumptions, and equally their availability and regulatory changes. Developments are compared on a running basis with the current situation and the progress of the project. Future decisions on implementing the next stages of the decarbonization program are also mapped using these standardized processes. In the case of Salzgitter Flachstahl GmbH, the investment costs to be expected in connection with the SALCOS project are also taken into

account as part of the valuation and external support assumed for the implementation of low CO2 steel production. It is also assumed that future increases in production costs for other reasons (for example, rising energy prices) will be largely passed on in product sales prices.

(5.2.11) Description of progress against transition plan disclosed in current or previous reporting period

The aim of SALCOS is to convert steel production in Salzgitter to low carbon crude steel production in stages by 2033. In implementing the first stage, we wish to supply our customers with significant quantities of low carbon steel as early as 2026. The direct reduction plant with connecting electric arc furnace using the hydrogen from a 100 MWeI electrolyzer will then account for roughly 30% of SZFG's primary steel production. At the same time, the first blast furnace will be shut down in 2026. With the contract for the 100 MW pressurized alkaline electrolyzer awarded to ANDRITZ, all central SALCOS systems for the first stage have been commissioned since September 2023. With construction of Tennet's transformer substation in Bleckenstedt/Süd also starting in September 2023, Salzgitter AG has taken a major step forward in terms of the timely supply of green energy. All the various elements making up the SALCOS program are thus in the manufacturing or construction phase. In this way, we are underlining our pioneering role in the decarbonization of industry. The "µDRAL" direct reduction demonstration plant which went into operation on SZFG's site in 2022 produced around 150 tons of direct-reduced iron for test purposes during its trial operation in the 2023 reporting year. Running the plant on 100% hydrogen proved a success. SZFG thus reached a further milestone in its preparations for low carbon steel production. Hot commissioning with flexibly adjustable mixtures of natural gas and hydrogen was continued.

(5.2.12) Attach any relevant documents which detail your climate transition plan (optional)

SALCOS@-Presentation.pdf

(5.2.13) Other environmental issues that your climate transition plan considers

Select all that apply

No other environmental issue considered

[Fixed row]

(5.3) Have environmental risks and opportunities affected your strategy and/or financial planning?

(5.3.1) Environmental risks and/or opportunities have affected your strategy and/or financial planning

Select from:

Yes, both strategy and financial planning

(5.3.2) Business areas where environmental risks and/or opportunities have affected your strategy

Select all that apply

- Products and services
- Upstream/downstream value chain
- Investment in R&D
- Operations

[Fixed row]

(5.3.1) Describe where and how environmental risks and opportunities have affected your strategy.

Products and services

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

If there is a delay in the transition to fossil-free steel, there is a risk that supply agreements cannot be met, which could lead to the loss of customers and a reduction in sales volumes and revenues. For this reason, the Strategy 2030 was launched, which is significantly influenced by our SALCOS project, which will ensure fossil-free steel in the future.

Upstream/downstream value chain

(5.3.1.1) Effect type

Select all that apply

- Risks

Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Natural disasters and extreme weather events can disrupt our supply chain. As the frequency of such events is likely to increase in the future, our purchasing strategy had to be adapted in certain areas. For instance, we observe a rising risk of flooding of coking coal mines in Australia where we purchase about a third of our coking coal needed for the steelmaking process. If a coking coal mine is flooded, difficulties in the supply out of this mine can occur. Example: We observe a rising risk of flooding of coking coal mines in Australia where we purchase about a third of our coking coal needed for the steelmaking process. If a coking coal mine is flooded, difficulties in the supply out of this mine can occur. Therefore, the supply with the needed amounts and qualities of coking coal has to be ensured. Salzgitter Flachstahl GmbH included the above-mentioned risk in their procurement strategy. For this purpose we are monitoring this risk by an experts assessment within our raw material procurement of Salzgitter Flachstahl GmbH. Two measures to manage the risks emerging from that Problem were identified: 1) The total amount of annually purchased coking coals from Australia has been reduced 2) Before the rain season in Australia, Salzgitter Flachstahl GmbH is increasing the stock of Australian coking coal. Due to this, the magnitude of impact after the management decision could significantly be reduced. Impact on this area of our business: Insufficient availability of primary and secondary raw materials needed for the transformation. We are therefore following our mission "Partnering for Transformation" and have therefore agreed memorandums of understanding with raw material suppliers for our new route (e.g. LKAB, Rio Tinto). Time-horizons considered: Short-, mid- and long-term. SALCOS transformation is carried out in stages (2025, 2030, 2033) and therefore the raw materials and energy sources used change.

Investment in R&D

(5.3.1.1) Effect type

Select all that apply

Risks

Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Impact on this area of our business: Risks and opportunities in the context of climate change, have significantly impacted our investment strategy in R&D. The magnitude of impact of these projects was very high, if finally SALCOS would be implemented, due to the fact, that this could reduce the overall scope 1 emissions of Salzgitter Flachstahl GmbH up to 95% and therefore the scope 1 emissions of the entire Group in a similar magnitude. First pilot projects are running. Time-horizons considered: Short-, mid- and long-term. The implementation of SALCOS is mid- to long-term, but several R&D and pilot projects are currently under construction or even running. If there is a delay in the transition to fossil-free steel, there is a risk that supply agreements cannot be met, which could lead to the loss of customers and a reduction in sales volumes and revenues. Example: Under the “μDRAL” project, the year 2022 saw a demonstration plant taken into operation on the premises of Salzgitter Flachstahl GmbH (SZFG) that is capable of flexible operation harnessing natural gas and hydrogen for the production of direct reduced iron (DRI). Implementing the first stage of SALCOS on an industrial scale has been scheduled for 2026, the Supervisory Board having given its final approval in 2023. More than one million tons of steel are to be produced at SZFG without the use of coking coal. Full implementation is scheduled for completion by 2033. Assuming the sufficient availability of green hydrogen, the carbon footprint can subsequently be reduced by more than 95 % compared with the current process, thereby avoiding around 1 % of Germany’s total emissions today. Consequently, we would not only be much earlier in terms of our original goal of full implementation by 2050, but also substantially ahead of Germany’s climate target timeline.

Operations

(5.3.1.1) Effect type

Select all that apply

- Risks
- Opportunities

(5.3.1.2) Environmental issues relevant to the risks and/or opportunities that have affected your strategy in this area

Select all that apply

- Climate change

(5.3.1.3) Describe how environmental risks and/or opportunities have affected your strategy in this area

Because of the transformation to fossil-free steel, both green electricity and green hydrogen are needed in large quantities. To achieve these quantities there are two approaches. The first is to secure future capacity, the second is to reduce demand through energy efficiency measures. The latter is described below: Time-horizons considered: Short-, mid- and long-term. The “Energy Management Group Forum” and with this the aim is to improve energy efficiency is an ongoing process. Example: One important initiative in the energy efficiency area is the “Energy Management Group Forum” that has been in place since 2013. The initiative brings together the most important Group companies in terms of their energy consumption. The common objective is to improve energy efficiency through a continuous learning process characterized by a mutual exchange of information, thereby contributing among other things to a reduction in greenhouse gas emissions. The “Energy Efficiency Knowledge Platform” where efficiency measures already implemented or under examination are made available to all participants constitutes an important element in this process. The platform currently comprises several hundred individual measures. The “EnERGY” groupwide energy efficiency network has been extended and will be continued until the end of 2025. The aim of the project is to pool the strengths of individual departments within the company to leverage

any remaining potential for saving energy that can be economically tapped. Buoyed by our positive experience from the first and second rounds from 2016 to 2022, we have raised the annual savings target – for the third round – to 100 GWh.

[Add row]

(5.3.2) Describe where and how environmental risks and opportunities have affected your financial planning.

Row 1

(5.3.2.1) Financial planning elements that have been affected

Select all that apply

Direct costs

(5.3.2.2) Effect type

Select all that apply

Risks

Opportunities

(5.3.2.3) Environmental issues relevant to the risks and/or opportunities that have affected these financial planning elements

Select all that apply

Climate change

(5.3.2.4) Describe how environmental risks and/or opportunities have affected these financial planning elements

Increasing burden due to rising levies or abolition of existing subsidies: In order to promote sustainability in the economy, ESG-motivated levies and taxes could rise sharply in the coming years. In addition, subsidies that previously applied to less sustainable sectors could be abolished in the course of a change in social awareness, the necessary redirection of capital flows and increasing regulatory pressure. Direct costs were influenced by climate-related risks and opportunities: under the European Emissions Trading System (EU ETS), the free allocation for our integrated steel production at the Salzgitter Flachstahl GmbH site is not sufficient, although the integrated steelworks in Salzgitter can be considered a very efficient plant. For this reason, certificates must be purchased on a long-term basis. In general, we are seeing high volatility in the prices for emission allowances. We expect certificate prices to rise further, not least due to political will. Due to a far too low allocation of free allowances from the EU ETS, we expect an under-allocation of free allowances in phase 4 (2021/30). Case study: The situation: A few years ago, it was estimated that Salzgitter AG would not receive enough allowances from the free allocation in the fourth trading period of the European Emissions

Trading System (2021-2030). We also saw the risk of rising CO2 prices during this period. Task: In terms of this risk, the aim was to manage the risk of high CO2 costs in the years 2021-2030, which is difficult to quantify due to the highly volatile CO2 prices. Measure: The Group Executive Board decided to buy CO2 certificates as a precautionary measure in order to minimize the uncertainty resulting from the volatile prices for CO2 certificates. Result: We assume that these purchased certificates will largely offset the estimated shortfall at Salzgitter AG's subsidiaries subject to the ETS. To summarize, we have managed the risk of rising prices for CO2 certificates for the fourth period of EU emissions trading by investing in CO2 certificates in recent years. This gives us more certainty in our financial planning process, as we have minimized the impact of unknown CO2 prices on our business.

[Add row]

(5.4) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition	Methodology or framework used to assess alignment with your organization’s climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> A sustainable finance taxonomy	Select from: <input checked="" type="checkbox"/> At both the organization and activity level

[Fixed row]

(5.4.1) Quantify the amount and percentage share of your spending/revenue that is aligned with your organization’s climate transition.

Row 1

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

Yes

(5.4.1.5) Financial metric

Select from:

Revenue/Turnover

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

651800000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

6

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

6

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

25

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

45.1

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

48.9

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

We follow the EU taxonomy (2020/852) and the resulting regulatory requirements.

Row 2

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

Yes

(5.4.1.5) Financial metric

Select from:

CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

135200000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

23.2

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

23.2

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

45

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

55

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

21.8

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

We follow the EU taxonomy ((2020/852)) and the resulting regulatory requirements.

Row 3

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

Yes

(5.4.1.5) Financial metric

Select from:

CAPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

112200000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

19.3

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

19.3

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

19.3

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

0

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

Capital expenditure incurred within the scope of the CapEx plan amounted to 112.2 million in the financial year 2023. This amount is accounted for by the first development stage of the SALCOS transformation program. Furthermore, to a minor extent, taxonomy-aligned CapEx is included here that results on a pro-rata basis from the sale of products from PTG's scrap-based steel production (Economic activity 3.9) at companies of the Trading Business Unit and also from VPS's business activities.

Row 4

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

Yes

(5.4.1.5) Financial metric

Select from:

OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

48000000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

6.3

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

6.3

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

37

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

76.3

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

17.4

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

We follow the EU taxonomy ((2020/852)) and the resulting regulatory requirements.

