

Environmental Policy Statement

Together. For a future that matters.

Respect for the environment is crucial to Swiss Steel Group, our customers, and stakeholders. We consider it our duty as steelmakers to contribute to shaping a greener, more sustainable world.

By using scrap and electric arc furnaces (EAF), Swiss Steel Group's environmental footprint is significantly smaller than that of primary steelmaking using iron ore and coal. Further reducing our environmental impact is nonetheless key to ensuring our competitiveness and success.

We strive for best-in-class standards and our expectations often go beyond local requirements or laws. Common guidelines and rules for the environmental management of our sites' operations are therefore key to providing customers with safe and sustainable products. Swiss Steel Group has implemented an environmental policy the principles of which are laid out below:

Our Environmental Commitment

Decarbonization

- Swiss Steel Group supports the 1.5°C goals of the Paris Agreement and has set ambitious decarbonization targets based on the Science Based Targets initiative (SBTi) framework.
- Achieving these targets will require us to drastically reduce Greenhouse Gas (GHG) emissions in our operations and value chain by 2030 (near term) and 2038 (net-zero) from base year 2021.
- Swiss Steel Group is committed to avoiding investments in fossil-fuel expansion and shifting to renewable and low-carbon energy carriers.

Energy efficiency

- By tracking the energy consumption we benchmark our performance, reduce inefficiencies and identify room for improvement.
- We implement targeted action plans to improve the utilization of our equipment and minimize the waste of heat by optimizing our processes and feeding excess heat into district heating.

Circular economy and waste management

- By replacing primary with secondary materials, retrieving scrap and maximizing recovery of waste we foster the circular economy and strive for the highest possible recycled content in our products.
- Waste that cannot be avoided is collected, recovered or disposed of in an environmentally sound manner.
- We do not export any waste without going through applicable prior information, notification and consent procedures.

Impact on air, water and soil

- We remain within or below all emission limits mandated by law and are committed to continuous monitoring and reduction.
- We regularly challenge and update emergency response plans.
- We strive to minimize our impact on surrounding water bodies by using and extending recirculating water systems or by reducing the amount of withdrawn water.

Sustainable and safe products

- We design steel grades that require fewer alloys, simplify downstream processing, extend product life, and ensure full recyclability and guide our customers in their use.
- Wherever possible we avoid the use of hazardous substances and take measures to prevent such substances from entering our production.

Our Management Principles

Respect for regulatory compliance & certification

- We comply with all applicable environmental laws and regulations and relevant international guidelines and conventions such as Minamata, Basel, Stockholm and the Dodd-Frank Act.
- All our Production Assets have environmental management systems, and our European Production Assets are ISO 14001 certified.

Measuring environmental performance

- We monitor and track relevant metrics systematically and set targets for material environmental topics.
- We assess and reduce the environmental impact of our products throughout the life cycle, starting with their design (eco-design).

Reducing our impact

- We continuously improve through innovation, investments in new technologies, and the active involvement of our employees.
- We evaluate the environmental impact of material investments and the construction of new sites.
- If possible, we avoid impacting the environment.
- Where impacts cannot be fully avoided, we take mitigation measures.
- Where required, we restore impacted environments, including biodiversity aspects.

Engagement and communication

- We communicate transparently and in line with applicable reporting standards.
- Engaging and capacity building with our suppliers and other third parties ensures responsible business practices and replicates our standards in their supply chain.
- We maintain a close and open dialog with local communities and other stakeholders, usually through local management, functional experts or other representatives.

The Swiss Steel Group environmental policy applies to all employees of Swiss Steel Companies. It complements applicable environmental laws and regulations. The environmental matters addressed were identified for their significance in regard to our business and the environment. Environmental considerations are integrated in Swiss Steel Group's strategy, decision processes and steering. The CTO, supported by a dedicated team, has overall functional responsibility for all environmental matters. The Audit Committee oversees the Group's sustainability performance and its compliance system. The environmental policy is approved by the Executive Board.



Swiss Steel Group Environmental Policy Statement

Date: August 2024

Status: Public document

Review cycle: Yearly