

## Declaration of Guiding Principles of Buderus Edelstahl GmbH

Buderus Edelstahl GmbH, hereinafter referred to as "Buderus Edelstahl" or "we", is one of the leading manufacturers of high-quality stainless steels and produces tool steel, engineering steel, open-die forgings, closed-die forgings, hot-rolled strip, cold-rolled strip and rolled semi-finished products. Buderus is part of the voestalpine Group with the parent company voestalpine AG based in Linz, Austria. In accordance with the values and principles of the voestalpine Group, we are aware of our comprehensive economic, ecological, and social responsibility in our own business area and in our co-operation with business partners.

Compliance with generally recognised standards with regard to corporate governance, the environment and human rights is crucial to our long-term business success and is therefore an integral part of our business activities. We derive the areas of action for implementing our duty of care from a risk assessment of the core elements of our business activities. They are continuously adapted to new requirements and findings. Our approach is also embedded in the voestalpine Group's sustainability strategy. All obligations, standards and measures derived from this apply to us.

### **We respect internationally recognised human rights.**

In its unconditional commitment to respecting human rights, Buderus Edelstahl relies on the International Bill of Human Rights, the UN Principles on Business and Human Rights and the core labour standards of the International Labour Organisation (ILO). As part of the voestalpine Group, we also support the UN Global Compact (UNGCC) and are committed to its ten principles in the areas of human rights, labour, environment, and anti-corruption.

Respect for the rights of all people is a fundamental maxim of our actions.

### **We care for the environment.**

Buderus Edelstahl is committed to complying with all relevant environmental laws and regulations as well as internationally recognised environmental protection standards. These include the requirements of the international conventions of Minamata (mercury), Stockholm (persistent organic pollutants) and Basel (hazardous waste).

### **We formulate clear expectations of all employees and business partners.**

When fulfilling our human rights and environmental due diligence obligations, we refer to the United Nations Guiding Principles on Business and Human Rights, among other things. We are committed to preventing, where possible eliminating and minimising negative impacts on human rights and the environment as part of our own business activities. We would also like to point out that our business partners (suppliers and customers) should also respect human rights and the environment and fulfil their human rights and environmental due diligence obligations.

The following guidelines implement this requirement:

- The voestalpine Code of Conduct specifies the commitment to upholding human rights and protecting the environment in the "Human Rights, Respect and Integrity" section and in the "Environment and Climate Protection" section. It applies to all employees of the voestalpine Group.  
(<https://www.voestalpine.com/group/en/group/compliance/>)
- Our expectations of business partners are derived from the voestalpine Code of Conduct and are anchored in the binding Code of Conduct for Business Partners. The voestalpine Code of Conduct for Business Partners applies to all suppliers and customers of Buderus Edelstahl.  
(<https://www.voestalpine.com/group/en/group/compliance/>)

To ensure that the above-mentioned guidelines are understood and implemented, we train our employees on the topics of human rights and their implementation in everyday working life and in the supply chain.

Human rights issues and the protection of the environment are included as recurring agenda items in our communication with our business partners.

## **We organise our due diligence based on risk.**

Existing risk management systems and risk analyses as part of our human rights and environmental due diligence obligations help us to understand whether and where human rights or the environment could be at risk at our site and in our supply chains. The risk analysis is updated annually.

## **Due diligence obligations in the supply chain.**

The first step in analysing the risks in our supply chains is a filter system based on country-specific information and industry- and product group-specific risk factors. In this way, we regularly obtain an overview of human rights and environmental risks in our supply chains, which are specifically named in the above-mentioned Codes of Conduct and are accompanied by corresponding expectations regarding their avoidance. A comprehensive risk analysis for the supply chain was last carried out in the 2024 financial year. We applied an approach developed at voestalpine. The application of the filter system helps us to apply testing mechanisms specifically to the suppliers identified and to derive measures for prevention.

In our supply chains, there is a risk of human rights violations in the extraction of raw materials for steel production. In addition, we are aware that risks of human rights violations can also occur in the global supply chains of other (indirect) materials we use. However, Buderus Special Steel is not aware of any human rights violations in its own supply chains – as far as they can be traced back to their origin. We are working to increase the transparency of our supply chains to assess these risks better, and continuously improve our duty of care in this regard. Based on the risk filter, our next step is to ask our business partners for specific evidence of how they fulfil the requirements of our Code of Conduct for Business Partners. We also support business partners in implementing our requirements. We are also involved in various initiatives such as the Responsible Steel Initiative together with other stakeholders within the voestalpine Group. In this way, we endeavour to prevent human rights and environmental violations by our business partners in suitable time.

Where necessary, we or third parties implement checks to ensure the careful implementation of any improvement measures. This requires the cooperation and collaboration of our business partners. If we identify human rights and environmental violations, we will intervene consistently and take suitable and appropriate remedial measures in accordance with the severity of the respective violations to end or at least minimise the violations. These remedial measures may ultimately lead to the suspension or termination of the supply relationship.

## **Duty of care at our own site**

In order to fulfil the due diligence obligations at our own site as well, we are expanding our risk management approach for Buderus Edelstahl's own business area in parallel with our approach along the supply chains. As part of this, we first carry out a comprehensive risk analysis in order to identify and assess the risks for our site as defined by the Supply Chain Due Diligence Act (SCA) and determine any need for action. If we identify new significant risks, we will initiate appropriate preventive measures in the fiscal year 2024/2025. If a human rights or environmental risk materialises, we will take action to put an end to it promptly using tailored solutions. Employees who deliberately commit violations of the Employee Code of Conduct are already facing consequences under labour law and, if necessary, civil, and criminal law.

We have made it our mission to prevent human rights and environmental violations at our site to the best of our knowledge and belief. In the future, we will continue to work on adapting and continuously developing our risk management on the basis of our experience. We will continue to update this policy statement in line with these adjustments and further developments.

## **voestalpine whistle blower system**

Within the voestalpine Group, there are various ways to report risks and violations relating to the environment and human rights that affect our own business operations or our supply chains. Information obtained from whistle blowers helps us to recognise human rights and environmental risks and violations at an early stage, thereby preserving our values and preventing damage to our company, our employees and our business partners.

Employees, business partners and other persons have the opportunity to report violations anonymously via voestalpine's web-based whistle blower system at <https://www.bkms-system.net/voestalpine>. The web-based whistle blower system enables reporting in various languages. Further channels are listed at <https://www.voestalpine.com/group/en/group/compliance/reporting-misconduct/>.

The reports that are viewed and received are promptly forwarded to the responsible departments for review. Employees who report violations of laws, the Code of Conduct or other internal guidelines and regulations in good faith will not be subject to reprisals or negative consequences of any kind.

## **We report regularly on our activities**

From 2024, we will report annually on the fulfilment of our human rights due diligence obligations in a separate report in accordance with the Supply Chain Due Diligence Act. The report will be published on our website. The voestalpine Group publishes the sustainability strategy, the overarching human rights approach and the Group's measures in the annual Corporate Responsibility Report.

## **We take responsibility**

The management of Buderus Edelstahl is responsible for implementing and complying with the human rights and environmental due diligence obligations described in this declaration.