Row 5

(5.4.1.1) Methodology or framework used to assess alignment

Select from:

- A sustainable finance taxonomy

(5.4.1.2) Taxonomy under which information is being reported

Select from:

- EU Taxonomy for Sustainable Activities

(5.4.1.3) Objective under which alignment is being reported

Select from:

- Climate change mitigation

(5.4.1.4) Indicate whether you are reporting eligibility information for the selected objective

Select from:

- Yes

(5.4.1.5) Financial metric

Select from:

- OPEX

(5.4.1.6) Amount of selected financial metric that is aligned in the reporting year (currency)

5500000

(5.4.1.7) Percentage share of selected financial metric aligned in the reporting year (%)

0.72

(5.4.1.8) Percentage share of selected financial metric planned to align in 2025 (%)

0.72

(5.4.1.9) Percentage share of selected financial metric planned to align in 2030 (%)

0.72

(5.4.1.10) Percentage share of financial metric that is taxonomy-eligible in the reporting year (%)

0

(5.4.1.11) Percentage share of financial metric that is taxonomy non-eligible in the reporting year (%)

0

(5.4.1.12) Details of the methodology or framework used to assess alignment with your organization's climate transition

We follow the EU taxonomy ((2020/852)) and the resulting regulatory requirements. In the reporting year, expenses of 5.5 million in connection with the CapEx plan were incurred for research, development and innovation activities.

[Add row]

(5.4.2) Quantify the percentage share of your spending/revenue that was associated with eligible and aligned activities under the sustainable finance taxonomy in the reporting year.

Row 1

(5.4.2.1) Economic activity

Select from:

Manufacture of iron and steel

(5.4.2.2) Taxonomy under which information is being reported

Select from:

EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

- Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

- Turnover
- CAPEX
- OPEX

(5.4.2.30) Do no significant harm requirements met

Select from:

- Yes

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

- Yes

Row 2

(5.4.2.1) Economic activity

Select from:

- Manufacture of iron and steel

(5.4.2.2) Taxonomy under which information is being reported

Select from:

- EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

- Taxonomy-eligible but not aligned

(5.4.2.4) Financial metrics

Select all that apply

- Turnover
- CAPEX
- OPEX

(5.4.2.30) Do no significant harm requirements met

Select from:

- Yes

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

- Yes

Row 3

(5.4.2.1) Economic activity

Select from:

- Freight rail transport

(5.4.2.2) Taxonomy under which information is being reported

Select from:

- EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

- Taxonomy-aligned

(5.4.2.4) Financial metrics

Select all that apply

- Turnover
- CAPEX
- OPEX

(5.4.2.30) Do no significant harm requirements met

Select from:

- Yes

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

- Yes

Row 4

(5.4.2.1) Economic activity

Select from:

- Freight rail transport

(5.4.2.2) Taxonomy under which information is being reported

Select from:

- EU Taxonomy for Sustainable Activities

(5.4.2.3) Taxonomy alignment

Select from:

- Taxonomy-eligible but not aligned

(5.4.2.4) Financial metrics

Select all that apply

- Turnover
- CAPEX
- OPEX

(5.4.2.30) Do no significant harm requirements met

Select from:

- Yes

(5.4.2.32) Minimum safeguards compliance requirements met

Select from:

- Yes

[Add row]

(5.5) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
	Select from:	/

	Investment in low-carbon R&D	Comment
	<input checked="" type="checkbox"/> Yes	

[Fixed row]

(5.5.5) Provide details of your organization’s investments in low-carbon R&D for steel production activities over the last three years.

Row 1

(5.5.5.1) Technology area

Select from:

Other, please specify :Optimization alternative steelmaking processes / accompanying measures

(5.5.5.2) Stage of development in the reporting year

Select from:

Basic academic/theoretical research

(5.5.5.3) Average % of total R&D investment over the last 3 years

3

(5.5.5.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

3940000

(5.5.5.5) Average % of total R&D investment planned over the next 5 years

(5.5.5.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

BeWiSeR – SALCOS Accompanying Research II The MACOR feasibility study confirmed the technical feasibility and advantages of our SALCOS approach. In the follow-up project BeWiSe (accompanying research into hydrogen in steel production), the proven team from the Fraunhofer Gesellschaft and the Salzgitter Group is dedicated to the technical, economic and ecological optimization of the SALCOS concept. This successful project was continued in 2023 with the BeWiSer project, which aims to further optimize the SALCOS route with regard to technical, economic and social aspects, among others. In addition, intensive research is being carried out with external partners to optimize current and future slags.

Row 2

(5.5.5.1) Technology area

Select from:

Alternative steelmaking processes

(5.5.5.2) Stage of development in the reporting year

Select from:

Pilot demonstration

(5.5.5.3) Average % of total R&D investment over the last 3 years

3

(5.5.5.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

3200000

(5.5.5.5) Average % of total R&D investment planned over the next 5 years

7

(5.5.5.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

As part of the SALCOS – SALzgitter Low-CO2Steelmaking project, Federal Environment Minister Svenja Schulze handed over the funding approval for the construction of the first direct reduced iron (DRI) plant to be operated flexibly by hydrogen and natural gas in late 2020. This small DRI-plant called μ DRAL, is a demonstration plant for the production of direct reduced iron (DRI). It is the first iron ore direct reduction plant designed to operate flexibly with natural gas and hydrogen. Production commenced in the second half of 2024. The direct reduced iron will be used in the electric arc furnace at the Peine plant. The plant has a production capacity of 2500 kg/d and can be operated flexibly with variable proportions of natural gas and hydrogen (0–100%). Tenova, an international manufacturer of plant and equipment for the metal and mining industries, is the supplier and technology partner.

Row 3

(5.5.5.1) Technology area

Select from:

- New process plant with improved efficiency

(5.5.5.2) Stage of development in the reporting year

Select from:

- Applied research and development

(5.5.5.3) Average % of total R&D investment over the last 3 years

1

(5.5.5.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

65000

(5.5.5.5) Average % of total R&D investment planned over the next 5 years

1

(5.5.5.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

To produce hydrogen in the most energy efficient way while increasing the technological maturity of the steam electrolyser is the essential element of the GrInHy2.0 and GrInHy3.0 project. GrInHy2.0 marks an important milestone towards a hydrogen-based, low carbon European steel industry starting with hydrogen production for today's steel annealing processes. The Salzgitter companies Salzgitter Flachstahl GmbH and Salzgitter Mannesmann Forschung GmbH together with the partners Sunfire GmbH, Paul Wurth S.A., Tenova SpA and the French research center CEA manufactured and operated the world's most powerful Steam Electrolyser (StE) for the energy efficient production of hydrogen till the end of 2023. With the first implementation of a high-temperature electrolyser of the Megawatt-class, GrInHy2.0's prototype produces 200 Nm³ of hydrogen per hour at nominal power input of 720 kWAC. The StE consists of up to eight modules with 1,080 SOECs each. The system is fully integrated into Salzgitter's steelmaking operations and runs on steam from waste heat of the steel production. It is in operation for at least 13,000 hours, producing a total of around 100 tonnes of high-purity (99.98%) 'green' hydrogen at electrical efficiency of 84%LHV. In the successor project GrInHy3.0, the latest generation of Sun electrolysis will be installed in Salzgitter. The aim is to jointly increase the technological maturity of the technology in the Salzgitter Group's industrial environment.

Row 4

(5.5.5.1) Technology area

Select from:

Other, please specify :Optimization of slag of existing and future steelmaking process

(5.5.5.2) Stage of development in the reporting year

Select from:

Applied research and development

(5.5.5.3) Average % of total R&D investment over the last 3 years

1

(5.5.5.4) R&D investment figure in the reporting year (unit currency as selected in 1.2) (optional)

220000

(5.5.5.5) Average % of total R&D investment planned over the next 5 years

(5.5.5.6) Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

Together with users of the slag (cement industry, construction industry, etc.), we are working on processes to condition the slag so that it can replace primary raw materials. The aim is to reduce the amount of slag sent to landfill or to recycle it to a higher value. Effect of engagement and measures of success (quantitative threshold for a measure of success AND a description of the impact of the engagement according to your measure of success): - Key figure: CO2 savings for steelworks slag users through substitution of primary material - Target: Increase the value by 10 % within the next five years
 [Add row]

(5.10) Does your organization use an internal price on environmental externalities?

	Use of internal pricing of environmental externalities	Environmental externality priced
	Select from: <input checked="" type="checkbox"/> Yes	Select all that apply <input checked="" type="checkbox"/> Carbon

[Fixed row]

(5.10.1) Provide details of your organization's internal price on carbon.

Row 1

(5.10.1.1) Type of pricing scheme

Select from:

Shadow price

(5.10.1.2) Objectives for implementing internal price

Select all that apply

- Drive energy efficiency
- Drive low-carbon investment

(5.10.1.3) Factors considered when determining the price

Select all that apply

- Alignment with the price of allowances under an Emissions Trading Scheme

(5.10.1.4) Calculation methodology and assumptions made in determining the price

The shadow price stated was valid for the reporting year. The shadow price is based on imputed assumptions for state-regulated certificates for CO2 emissions and cost implications for fuels used.

(5.10.1.5) Scopes covered

Select all that apply

- Scope 1
- Scope 2

(5.10.1.6) Pricing approach used – spatial variance

Select from:

- Uniform

(5.10.1.8) Pricing approach used – temporal variance

Select from:

- Static

(5.10.1.10) Minimum actual price used (currency per metric ton CO2e)

35

(5.10.1.11) Maximum actual price used (currency per metric ton CO2e)

(5.10.1.12) Business decision-making processes the internal price is applied to

Select all that apply

- Capital expenditure
- Product and R&D
- Risk management

(5.10.1.13) Internal price is mandatory within business decision-making processes

Select from:

- Yes, for all decision-making processes

(5.10.1.14) % total emissions in the reporting year in selected scopes this internal price covers**(5.10.1.15) Pricing approach is monitored and evaluated to achieve objectives**

Select from:

- Yes

(5.10.1.16) Details of how the pricing approach is monitored and evaluated to achieve your objectives

*Every year, as part of the Group planning process, the planning assumptions, including the internal carbon price, are reviewed, adjusted and validated.
[Add row]*

(5.11) Do you engage with your value chain on environmental issues?**Suppliers****(5.11.1) Engaging with this stakeholder on environmental issues**

Select from:

Yes

(5.11.2) Environmental issues covered

Select all that apply

Climate change

Customers

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

Yes

(5.11.2) Environmental issues covered

Select all that apply

Climate change

Investors and shareholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Not an immediate strategic priority, due to other material topics like climate change, circular economy and the transformation to a green steel manufacturer with our two main value chain stakeholder, suppliers and customers.

Other value chain stakeholders

(5.11.1) Engaging with this stakeholder on environmental issues

Select from:

No, but we plan to within the next two years

(5.11.3) Primary reason for not engaging with this stakeholder on environmental issues

Select from:

Not an immediate strategic priority

(5.11.4) Explain why you do not engage with this stakeholder on environmental issues

Not an immediate strategic priority, due to other material topics like climate change, circular economy and the transformation to a green steel manufacturer without two main value chain stakeholder, suppliers and customers.

[Fixed row]

(5.11.1) Does your organization assess and classify suppliers according to their dependencies and/or impacts on the environment?

Climate change

(5.11.1.1) Assessment of supplier dependencies and/or impacts on the environment

Select from:

Yes, we assess the dependencies and/or impacts of our suppliers

(5.11.1.2) Criteria for assessing supplier dependencies and/or impacts on the environment

Select all that apply

- Contribution to supplier-related Scope 3 emissions
- Dependence on ecosystem services/environmental assets

(5.11.1.3) % Tier 1 suppliers assessed

Select from:

- 51-75%

(5.11.1.4) Define a threshold for classifying suppliers as having substantive dependencies and/or impacts on the environment

The threshold is defined by Osapiens, the platform which is screening and classifying our suppliers according to dependencies and impacts on the environment.

(5.11.1.5) % Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

Select from:

- 76-99%

(5.11.1.6) Number of Tier 1 suppliers meeting the thresholds for substantive dependencies and/or impacts on the environment

22754

[Fixed row]

(5.11.2) Does your organization prioritize which suppliers to engage with on environmental issues?

Climate change

(5.11.2.1) Supplier engagement prioritization on this environmental issue

Select from:

- Yes, we prioritize which suppliers to engage with on this environmental issue

(5.11.2.2) Criteria informing which suppliers are prioritized for engagement on this environmental issue

Select all that apply

- Material sourcing
- Procurement spend
- Product lifecycle
- Regulatory compliance
- Business risk mitigation
- Strategic status of suppliers
- In line with the criteria used to classify suppliers as having substantive dependencies and/or impacts relating to climate change

(5.11.2.4) Please explain

We use our supply chain due diligence risk analysis tool "Osapiens". Here, environmental analyses are also carried out on suppliers, e.g. ban on mercury, ban on persistent organic pollutants, ban on the export of hazardous waste, harmful soil, water and air pollution; these assessments and scorings of the suppliers (green, yellow and red) are included in the award decisions. The better (green) the score, the greater the likelihood of an order being awarded. We ask suppliers for their environmental certificates.

[Fixed row]

(5.11.5) Do your suppliers have to meet environmental requirements as part of your organization's purchasing process?

Climate change

(5.11.5.1) Suppliers have to meet specific environmental requirements related to this environmental issue as part of the purchasing process

Select from:

- Yes, suppliers have to meet environmental requirements related to this environmental issue, but they are not included in our supplier contracts

(5.11.5.2) Policy in place for addressing supplier non-compliance

Select from:

- Yes, we have a policy in place for addressing non-compliance

(5.11.5.3) Comment

We have a code of conduct that we agree with all suppliers, in which they commit to the topics of environmental protection based on the Supply Chain Duty of Care Act. We also have a complaints procedure on our homepage in several languages, where anonymous information can be provided. Osapien's risk analysis tool in the ESG platform that helps you comply with all ESG regulations. It helps us mitigate risk, simplify manual processes through automation, and create transparency and efficiency to gain actionable insights to make an impact. We also specify environmental certificates that our suppliers must have. We work with SAP to get our corporate carbon footprint out of Scope 3 in SAP and request measures from our suppliers to achieve a reduction and track their implementation. We help and advise in part with the implementation. For sure we have some commitments from our suppliers in our contract.

[Fixed row]

(5.11.6) Provide details of the environmental requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Climate change

(5.11.6.1) Environmental requirement

Select from:

- Adoption of the UN International Labour Organization Principles

(5.11.6.2) Mechanisms for monitoring compliance with this environmental requirement

Select all that apply

- Certification
- Other, please specify :We audit supplier if needed.

(5.11.6.3) % tier 1 suppliers by procurement spend required to comply with this environmental requirement

Select from:

- 76-99%

(5.11.6.4) % tier 1 suppliers by procurement spend in compliance with this environmental requirement

Select from:

51-75%

(5.11.6.7) % tier 1 supplier-related scope 3 emissions attributable to the suppliers required to comply with this environmental requirement

Select from:

76-99%

(5.11.6.8) % tier 1 supplier-related scope 3 emissions attributable to the suppliers in compliance with this environmental requirement

Select from:

51-75%

(5.11.6.9) Response to supplier non-compliance with this environmental requirement

Select from:

Retain and engage

(5.11.6.10) % of non-compliant suppliers engaged

Select from:

1-25%

(5.11.6.11) Procedures to engage non-compliant suppliers

Select all that apply

Re-integrating suppliers back into upstream value chain based on the successful and verifiable completion of activities

(5.11.6.12) Comment

The factors are taken into account in our award process and the suppliers are informed accordingly. If a supplier with a supposedly poor scoring is to be taken or has to be taken because of single source, then an audit is carried out and we request certificates. A new decision is then made and, if necessary, corrective measures are drawn up or everything may then be ok.

[Add row]

(5.11.7) Provide further details of your organization's supplier engagement on environmental issues.

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- Emissions reduction

(5.11.7.3) Type and details of engagement

Information collection

- Collect climate transition plan information at least annually from suppliers
- Collect environmental risk and opportunity information at least annually from suppliers
- Collect GHG emissions data at least annually from suppliers
- Collect targets information at least annually from suppliers

Innovation and collaboration

- Collaborate with suppliers on innovations to reduce environmental impacts in products and services
- Collaborate with suppliers on innovative business models and corporate renewable energy sourcing mechanisms
- Collaborate with suppliers to develop reuse infrastructure and reuse models

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Scope 3 emissions were measured in 2023. We will reduce CO2 emissions by at least 20% by 2028. In addition, further measures are being developed so that we can achieve Net-Zero. We are also working on a project with SAP so that suppliers can upload the CO2 emissions for their goods to SAP. We then add it up for our product and then we can say exactly how high the emissions are for each manufactured product. We are also converting our production to Green Steel from 2026 with the SALCOS project, for which considerable financial efforts have so far been made with a subsidy from the federal government.

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

Yes, please specify the environmental requirement :Record the current status, analyze, develop improvements together and make suggestions, provide advice and support

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

Yes

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

Upstream value chain transparency and human rights

(5.11.7.3) Type and details of engagement

Financial incentives

Include long-term contracts linked to environmental commitments

Information collection

- Collect targets information at least annually from suppliers

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- 51-75%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

- 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Climate change Yes, we prioritize which suppliers to engage with on this environmental issue Business risk mitigation Material sourcing Procurement spend Product lifecycle Regulatory compliance Strategic status of suppliers We use our supply chain due diligence risk analysis tool "Osapiens". Here, environmental analyses are also carried out on suppliers, e.g. ban on mercury, ban on persistent organic pollutants, ban on the export of hazardous waste, harmful soil, water and air pollution; these assessments and scorings of the suppliers (green, yellow and red) are included in the award decisions. The better (green) the score, the greater the likelihood of an order being awarded. We ask suppliers for their environmental certificates

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

- Yes, please specify the environmental requirement :Record the current status, analyze, develop improvements together and make suggestions, provide advice and support

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

- Yes

Climate change

(5.11.7.2) Action driven by supplier engagement

Select from:

- Waste and resource reduction and improved end-of-life management

(5.11.7.3) Type and details of engagement

Capacity building

- Provide training, support and best practices on how to measure GHG emissions
- Provide training, support and best practices on how to mitigate environmental impact
- Provide training, support and best practices on how to set science-based targets

(5.11.7.4) Upstream value chain coverage

Select all that apply

- Tier 1 suppliers

(5.11.7.5) % of tier 1 suppliers by procurement spend covered by engagement

Select from:

- 76-99%

(5.11.7.6) % of tier 1 supplier-related scope 3 emissions covered by engagement

Select from:

- 76-99%

(5.11.7.9) Describe the engagement and explain the effect of your engagement on the selected environmental action

Yes, we prioritize which suppliers to engage with on this environmental issue Business risk mitigation Material sourcing Procurement spend Product lifecycle Regulatory compliance Strategic status of suppliers

(5.11.7.10) Engagement is helping your tier 1 suppliers meet an environmental requirement related to this environmental issue

Select from:

Yes, please specify the environmental requirement

(5.11.7.11) Engagement is helping your tier 1 suppliers engage with their own suppliers on the selected action

Select from:

Yes

[Add row]

(5.11.9) Provide details of any environmental engagement activity with other stakeholders in the value chain.

Climate change

(5.11.9.1) Type of stakeholder

Select from:

Customers

(5.11.9.2) Type and details of engagement

Education/Information sharing

Run an engagement campaign to educate stakeholders about the environmental impacts about your products, goods and/or services

(5.11.9.3) % of stakeholder type engaged

Select from:

100%

(5.11.9.4) % stakeholder-associated scope 3 emissions

Select from:

100%

(5.11.9.5) Rationale for engaging these stakeholders and scope of engagement

**** This question only has Salzgitter Flachstahl GmbH (SZFG) and KHS GmbH as the objects of observation. SZFG is not only the largest company in the Group, but also the starting point for the Group's internal value chain. KHS, as the lead company of the Technology Business Unit, is responsible for more than 80% of scope 3.11 emissions. In the future, this described balance sheet scope will be further expanded. *** SZFG: We provide to all customers of our strip steel products detailed product and company specific LCA data and sustainability information. This enables our customers to conduct Life Cycle Assessment and calculate environmental benefits from using our products, e.g. for light weight design studies (customer group "Automotive") or environmental product declaration (EPDs) for e.g. construction goods (customer groups "Buildings", "Construction" and "Pipes&Tubes"). We provide this information to customers from all sectors. Currently, based on an impact analysis, we are identifying the suppliers with the strongest impact on Scope 3 emissions and jointly develop approaches to reduce these emissions, e.g., by using lower-CO2 transport methods. Strategic partnerships have been established with a number of key suppliers like LKAB, including more accurate and specific mapping of our carbon supply chains and approaches to reduce these emissions. KHS: KHS is part of the Business Unit Technology within the Salzgitter Group. The company focuses on systems and machines for filling and packaging beverages. The systems offered by KHS are mainly customized solutions. They are the result of detailed customer consultation. Customers can then produce with a state-of-the-art production line that helps them save energy, resources, and, ultimately, emissions. The core benefit of using our machines is their long service life. 20 years and more are not uncommon. Customers benefit from the latest developments by saving resources and emissions. In addition, KHS offers life cycle assessments for its entire PET and secondary packaging range. Customers thus benefit from reliable calculations of the environmental impact of all KHS packaging solutions. KHS conducts these assessments to achieve the best possible results in terms of CO2 savings.*

(5.11.9.6) Effect of engagement and measures of success

SZFG: Our customer engagement regarding the sharing of Salzgitter specific LCA-data improved especially our B2B relationship with several automotive and white goods customers. This Salzgitter specific data is used e.g. in LCA calculations of the automotive producers, to calculate i.a. the specific CO2 footprint of their products in order to proof environmental progresses of new versions of their cars. We offer LCA calculation according with the externally certified VeriSteel standard from TÜV Süd, which refers to relevant parts of DIN EN ISO standards 14064, 14067, 14040, 14044, ISO 14040 and DIN EN 19694. The number of enquiries by each customer group is tracked and annually reported within the company. KHS: The share of emission related data and the capability to individually calculate the CO2 footprint is highly beneficial to KHS customers. Especially in the consulting phase they are able to compare and learn about the immediate impact of the measures regarding upgrades or packaging modifications through CO2 and LCA calculations. The KHS-sourced data according to ISO 14067 is relevant to keep track on the customers dynamically changing needs to decrease emissions within their value chain. KHS is able to proactively meet them and have new opportunities to intensify the impact of engagement.

[Add row]

C6. Environmental Performance - Consolidation Approach

(6.1) Provide details on your chosen consolidation approach for the calculation of environmental performance data.

Climate change

(6.1.1) Consolidation approach used

Select from:

Operational control

(6.1.2) Provide the rationale for the choice of consolidation approach

The operational control approach is for us the best option to stringently concentrate on emissions and emission reduction that are in our operational responsibility.

Plastics

(6.1.1) Consolidation approach used

Select from:

Other, please specify :n.a.

(6.1.2) Provide the rationale for the choice of consolidation approach

n.a.

Biodiversity

(6.1.1) Consolidation approach used

Select from:

Other, please specify :n.a.

(6.1.2) Provide the rationale for the choice of consolidation approach

n.a.

[Fixed row]

C7. Environmental performance - Climate Change

(7.1.1) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

	Has there been a structural change?
	Select all that apply <input checked="" type="checkbox"/> No

[Fixed row]

(7.1.2) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?
	Select all that apply <input checked="" type="checkbox"/> No

[Fixed row]

(7.1.3) Have your organization's base year emissions and past years' emissions been recalculated as a result of any changes or errors reported in 7.1.1 and/or 7.1.2?

	Base year recalculation
	<i>Select from:</i> <input checked="" type="checkbox"/> No, because the impact does not meet our significance threshold

[Fixed row]

(7.3) Describe your organization’s approach to reporting Scope 2 emissions.

(7.3.1) Scope 2, location-based

Select from:

We are reporting a Scope 2, location-based figure

(7.3.2) Scope 2, market-based

Select from:

We are reporting a Scope 2, market-based figure

(7.3.3) Comment

Most of the electric power consumption is measured by calibrated electric meters and the location-based scope 2 emissions are verified by the auditor EY.

[Fixed row]

(7.4.1) Provide details of the sources of Scope 1, Scope 2, or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure.

Row 1

(7.4.1.1) Source of excluded emissions

Companies that belong to our cluster "Industrial Participations".

(7.4.1.2) Scope(s) or Scope 3 category(ies)

Select all that apply

- Scope 3: Franchises
- Scope 3: Investments
- Scope 3: Capital goods
- Scope 3: Business travel
- Scope 3: Other (upstream)
- Scope 3: Processing of sold products
- Scope 3: Purchased goods and services
- Scope 3: Waste generated in operations
- Scope 3: End-of-life treatment of sold products
- Scope 3: Upstream transportation and distribution
- Scope 3: Other (downstream)
- Scope 3: Employee commuting
- Scope 3: Use of sold products
- Scope 3: Upstream leased assets
- Scope 3: Downstream leased assets
- Scope 3: Downstream transportation and distribution
- Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

(7.4.1.6) Relevance of Scope 3 emissions from this source

Select from:

- Emissions are not relevant

(7.4.1.9) Estimated percentage of total Scope 3 emissions this excluded source represents

0.8

(7.4.1.10) Explain why this source is excluded

These companies have a minor impact on our Scope 3 emissions.

(7.4.1.11) Explain how you estimated the percentage of emissions this excluded source represents

We've calculated the emissions for the base year 2021. As our business activities haven't changed since, there is no reason to come to another conclusion as to exclude the emissions.

[Add row]

(7.5) Provide your base year and base year emissions.

Scope 1

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

8300000

(7.5.3) Methodological details

consumption data of every fossil fuel used within the report boundaries were used in combination with emission factors used for EU-ETS calculation

Scope 2 (location-based)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

430000

(7.5.3) Methodological details

power consumption of every subsidiary combined with local emission factors taken from EcoInvent database

Scope 2 (market-based)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

610000

(7.5.3) Methodological details

power consumption of every subsidiary combined with emission factors mainly taken from energy supplier

Scope 3 category 1: Purchased goods and services

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

14550000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcolInvent database

Scope 3 category 2: Capital goods

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

270000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcoInvent database

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

240000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcoInvent database

Scope 3 category 4: Upstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

610000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcoInvent database

Scope 3 category 5: Waste generated in operations

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

60000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcolInvent database

Scope 3 category 6: Business travel

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

10000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcolInvent database

Scope 3 category 7: Employee commuting

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

41000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcoInvent database

Scope 3 category 8: Upstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

100

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcoInvent database

Scope 3 category 9: Downstream transportation and distribution

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

45000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcoInvent database

Scope 3 category 10: Processing of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

2300000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of Ecolnvent database

Scope 3 category 11: Use of sold products

(7.5.1) Base year end

12/30/2021

(7.5.2) Base year emissions (metric tons CO2e)

4860000

(7.5.3) Methodological details

annual power consumption of every sold product multiplied by the typical use phase and location based emission factors from Ecolnvent

Scope 3 category 12: End of life treatment of sold products

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

10000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of Ecolnvent database

Scope 3 category 13: Downstream leased assets

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

-

Scope 3 category 14: Franchises

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0

(7.5.3) Methodological details

-

Scope 3 category 15: Investments

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

1100000

(7.5.3) Methodological details

scope 3 emissions were mainly calculated using emission factors of EcolInvent database

Scope 3: Other (upstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

-

Scope 3: Other (downstream)

(7.5.1) Base year end

12/31/2021

(7.5.2) Base year emissions (metric tons CO2e)

0.0

(7.5.3) Methodological details

-

[Fixed row]

(7.6) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

	Gross global Scope 1 emissions (metric tons CO2e)	End date	Methodological details
Reporting year	7300000	<i>Date input [must be between [10/01/2015 - 10/01/2023]</i>	<i>consumption data of every fossil fuel used within the report boundaries were used in combination with emission factors used for EU-ETS calculation</i>
Past year 1	8100000	12/30/2022	<i>consumption data of every fossil fuel used within the report boundaries were used in combination with emission factors used for EU-ETS calculation</i>
Past year 2	8300000	12/30/2021	<i>consumption data of every fossil fuel used within the report boundaries were used in combination with emission factors used for EU-ETS calculation</i>
Past year 3	7600000	12/30/2020	<i>Only EU-ETS emissions were considered. The first CCF of the complete Salzgitter AG was created for the year 2021.</i>

[Fixed row]

(7.7) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

490000

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

650000

(7.7.4) Methodological details

Power consumption of every subsidiary combined with local emission factors taken from EcoInvent database (location-based) or factors provided by energy suppliers (market-based).

Past year 1

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

350000

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

480000

(7.7.3) End date

12/30/2022

(7.7.4) Methodological details

Power consumption of every subsidiary combined with local emission factors taken from Ecolnvent database (location-based) or factors provided by energy suppliers (market-based).

Past year 2

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

430000

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

610000

(7.7.3) End date

12/30/2021

(7.7.4) Methodological details

Power consumption of every subsidiary combined with local emission factors taken from Ecolnvent database (location-based) or factors provided by energy suppliers (market-based).

Past year 3

(7.7.1) Gross global Scope 2, location-based emissions (metric tons CO2e)

450000

(7.7.2) Gross global Scope 2, market-based emissions (metric tons CO2e) (if applicable)

580000

(7.7.3) End date

12/30/2020

(7.7.4) Methodological details

*These numbers were published in the Non-financial report of Salzgitter AG. The first CCF of the complete group was created for the year 2021.
[Fixed row]*

(7.8) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

12100000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

15

(7.8.5) Please explain

Steel slabs from a joint operational plant (HKM) were used as prematerial. The emission data of these slabs were used in this scope. The remaining emissions were calculated with emission factors from databases.

Capital goods

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

380000

(7.8.3) Emissions calculation methodology

Select all that apply

Spend-based method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Fuel-and-energy-related activities (not included in Scope 1 or 2)

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

720000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Upstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

470000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly EcoInvent).

Waste generated in operations

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

40000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Business travel

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

16000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Employee commuting

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

59000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Upstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

180

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Downstream transportation and distribution

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO₂e)

68000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Processing of sold products

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

2600000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Use of sold products

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

4500000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

End of life treatment of sold products

(7.8.1) Evaluation status

Select from:

Not relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

27000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

(7.8.5) Please explain

All emissions were calculated using emission factors from databases (mainly Ecolnvent).

Downstream leased assets

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Not existing

Franchises

(7.8.1) Evaluation status

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Not existing

Investments

(7.8.1) Evaluation status

Select from:

Relevant, calculated

(7.8.2) Emissions in reporting year (metric tons CO2e)

640000

(7.8.3) Emissions calculation methodology

Select all that apply

Average data method

(7.8.4) Percentage of emissions calculated using data obtained from suppliers or value chain partners

(7.8.5) Please explain

All emissions data were provided by the investment partners.

Other (upstream)**(7.8.1) Evaluation status**

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Not existing

Other (downstream)**(7.8.1) Evaluation status**

Select from:

Not relevant, explanation provided

(7.8.5) Please explain

Not existing

[Fixed row]

(7.8.1) Disclose or restate your Scope 3 emissions data for previous years.**Past year 1****(7.8.1.1) End date**

12/30/2022

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

13000000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

390000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

220000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

690000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

73000

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

18000

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

49000

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

110

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

39000

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

2360000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

3950000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

7000

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

560000

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

-

Past year 2

(7.8.1.1) End date

12/30/2021

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

14500000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

270000

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

236000

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

610000

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

58000

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

10000

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

41000

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

110

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

45000

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

2330000

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

4860000

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

9000

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

1140000

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

-

Past year 3

(7.8.1.1) End date

12/30/2020

(7.8.1.2) Scope 3: Purchased goods and services (metric tons CO2e)

13750000

(7.8.1.3) Scope 3: Capital goods (metric tons CO2e)

0

(7.8.1.4) Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

0

(7.8.1.5) Scope 3: Upstream transportation and distribution (metric tons CO2e)

0

(7.8.1.6) Scope 3: Waste generated in operations (metric tons CO2e)

0

(7.8.1.7) Scope 3: Business travel (metric tons CO2e)

0

(7.8.1.8) Scope 3: Employee commuting (metric tons CO2e)

0

(7.8.1.9) Scope 3: Upstream leased assets (metric tons CO2e)

0

(7.8.1.10) Scope 3: Downstream transportation and distribution (metric tons CO2e)

0

(7.8.1.11) Scope 3: Processing of sold products (metric tons CO2e)

0

(7.8.1.12) Scope 3: Use of sold products (metric tons CO2e)

0

(7.8.1.13) Scope 3: End of life treatment of sold products (metric tons CO2e)

0

(7.8.1.14) Scope 3: Downstream leased assets (metric tons CO2e)

0

(7.8.1.15) Scope 3: Franchises (metric tons CO2e)

0

(7.8.1.16) Scope 3: Investments (metric tons CO2e)

0

(7.8.1.17) Scope 3: Other (upstream) (metric tons CO2e)

0

(7.8.1.18) Scope 3: Other (downstream) (metric tons CO2e)

0

(7.8.1.19) Comment

*In 2020 only the emissions of purchased iron ore, coal and lime were considered. The first complete CCF was created for the year 2021.
[Fixed row]*

(7.9) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place
Scope 3	Select from: <input checked="" type="checkbox"/> Third-party verification or assurance process in place

[Fixed row]

(7.9.1) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Row 1

(7.9.1.1) Verification or assurance cycle in place

Select from:

Annual process

(7.9.1.2) Status in the current reporting year

Select from:

Complete

(7.9.1.3) Type of verification or assurance

Select from:

Limited assurance

(7.9.1.4) Attach the statement

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(7.9.1.5) Page/section reference

1-2, 113 and 238

(7.9.1.6) Relevant standard

Select from:

ISAE3000

(7.9.1.7) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.2) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Row 1

(7.9.2.1) Scope 2 approach

Select from:

Scope 2 location-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.2.3) Status in the current reporting year

Select from:

Complete

(7.9.2.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

1-2, 113 and 238

(7.9.2.7) Relevant standard

Select from:

ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

Row 2

(7.9.2.1) Scope 2 approach

Select from:

Scope 2 market-based

(7.9.2.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.2.3) Status in the current reporting year

Select from:

Complete

(7.9.2.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.2.5) Attach the statement

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(7.9.2.6) Page/ section reference

(7.9.2.7) Relevant standard

Select from:

ISAE3000

(7.9.2.8) Proportion of reported emissions verified (%)

100

[Add row]

(7.9.3) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Row 1

(7.9.3.1) Scope 3 category

Select all that apply

Scope 3: Purchased goods and services

(7.9.3.2) Verification or assurance cycle in place

Select from:

Annual process

(7.9.3.3) Status in the current reporting year

Select from:

Complete

(7.9.3.4) Type of verification or assurance

Select from:

Limited assurance

(7.9.3.5) Attach the statement

2023_SZAG_CDP Letter NfB_eSign.pdf

(7.9.3.6) Page/section reference

1-2,113 and 238

(7.9.3.7) Relevant standard

Select from:

ISAE3000

(7.9.3.8) Proportion of reported emissions verified (%)

78

[Add row]

(7.10.1) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

Change in renewable energy consumption

(7.10.1.1) Change in emissions (metric tons CO2e)

153000

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

2

(7.10.1.4) Please explain calculation

We consumed 255000000 kWh of green electricity in the year. In the previous year, it was only around 10,000 kWh. With an emission factor of 0.6kgCO₂e/kWh of grey electricity, this results in CO₂ savings (caused by the use of green electricity) of just over 150 thousand tons of CO₂e.

Other emissions reduction activities

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Divestment

(7.10.1.1) Change in emissions (metric tons CO₂e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Acquisitions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Mergers

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Change in output

(7.10.1.1) Change in emissions (metric tons CO2e)

700000

(7.10.1.2) Direction of change in emissions

Select from:

Decreased

(7.10.1.3) Emissions value (percentage)

9

(7.10.1.4) Please explain calculation

GHG emissions in 2023 are correlated with SZFG's lower primary crude steel production.

Change in methodology

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Change in boundary

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Change in physical operating conditions

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Unidentified

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

Other

(7.10.1.1) Change in emissions (metric tons CO2e)

0

(7.10.1.2) Direction of change in emissions

Select from:

No change

(7.10.1.3) Emissions value (percentage)

0

(7.10.1.4) Please explain calculation

n.a.

[Fixed row]

(7.16) Break down your total gross global Scope 1 and 2 emissions by country/area.

Brazil

(7.16.1) Scope 1 emissions (metric tons CO2e)

4000

(7.16.2) Scope 2, location-based (metric tons CO2e)

3000

(7.16.3) Scope 2, market-based (metric tons CO2e)

3000

China

(7.16.1) Scope 1 emissions (metric tons CO2e)

3000

(7.16.2) Scope 2, location-based (metric tons CO2e)

2000

(7.16.3) Scope 2, market-based (metric tons CO2e)

2000

France

(7.16.1) Scope 1 emissions (metric tons CO2e)

9000

(7.16.2) Scope 2, location-based (metric tons CO2e)

6000

(7.16.3) Scope 2, market-based (metric tons CO2e)

7000

Germany

(7.16.1) Scope 1 emissions (metric tons CO2e)

7250000

(7.16.2) Scope 2, location-based (metric tons CO2e)

460000

(7.16.3) Scope 2, market-based (metric tons CO2e)

610000

India

(7.16.1) Scope 1 emissions (metric tons CO2e)

7000

(7.16.2) Scope 2, location-based (metric tons CO2e)

4000

(7.16.3) Scope 2, market-based (metric tons CO2e)

6000

Italy

(7.16.1) Scope 1 emissions (metric tons CO2e)

3000

(7.16.2) Scope 2, location-based (metric tons CO2e)

2000

(7.16.3) Scope 2, market-based (metric tons CO2e)

2000

Mexico

(7.16.1) Scope 1 emissions (metric tons CO2e)

7000

(7.16.2) Scope 2, location-based (metric tons CO2e)

4000

(7.16.3) Scope 2, market-based (metric tons CO2e)

6000

Netherlands

(7.16.1) Scope 1 emissions (metric tons CO2e)

3000

(7.16.2) Scope 2, location-based (metric tons CO2e)

2000

(7.16.3) Scope 2, market-based (metric tons CO2e)

2000

United States of America

(7.16.1) Scope 1 emissions (metric tons CO2e)

7000

(7.16.2) Scope 2, location-based (metric tons CO2e)

4000

(7.16.3) Scope 2, market-based (metric tons CO2e)

5000

[Fixed row]

(7.17.3) Break down your total gross global Scope 1 emissions by business activity.

	Activity	Scope 1 emissions (metric tons CO2e)
Row 1	Steel production	7000000
Row 2	Rest of Salzgitter Groups business activities	300000

[Add row]

(7.19) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Steel production activities	7000000	These emissions result from the production of both steel mills within the Salzgitter group.

[Fixed row]

(7.20.3) Break down your total gross global Scope 2 emissions by business activity.

	Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Row 1	<i>Steel production</i>	<i>330000</i>	<i>440000</i>
Row 2	<i>Rest of Salzgitter Groups business activities</i>	<i>160000</i>	<i>210000</i>

[Add row]

(7.21) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Steel production activities	<i>330000</i>	<i>440000</i>	<i>These emissions result from the production of both steel mills within the Salzgitter group.</i>

[Fixed row]

(7.22) Break down your gross Scope 1 and Scope 2 emissions between your consolidated accounting group and other entities included in your response.

Consolidated accounting group

(7.22.1) Scope 1 emissions (metric tons CO2e)

7300000

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

490000

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

650000

(7.22.4) Please explain

These are all emissions within the consolidated Salzgitter group.

All other entities

(7.22.1) Scope 1 emissions (metric tons CO2e)

0

(7.22.2) Scope 2, location-based emissions (metric tons CO2e)

0

(7.22.3) Scope 2, market-based emissions (metric tons CO2e)

0

(7.22.4) Please explain

There are no other entities to take into account.

[Fixed row]

(7.30) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Select from: <input checked="" type="checkbox"/> Yes
Consumption of purchased or acquired electricity	Select from: <input checked="" type="checkbox"/> Yes
Consumption of purchased or acquired heat	Select from: <input checked="" type="checkbox"/> No
Consumption of purchased or acquired steam	Select from: <input checked="" type="checkbox"/> No
Consumption of purchased or acquired cooling	Select from: <input checked="" type="checkbox"/> No
Generation of electricity, heat, steam, or cooling	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(7.30.1) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

Consumption of fuel (excluding feedstock)

(7.30.1.1) Heating value

Select from:

HHV (higher heating value)

(7.30.1.2) MWh from renewable sources

0

(7.30.1.3) MWh from non-renewable sources

7745000

(7.30.1.4) Total (renewable and non-renewable) MWh

7745000

Consumption of purchased or acquired electricity

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

255000

(7.30.1.3) MWh from non-renewable sources

931000

(7.30.1.4) Total (renewable and non-renewable) MWh

1186000

Consumption of self-generated non-fuel renewable energy

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

0

(7.30.1.4) Total (renewable and non-renewable) MWh

0

Total energy consumption

(7.30.1.1) Heating value

Select from:

Unable to confirm heating value

(7.30.1.2) MWh from renewable sources

255000

(7.30.1.3) MWh from non-renewable sources

8676000

(7.30.1.4) Total (renewable and non-renewable) MWh

8931000

[Fixed row]

(7.30.5) Report your organization's energy consumption totals (excluding feedstocks) for steel production activities in MWh.

Consumption of fuel (excluding feedstocks)

(7.30.5.1) Heating value

Select from:

HHV (higher heating value)

(7.30.5.2) MWh consumed from renewable sources inside steel sector boundary

0

(7.30.5.3) MWh consumed from non-renewable sources inside steel sector boundary (excluding recovered waste heat/gases)

3062000

(7.30.5.4) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside steel sector boundary

4011000

(7.30.5.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside steel sector boundary

7073000

Consumption of purchased or acquired electricity

(7.30.5.1) Heating value

Select from:

Unable to confirm heating value

(7.30.5.2) MWh consumed from renewable sources inside steel sector boundary

207000

(7.30.5.3) MWh consumed from non-renewable sources inside steel sector boundary (excluding recovered waste heat/gases)

653000

(7.30.5.4) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside steel sector boundary

1251000

(7.30.5.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside steel sector boundary

2111000

Consumption of self-generated non-fuel renewable energy

(7.30.5.1) Heating value

Select from:

Unable to confirm heating value

(7.30.5.2) MWh consumed from renewable sources inside steel sector boundary

0

(7.30.5.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside steel sector boundary

0

Total energy consumption

(7.30.5.1) Heating value

Select from:

Unable to confirm heating value

(7.30.5.2) MWh consumed from renewable sources inside steel sector boundary

207000

(7.30.5.3) MWh consumed from non-renewable sources inside steel sector boundary (excluding recovered waste heat/gases)

3715000

(7.30.5.4) MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside steel sector boundary

5262000

(7.30.5.5) Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside steel sector boundary

9184000

[Fixed row]

(7.30.6) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Select from: <input checked="" type="checkbox"/> No

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of heat	Select from: <input checked="" type="checkbox"/> No
Consumption of fuel for the generation of steam	Select from: <input checked="" type="checkbox"/> No
Consumption of fuel for the generation of cooling	Select from: <input checked="" type="checkbox"/> No
Consumption of fuel for co-generation or tri-generation	Select from: <input checked="" type="checkbox"/> No

[Fixed row]

(7.30.7) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

/

Other biomass

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

/

Other renewable fuels (e.g. renewable hydrogen)

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

4011000

(7.30.7.8) Comment

MWh consumed from waste heat/gases recovered from processes using fuel feedstocks

Coal

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

0

(7.30.7.8) Comment

/

Oil

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

32000

(7.30.7.8) Comment

/

Gas

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

3605000

(7.30.7.8) Comment

/

Other non-renewable fuels (e.g. non-renewable hydrogen)

(7.30.7.1) Heating value

Select from:

HHV

(7.30.7.2) Total fuel MWh consumed by the organization

97000

(7.30.7.8) Comment

Diesel for transportation

Total fuel

(7.30.7.1) Heating value

Select from:

Unable to confirm heating value

(7.30.7.2) Total fuel MWh consumed by the organization

7745000

(7.30.7.8) Comment

/

[Fixed row]

(7.30.9) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

Electricity

(7.30.9.1) Total Gross generation (MWh)

1254685

(7.30.9.2) Generation that is consumed by the organization (MWh)

1254685

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Heat

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Steam

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0

Cooling

(7.30.9.1) Total Gross generation (MWh)

0

(7.30.9.2) Generation that is consumed by the organization (MWh)

0

(7.30.9.3) Gross generation from renewable sources (MWh)

0

(7.30.9.4) Generation from renewable sources that is consumed by the organization (MWh)

0
[Fixed row]

(7.30.13) Provide details on the electricity, heat, and steam your organization has generated and consumed for steel production activities.

Electricity

(7.30.13.1) Total gross generation inside steel sector boundary (MWh)

1251314

(7.30.13.2) Generation that is consumed by the organization inside steel sector boundary (MWh)

0

(7.30.13.3) Generation from renewable sources inside steel sector boundary (MWh)

0

(7.30.13.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside steel sector boundary (MWh)

1251314

Heat

(7.30.13.1) Total gross generation inside steel sector boundary (MWh)

0

(7.30.13.2) Generation that is consumed by the organization inside steel sector boundary (MWh)

0

(7.30.13.3) Generation from renewable sources inside steel sector boundary (MWh)

0

(7.30.13.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside steel sector boundary (MWh)

0

Steam

(7.30.13.1) Total gross generation inside steel sector boundary (MWh)

0

(7.30.13.2) Generation that is consumed by the organization inside steel sector boundary (MWh)

0

(7.30.13.3) Generation from renewable sources inside steel sector boundary (MWh)

0

(7.30.13.4) Generation from waste heat/gases recovered from processes using fuel feedstocks inside steel sector boundary (MWh)

0

[Fixed row]

(7.30.14) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in 7.7.

Row 1

(7.30.14.1) Country/area

Select from:

Germany

(7.30.14.2) Sourcing method

Select from:

Physical power purchase agreement (physical PPA) with a grid-connected generator

(7.30.14.3) Energy carrier

Select from:

Electricity

(7.30.14.4) Low-carbon technology type

Select from:

Wind

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

218069

(7.30.14.6) Tracking instrument used

Select from:

GO

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

Germany

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

No

(7.30.14.10) Comment

/

Row 2

(7.30.14.1) Country/area

Select from:

Germany

(7.30.14.2) Sourcing method

Select from:

Default delivered electricity from the grid (e.g. standard product offering by an energy supplier), supported by energy attribute certificates

(7.30.14.3) Energy carrier

Select from:

Electricity

(7.30.14.4) Low-carbon technology type

Select from:

Hydropower (capacity unknown)

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

11555

(7.30.14.6) Tracking instrument used

Select from:

GO

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

Norway

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

No

(7.30.14.10) Comment

/

Row 3

(7.30.14.1) Country/area

Select from:

Germany

(7.30.14.2) Sourcing method

Select from:

Other, please specify :Traction current

(7.30.14.3) Energy carrier

Select from:

Electricity

(7.30.14.4) Low-carbon technology type

Select from:

Renewable energy mix, please specify :Traction current

(7.30.14.5) Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

23542

(7.30.14.6) Tracking instrument used

Select from:

Contract

(7.30.14.7) Country/area of origin (generation) of the low-carbon energy or energy attribute

Select from:

Germany

(7.30.14.8) Are you able to report the commissioning or re-powering year of the energy generation facility?

Select from:

No

(7.30.14.10) Comment

/

[Add row]

(7.30.16) Provide a breakdown by country/area of your electricity/heat/steam/cooling consumption in the reporting year.

Brazil

(7.30.16.1) Consumption of purchased electricity (MWh)

1681

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1681.00

China

(7.30.16.1) Consumption of purchased electricity (MWh)

797

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

797.00

France

(7.30.16.1) Consumption of purchased electricity (MWh)

36000

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

36000.00

Germany

(7.30.16.1) Consumption of purchased electricity (MWh)

1111599

(7.30.16.2) Consumption of self-generated electricity (MWh)

1254000

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2365599.00

India

(7.30.16.1) Consumption of purchased electricity (MWh)

1276

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

1276.00

Italy

(7.30.16.1) Consumption of purchased electricity (MWh)

10855

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

10855.00

Mexico

(7.30.16.1) Consumption of purchased electricity (MWh)

14333

(7.30.16.2) Consumption of self-generated electricity (MWh)

689

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

15022.00

Netherlands

(7.30.16.1) Consumption of purchased electricity (MWh)

2648

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

2648.00

United States of America

(7.30.16.1) Consumption of purchased electricity (MWh)

6269

(7.30.16.2) Consumption of self-generated electricity (MWh)

0

(7.30.16.4) Consumption of purchased heat, steam, and cooling (MWh)

0

(7.30.16.5) Consumption of self-generated heat, steam, and cooling (MWh)

0

(7.30.16.6) Total electricity/heat/steam/cooling energy consumption (MWh)

6269.00
[Fixed row]

(7.32) Disclose details on your organization's consumption of feedstocks for steel production activities.

Row 1

(7.32.1) Feedstocks

Select from:

Coking coal

(7.32.2) Total consumption

1759

(7.32.3) Total consumption unit

Select from:

thousand metric tons

(7.32.4) Dry or wet basis?

Select from:

Dry basis

(7.32.5) Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

2.93

(7.32.6) Heating value of feedstock, MWh per consumption unit

0

(7.32.7) Heating value

Select from:

LHV

(7.32.8) Comment

0.0001 MWh/t is declared as the standard heating value within the monitoring of the European emission trading system. The low value is due to the fact, that feedstock is not used as energy carrier, but as a reduction agent

Row 2

(7.32.1) Feedstocks

Select from:

Coke

(7.32.2) Total consumption

56

(7.32.3) Total consumption unit

Select from:

thousand metric tons

(7.32.4) Dry or wet basis?

Select from:

Dry basis

(7.32.5) Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

3.1

(7.32.6) Heating value of feedstock, MWh per consumption unit

0

(7.32.7) Heating value

Select from:

LHV

(7.32.8) Comment

0.0001 MWh/t is declared as the standard heating value within the monitoring of the European emission trading system. The low value is due to the fact, that feedstock is not used as energy carrier, but as a reduction agent.

Row 3

(7.32.1) Feedstocks

Select from:

Blast furnace coal

(7.32.2) Total consumption

649

(7.32.3) Total consumption unit

Select from:

thousand metric tons

(7.32.4) Dry or wet basis?

Select from:

Wet basis

(7.32.5) Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

2.87

(7.32.6) Heating value of feedstock, MWh per consumption unit

0

(7.32.7) Heating value

Select from:

LHV

(7.32.8) Comment

0.0001 MWh/t is declared as the standard heating value within the monitoring of the European emission trading system. The low value is due to the fact, that feedstock is not used as energy carrier, but as a reduction agent.

[Add row]

(7.41) Report your organization's steel-related consumption, production and capacity figures by steel plant.

Basic oxygen furnace

(7.41.1) Metal scrap consumption (metric tons)

698302

(7.41.2) Blast furnace iron consumption (metric tons)

3367226

(7.41.3) Direct reduced iron consumption (metric tons)

48841

(7.41.4) Crude steel production (metric tons)

3698870

(7.41.5) Crude steel capacity (metric tons)

5600000

Electric arc furnace

(7.41.1) Metal scrap consumption (metric tons)

947792

(7.41.2) Blast furnace iron consumption (metric tons)

0

(7.41.3) Direct reduced iron consumption (metric tons)

0

(7.41.4) Crude steel production (metric tons)

840674

(7.41.5) Crude steel capacity (metric tons)

2500000

Other

(7.41.1) Metal scrap consumption (metric tons)

0

(7.41.2) Blast furnace iron consumption (metric tons)

0

(7.41.3) Direct reduced iron consumption (metric tons)

0

(7.41.4) Crude steel production (metric tons)

0

(7.41.5) Crude steel capacity (metric tons)

0

Total

(7.41.1) Metal scrap consumption (metric tons)

1646094

(7.41.2) Blast furnace iron consumption (metric tons)

3367226

(7.41.3) Direct reduced iron consumption (metric tons)

48841

(7.41.4) Crude steel production (metric tons)

4539544

(7.41.5) Crude steel capacity (metric tons)

8100000

[Fixed row]

(7.41.1) Report your organization's steel-related production outputs and capacities by product.

Row 1

(7.41.1.1) Product

Select from:

Hot-rolled steel

(7.41.1.2) Production (metric tons)

3381110

(7.41.1.3) Capacity (metric tons)

4500000

(7.41.1.4) Comment

n.a.

Row 2

(7.41.1.1) Product

Select from:

Blast furnace iron

(7.41.1.2) Production (metric tons)

3367226

(7.41.1.3) Capacity (metric tons)

5600000

(7.41.1.4) Comment

n.a.

Row 3

(7.41.1.1) Product

Select from:

Coke (including coke breeze)

(7.41.1.2) Production (metric tons)

1285668

(7.41.1.3) Capacity (metric tons)

1600000

(7.41.1.4) Comment

n.a.

Row 4

(7.41.1.1) Product

Select from:

Sinter

(7.41.1.2) Production (metric tons)

2788815

(7.41.1.3) Capacity (metric tons)

3650000

(7.41.1.4) Comment

n.a.

[Add row]

(7.45) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Row 1

(7.45.1) Intensity figure

0.0007219648

(7.45.2) Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

7790000

(7.45.3) Metric denominator

Select from:

unit total revenue

(7.45.4) Metric denominator: Unit total

10.79

(7.45.5) Scope 2 figure used

Select from:

Location-based

(7.45.6) % change from previous year

5.2

(7.45.7) Direction of change

Select from:

Increased

(7.45.8) Reasons for change

Select all that apply

Change in output

Change in revenue

(7.45.9) Please explain

Both emissions and revenue decreased because of a lower output, but revenue a bit more than total Scope 1 and 2 emissions.

[Add row]

(7.49) State your organization's emissions and energy intensities by steel production process route.

Row 1

(7.49.1) Process route

Select from:

Blast furnace- basic oxygen furnace

(7.49.2) Emissions intensity figure, metric tons CO2e per metric ton of crude steel production

1.86

(7.49.3) Energy intensity figure, GJ (LHV) per metric ton of crude steel production

20.2

(7.49.4) Methodology applied

Select from:

GHG Protocol

(7.49.5) Comment

Additionally to the scope 1 emissions, the scope 2 emissions are based on the grid factor for Germany. The above-mentioned figure of 1.86 metric tons of CO2 per metric ton of crude steel production implies all emissions from within our Salzgitter site, including e.g. sintering and coke oven operation.
[Add row]

(7.53.1) Provide details of your absolute emissions targets and progress made against those targets.

Row 1

(7.53.1.1) Target reference number

Select from:

Abs 1

(7.53.1.2) Is this a science-based target?

Select from:

- Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Salzgitter AG - Net-Zero Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

- 1.5°C aligned

(7.53.1.5) Date target was set

12/10/2023

(7.53.1.6) Target coverage

Select from:

- Business division

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH₄)
- Nitrous oxide (N₂O)
- Carbon dioxide (CO₂)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Sulphur hexafluoride (SF₆)
- Nitrogen trifluoride (NF₃)

(7.53.1.8) Scopes

Select all that apply

Scope 1

Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

Market-based

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

9900

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

5280

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

15180.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

0.1

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

1

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

0.2

(7.53.1.54) End date of target

12/30/2028

(7.53.1.55) Targeted reduction from base year (%)

35.6

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

9775.920

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

7500

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

5100

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

12600.000

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

(7.53.1.80) Target status in reporting year

Select from:

New

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers the emissions of the Salzgitter AG business unit "Technology"

(7.53.1.83) Target objective

Separate Scope 1 and 2 target for companies within the business unit "Technology" to express their commitment to their customers

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Energy efficiency and renewable energy usage are the two main actions for achieving the target. In the reporting year, we identified single projects to increase energy efficiency.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

Row 3**(7.53.1.1) Target reference number**

Select from:

Abs 2

(7.53.1.2) Is this a science-based target?

Select from:

- Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Salzgitter AG - Net-Zero Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

- Well-below 2°C aligned

(7.53.1.5) Date target was set

12/10/2023

(7.53.1.6) Target coverage

Select from:

- Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

- Scope 3, Category 1 – Purchased goods and services
- Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2)
- Scope 3, Category 5 – Waste generated in operations
- Scope 3, Category 11 – Use of sold products
- Scope 3, Category 15 – Investments

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

11400000

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

1080000

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

60000.0

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

4900000

(7.53.1.28) Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

1100000

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

18540000.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

18540000.000

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

85

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100.0

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

97.5

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

80.4

(7.53.1.49) Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100.0

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

83.0

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

96

(7.53.1.54) End date of target

12/30/2028

(7.53.1.55) Targeted reduction from base year (%)

20

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

14832000.000

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

10000000

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

720000

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

40000

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

4500000

(7.53.1.73) Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

640000

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

15900000.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

15900000.000

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

71.20

(7.53.1.80) Target status in reporting year

Select from:

New

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers all the emissions within the selected Scope 3 categories with exception of the emissions from the companies belonging to our cluster "Industrial Participations".

(7.53.1.83) Target objective

To express our responsibility for upstream and downstream emissions.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Sourcing of goods with low CO2 footprints and lowering the use-phase emissions from sold machineries are the two main actions. In the reporting year, we increased our stakeholder engagement in this area.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

Row 4

(7.53.1.1) Target reference number

Select from:

Abs 3

(7.53.1.2) Is this a science-based target?

Select from:

Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Salzgitter AG - Net-Zero Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

1.5°C aligned

(7.53.1.5) Date target was set

12/10/2023

(7.53.1.6) Target coverage

Select from:

- Business activity

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

- Scope 3, Category 11 – Use of sold products

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

951867

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

951867.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

951867.000

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

19.6

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

4

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

4

(7.53.1.54) End date of target

12/30/2028

(7.53.1.55) Targeted reduction from base year (%)

33.6

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

632039.688

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

773392

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

773392.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

773392.000

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

55.80

(7.53.1.80) Target status in reporting year

Select from:

New

(7.53.1.82) Explain target coverage and identify any exclusions

This target belongs to the usephase of sold fossile fuels, esp. coal. SBTi require the target setting of the use phase of fossile fuels if the sale is part of your business.

(7.53.1.83) Target objective

To comply to SBTi regulations.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Our main action is the reduction of trading coal and coal-based products. As the target has been set in the reporting year,, there has been no progress yet.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

Row 5

(7.53.1.1) Target reference number

Select from:

Abs 4

(7.53.1.2) Is this a science-based target?

Select from:

Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

Salzgitter AG - Net-Zero Approval Letter.pdf

(7.53.1.4) Target ambition

Select from:

1.5°C aligned

(7.53.1.5) Date target was set

12/10/2023

(7.53.1.6) Target coverage

Select from:

Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- Scope 1
- Scope 2

(7.53.1.9) Scope 2 accounting method

Select from:

- Market-based

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.12) Base year Scope 1 emissions covered by target (metric tons CO2e)

8278010

(7.53.1.13) Base year Scope 2 emissions covered by target (metric tons CO2e)

588033

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

0.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

8866043.000

(7.53.1.33) Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

(7.53.1.34) Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2045

(7.53.1.55) Targeted reduction from base year (%)

90

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

886604.300

(7.53.1.57) Scope 1 emissions in reporting year covered by target (metric tons CO2e)

7307760

(7.53.1.58) Scope 2 emissions in reporting year covered by target (metric tons CO2e)

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

7956772.000

(7.53.1.78) Land-related emissions covered by target

Select from:

 No, it does not cover any land-related emissions (e.g. non-FLAG SBT)**(7.53.1.79) % of target achieved relative to base year**

11.40

(7.53.1.80) Target status in reporting year

Select from:

 New**(7.53.1.82) Explain target coverage and identify any exclusions***This target covers the emissions of the Salzgitter AG and all of its subsidiaries.***(7.53.1.83) Target objective***To express our special focus on Scope 1 and 2.***(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year***Transformation of primary steel production and increase of renewable energy usage are the two main actions for achieving the target. In the reporting year, we continued the construction of the first SALCOS stage (transformation) and closed additional PPAs with energy suppliers.***(7.53.1.85) Target derived using a sectoral decarbonization approach**

Select from:

No

Row 6

(7.53.1.1) Target reference number

Select from:

Abs 5

(7.53.1.2) Is this a science-based target?

Select from:

Yes, and this target has been approved by the Science Based Targets initiative

(7.53.1.3) Science Based Targets initiative official validation letter

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(7.53.1.4) Target ambition

Select from:

1.5°C aligned

(7.53.1.5) Date target was set

12/10/2023

(7.53.1.6) Target coverage

Select from:

Organization-wide

(7.53.1.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)

- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

(7.53.1.8) Scopes

Select all that apply

- Scope 3

(7.53.1.10) Scope 3 categories

Select all that apply

- | | |
|---|---|
| <input checked="" type="checkbox"/> Scope 3, Category 15 – Investments | <input checked="" type="checkbox"/> Scope 3, Category 8 - Upstream leased assets |
| <input checked="" type="checkbox"/> Scope 3, Category 2 – Capital goods | <input checked="" type="checkbox"/> Scope 3, Category 1 – Purchased goods and services |
| <input checked="" type="checkbox"/> Scope 3, Category 6 – Business travel | <input checked="" type="checkbox"/> Scope 3, Category 10 – Processing of sold products |
| <input checked="" type="checkbox"/> Scope 3, Category 7 – Employee commuting | <input checked="" type="checkbox"/> Scope 3, Category 5 – Waste generated in operations |
| <input checked="" type="checkbox"/> Scope 3, Category 11 – Use of sold products | <input checked="" type="checkbox"/> Scope 3, Category 12 – End-of-life treatment of sold products |
| <input checked="" type="checkbox"/> Scope 3, Category 4 – Upstream transportation and distribution | |
| <input checked="" type="checkbox"/> Scope 3, Category 9 – Downstream transportation and distribution | |
| <input checked="" type="checkbox"/> Scope 3, Category 3 – Fuel- and energy- related activities (not included in Scope 1 or 2) | |

(7.53.1.11) End date of base year

12/30/2021

(7.53.1.14) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

13569418

(7.53.1.15) Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

264429

(7.53.1.16) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

1079393

(7.53.1.17) Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

607685

(7.53.1.18) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

55794

(7.53.1.19) Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

10125

(7.53.1.20) Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

38964

(7.53.1.21) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

110

(7.53.1.22) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

42198

(7.53.1.23) Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

2331682

(7.53.1.24) Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

4860603

(7.53.1.25) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

7642

(7.53.1.28) Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

1139344

(7.53.1.31) Base year total Scope 3 emissions covered by target (metric tons CO2e)

24007387.000

(7.53.1.32) Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

24007387.000

(7.53.1.35) Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

100

(7.53.1.36) Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

100

(7.53.1.37) Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

100

(7.53.1.38) Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

100

(7.53.1.39) Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

100

(7.53.1.40) Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

100

(7.53.1.41) Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

100

(7.53.1.42) Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

100

(7.53.1.43) Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

100

(7.53.1.44) Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

100

(7.53.1.45) Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

100

(7.53.1.46) Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

100

(7.53.1.49) Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

100

(7.53.1.52) Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

100

(7.53.1.53) Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

100

(7.53.1.54) End date of target

12/30/2050

(7.53.1.55) Targeted reduction from base year (%)

90

(7.53.1.56) Total emissions at end date of target covered by target in all selected Scopes (metric tons CO2e)

2400738.700

(7.53.1.59) Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

12153234

(7.53.1.60) Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

383830

(7.53.1.61) Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

719335

(7.53.1.62) Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

469391

(7.53.1.63) Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

39382

(7.53.1.64) Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

16010

(7.53.1.65) Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

58833

(7.53.1.66) Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

183

(7.53.1.67) Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

67760

(7.53.1.68) Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

2625565

(7.53.1.69) Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

4523995

(7.53.1.70) Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

27379

(7.53.1.73) Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

639160

(7.53.1.76) Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)

21724057.000

(7.53.1.77) Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

21724057.000

(7.53.1.78) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.1.79) % of target achieved relative to base year

10.57

(7.53.1.80) Target status in reporting year

Select from:

New

(7.53.1.82) Explain target coverage and identify any exclusions

This target covers the emissions of the Salzgitter AG and all of its subsidiaries.

(7.53.1.83) Target objective

To express our responsibility for upstream and downstream emissions.

(7.53.1.84) Plan for achieving target, and progress made to the end of the reporting year

Sourcing of goods with low CO2 footprints and lowering the use-phase emissions from sold machineries are the two main actions. In the reporting year, we increased our stakeholder engagement in this area.

(7.53.1.85) Target derived using a sectoral decarbonization approach

Select from:

No

[Add row]

(7.53.2) Provide details of your emissions intensity targets and progress made against those targets.

Row 1

(7.53.2.1) Target reference number

Select from:

Int 1

(7.53.2.2) Is this a science-based target?

Select from:

Yes, and this target has been approved by the Science Based Targets initiative

(7.53.2.3) Science Based Targets initiative official validation letter

Salzgitter AG - Net-Zero Approval Letter.pdf

(7.53.2.4) Target ambition

Select from:

1.5°C aligned

(7.53.2.5) Date target was set

07/25/2024

(7.53.2.6) Target coverage

Select from:

Product level

(7.53.2.7) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Nitrogen trifluoride (NF3)
- Sulphur hexafluoride (SF6)

(7.53.2.8) Scopes

Select all that apply

- Scope 1
- Scope 2
- Scope 3

(7.53.2.9) Scope 2 accounting method

Select from:

- Market-based

(7.53.2.10) Scope 3 categories

Select all that apply

- Category 1: Purchased goods and services

(7.53.2.11) Intensity metric

Select from:

- Metric tons CO2e per metric ton of steel

(7.53.2.12) End date of base year

12/30/2021

(7.53.2.13) Intensity figure in base year for Scope 1 (metric tons CO2e per unit of activity)

1.4152

(7.53.2.14) Intensity figure in base year for Scope 2 (metric tons CO2e per unit of activity)

0.0749

(7.53.2.15) Intensity figure in base year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.3729

(7.53.2.32) Intensity figure in base year for total Scope 3 (metric tons CO2e per unit of activity)

0.3729000000

(7.53.2.33) Intensity figure in base year for all selected Scopes (metric tons CO2e per unit of activity)

1.8630000000

(7.53.2.34) % of total base year emissions in Scope 1 covered by this Scope 1 intensity figure

97

(7.53.2.35) % of total base year emissions in Scope 2 covered by this Scope 2 intensity figure

70

(7.53.2.36) % of total base year emissions in Scope 3, Category 1: Purchased goods and services covered by this Scope 3, Category 1: Purchased goods and services intensity figure

14.6

(7.53.2.53) % of total base year emissions in Scope 3 (in all Scope 3 categories) covered by this total Scope 3 intensity figure

8.8

(7.53.2.54) % of total base year emissions in all selected Scopes covered by this intensity figure

32

(7.53.2.55) End date of target

12/30/2028

(7.53.2.56) Targeted reduction from base year (%)

20

(7.53.2.57) Intensity figure at end date of target for all selected Scopes (metric tons CO2e per unit of activity)

1.4904000000

(7.53.2.58) % change anticipated in absolute Scope 1+2 emissions

29.3

(7.53.2.59) % change anticipated in absolute Scope 3 emissions

0

(7.53.2.60) Intensity figure in reporting year for Scope 1 (metric tons CO2e per unit of activity)

1.367

(7.53.2.61) Intensity figure in reporting year for Scope 2 (metric tons CO2e per unit of activity)

0.101

(7.53.2.62) Intensity figure in reporting year for Scope 3, Category 1: Purchased goods and services (metric tons CO2e per unit of activity)

0.429

(7.53.2.79) Intensity figure in reporting year for total Scope 3 (metric tons CO2e per unit of activity)

0.4290000000

(7.53.2.80) Intensity figure in reporting year for all selected Scopes (metric tons CO2e per unit of activity)

1.8970000000

(7.53.2.81) Land-related emissions covered by target

Select from:

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

(7.53.2.82) % of target achieved relative to base year

-9.13

(7.53.2.83) Target status in reporting year

Select from:

New

(7.53.2.85) Explain target coverage and identify any exclusions

The target covers all activities in scope 1, 2 and 3 which are within the core boundary "Iron and Steel" of SBTi's steel guidance for our produced hot-rolled steel. No exclusions.

(7.53.2.86) Target objective

The target reflects the unique situation of Salzgitter's business units "Steel Production" and "Steel Processing". It covers more than 95% scope 1 and 2 emissions of the whole Salzgitter Group.

(7.53.2.87) Plan for achieving target, and progress made to the end of the reporting year

Transformation of primary steel production and increase of renewable energy usage are the two main actions for achieving the target. In the reporting year, we continued the construction of the first SALCOS stage (transformation) and closed additional PPAs with energy suppliers.

(7.53.2.88) Target derived using a sectoral decarbonization approach

Select from:

Yes

[Add row]

(7.54.1) Provide details of your targets to increase or maintain low-carbon energy consumption or production.

Row 2

(7.54.1.1) Target reference number

Select from:

Low 1

(7.54.1.3) Target coverage

Select from:

Organization-wide

(7.54.1.4) Target type: energy carrier

Select from:

Electricity

(7.54.1.5) Target type: activity

Select from:

Consumption

(7.54.1.6) Target type: energy source

Select from:

Renewable energy source(s) only

(7.54.1.8) Consumption or production of selected energy carrier in base year (MWh)

1160000.0

(7.54.1.9) % share of low-carbon or renewable energy in base year

1.2

(7.54.1.16) Is this target part of an emissions target?

Yes. Target reference: Abs 1

(7.54.1.17) Is this target part of an overarching initiative?

Select all that apply

Science Based Targets initiative

(7.54.1.19) Explain target coverage and identify any exclusions

Company-wide coverage, no exclusions.

[Add row]

(7.54.3) Provide details of your net-zero target(s).

Row 1

(7.54.3.1) Target reference number

Select from:

NZ1

(7.54.3.2) Date target was set

07/25/2024

(7.54.3.3) Target Coverage

Select from:

Organization-wide

(7.54.3.4) Targets linked to this net zero target

Select all that apply

Abs1

Abs2

Abs3

Int1

(7.54.3.5) End date of target for achieving net zero

12/30/2050

(7.54.3.6) Is this a science-based target?

Select from:

Yes, and this target has been approved by the Science Based Targets initiative

(7.54.3.7) Science Based Targets initiative official validation letter

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(7.54.3.8) Scopes

Select all that apply

- Scope 1
- Scope 2
- Scope 3

(7.54.3.9) Greenhouse gases covered by target

Select all that apply

- Methane (CH4)
- Nitrous oxide (N2O)
- Carbon dioxide (CO2)
- Perfluorocarbons (PFCs)
- Hydrofluorocarbons (HFCs)
- Sulphur hexafluoride (SF6)
- Nitrogen trifluoride (NF3)

(7.54.3.10) Explain target coverage and identify any exclusions

The target coverage is 100%, therefore no exclusions.

(7.54.3.11) Target objective

The target reflects our responsibility to society.

(7.54.3.12) Do you intend to neutralize any residual emissions with permanent carbon removals at the end of the target?

Select from:

- Yes

(7.54.3.13) Do you plan to mitigate emissions beyond your value chain?

Select from:

- No, we do not plan to mitigate emissions beyond our value chain

(7.54.3.14) Do you intend to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation?

Select all that apply

No, we do not plan to purchase and cancel carbon credits for neutralization and/or beyond value chain mitigation

(7.54.3.15) Planned milestones and/or near-term investments for neutralization at the end of the target

There are no planned milestone and near-term investments yet.

(7.54.3.17) Target status in reporting year

Select from:

New

(7.54.3.19) Process for reviewing target

Every year we review the target against our transformation progress and external market factors. That will allow us to reach net-zero, when possible even earlier than planned.

[Add row]

(7.55.1) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	39	`Numeric input
To be implemented	0	0
Implementation commenced	0	0
Implemented	296	224000
Not to be implemented	150	`Numeric input

[Fixed row]

(7.55.2) Provide details on the initiatives implemented in the reporting year in the table below.

Row 1

(7.55.2.1) Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

(7.55.2.2) Estimated annual CO2e savings (metric tonnes CO2e)

224000

(7.55.2.3) Scope(s) or Scope 3 category(ies) where emissions savings occur

Select all that apply

Scope 1

Scope 2 (market-based)

(7.55.2.4) Voluntary/Mandatory

Select from:

Voluntary

(7.55.2.5) Annual monetary savings (unit currency – as specified in C0.4)

67900000

(7.55.2.6) Investment required (unit currency – as specified in C0.4)

57000000

(7.55.2.7) Payback period

Select from:

<1 year

(7.55.2.8) Estimated lifetime of the initiative

Select from:

16-20 years

(7.55.2.9) Comment

The energy efficiency program of our integrated steel site in Salzgitter (Salzgitter Flachstahl GmbH) is an ongoing approach to systematically increase the energy efficiency of the site by technical measures. 296 individual measures are already implemented by the end of 2023.

[Add row]

(7.55.3) What methods do you use to drive investment in emissions reduction activities?

Row 1

(7.55.3.1) Method

Select from:

Financial optimization calculations

(7.55.3.2) Comment

The basis for measures designed to reduce emissions that go beyond legally prescribed targets is formed by a feasibility study. On the basis of these financial feasibility studies the management decides whether to implement a measure or not.

Row 2

(7.55.3.1) Method

Select from:

Compliance with regulatory requirements/standards

(7.55.3.2) Comment

As soon as measures on reducing emissions are prescribed under the law, these are naturally implemented. The Code of Conduct applicable to the entire Group is also committed to this. Compliance with legal standards affecting emissions are monitored on an ongoing basis by independent third parties through established management systems in many Group companies largely certified in accordance with ISO 50001 and ISO 14001. Within these management systems, not only the compliance with law is ensured, but also energy efficiency measures are investigated and implemented systematically.

[Add row]

(7.65) Disclose your organization's best available techniques as a percentage of total plant capacity.

Blast furnace: Injection of pulverized coal, biomass or wastes

(7.65.1) % of total plant capacity

100

(7.65.2) Primary reason for not having technique

Select from:

Other, please specify :n.a.

(7.65.3) Comment

Since 2015, SZFG as an operator of integrated iron and steel works, operates a coal pulverizing and drying plant that supplies our blast furnaces with pulverized coal.

[Fixed row]

(7.74.1) Provide details of your products and/or services that you classify as low-carbon products.

Row 1

(7.74.1.1) Level of aggregation

Select from:

- Group of products or services

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

- The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Iron and steel

- Other, please specify

(7.74.1.4) Description of product(s) or service(s)

Peiner Träger GmbH produces long-steel-products based on 100% steel scrap over the EAF-route. By doing so, all products are aligned not only with the substantial contribution criteria of the EU Taxonomy Directive, but also with DNSH- and minimum safeguards criteria.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

- No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

6

Row 2

(7.74.1.1) Level of aggregation

Select from:

- Product or service

(7.74.1.2) Taxonomy used to classify product(s) or service(s) as low-carbon

Select from:

The EU Taxonomy for environmentally sustainable economic activities

(7.74.1.3) Type of product(s) or service(s)

Rail

Other, please specify :Freight rail transport

(7.74.1.4) Description of product(s) or service(s)

Freight rail transport for external customers on mainline networks or secondary freight lines with electrically powered mainline locomotives is aligned with the EU Taxonomy Directive criteria, as long as the transport of fossil fuels is excluded.

(7.74.1.5) Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Select from:

No

(7.74.1.13) Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0.1

[Add row]

C13. Further information & sign off

(13.1) Indicate if any environmental information included in your CDP response (not already reported in 7.9.1/2/3, 8.9.1/2/3/4, and 9.3.2) is verified and/or assured by a third party?

	Other environmental information included in your CDP response is verified and/or assured by a third party
	Select from: <input checked="" type="checkbox"/> Yes

[Fixed row]

(13.1.1) Which data points within your CDP response are verified and/or assured by a third party, and which standards were used?

Row 1

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

Product footprint

(13.1.1.3) Verification/assurance standard

Climate change-related standards

- Other climate change verification standard, please specify :ISO 14040/44 "Environmental management lifecycle assessment principles and framework"

(13.1.1.4) Further details of the third-party verification/assurance process

The Steel Institute VDEh together with its members including Salzgitter Flachstahl GmbH (SZFG) prepared the Life Cycle Assessment study "Steel products of the German speaking steel industry". Along with the LCA method, the Business Assurance Services department of the German institute DEKRA also reviewed SZFG specific LCA product datasets according to ISO 14040/44 "Environmental management lifecycle assessment principles and framework". The Review included the impact category of Global Warming potential in CO2e per kilogram of steel product (product carbon footprint).

Row 2

(13.1.1.1) Environmental issue for which data has been verified and/or assured

Select all that apply

- Climate change

(13.1.1.2) Disclosure module and data verified and/or assured

Environmental performance – Climate change

- Product footprint

(13.1.1.3) Verification/assurance standard

Climate change-related standards

- Other climate change verification standard, please specify :VERIsteel procedure based on DIN EN ISO/IEC 17029

(13.1.1.4) Further details of the third-party verification/assurance process

Based on data from 2018, TÜV SÜD verified the carbon footprint procedures for two process routes for producing strip steel. A comparison of the two baselines shows that switching steel production process from the conventional blast furnace route to the electro-steel route achieves reductions of more than 75 % in the CO2 footprint of slabs and more than 66 % in that of galvanized coils (Scope 1-3).

[Add row]

(13.2) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

(13.2.1) Additional information

Disclaimer: All information provided by Salzgitter AG (hereinafter referred to as “the Company”) within this questionnaire has been thoroughly collected and carefully assessed and is given to the best of the Company’s knowledge. However, it is made clear that the rendered information is neither to be regarded as a statement of facts nor as a binding statement nor as an authoritative forecast issued by the Company, but rather is intended to be a description of the Company’s future objectives based upon both a selection of current facts as well as reasonable estimates, assessments, or projections, all of which may be subject to error, inaccuracy, or change. As a rule, textual information in relation to figures or drawings will be explanatory notes only. In general, figures are based upon estimates and consist of data which have been rounded up and/or simplified. Notwithstanding any prevailing statutory provisions and capital markets law in particular, the Company accepts no obligation to continuously update any forward-looking statements, assessments, or projections, which have been based on the circumstances prevailing on the day of their publication. The Company will not accept any liability whatsoever as to the correctness, accuracy, or timeliness of any information rendered. All information given within this questionnaire shall be for the purpose of usage in connection with the CDP only. Any exceeding or differing usage by CDP or any third party shall be subject to the requirement of prior written consent of the Company.

[Fixed row]

(13.3) Provide the following information for the person that has signed off (approved) your CDP response.

(13.3.1) Job title

Chief Executive Officer of Salzgitter AG

(13.3.2) Corresponding job category

Select from:

Chief Executive Officer (CEO)

[Fixed row]

