



SUSTAINABILITY
REPORT
2023

HIGHEST CORROSION PROTECTION WITH LOWEST CO₂ EMISSIONS

For more than 150 years, the name Wuppermann has stood for quality in the processing and finishing of steel. Since its founding in 1872, the medium-sized family business has pursued a strategy of long-term, sustainable growth and consistent value creation in the interests of its customers, employees, and shareholders. Today, Wuppermann is the innovation leader in strip galvanizing and offers the highest corrosion protection with the lowest CO₂ emissions.

Across Europe, the Wuppermann Group has around 800 employees at five production sites in the Netherlands, Austria, Poland, and Hungary as well as in holding and sales companies in Germany, Austria, France, Sweden, and Romania. It is managed by Wuppermann AG as a holding company based in Leverkusen, which is 100 % family-owned.

The product portfolio includes surface-finished flat steel products with zinc, zinc-magnesium coatings and pickled surfaces, as well as tubes, profiles and tube components with the same surface types. Wuppermann products are used in a wide variety of industries: construction, furniture and the automotive industries, solar and energy technology, as well as in the transport sector.

As an independent family business, we want to continuously develop Wuppermann through sustainable and future-oriented action and position ourselves as a specialised company with excellent customer service in the steel industry.

// MISSION STATEMENT

Striving for long-term growth and financial stability

As a medium-sized family business with tradition, quality is our top priority. This applies in particular to the cooperation with our customers and suppliers as well as to our products.

We aim for long-term growth and financial stability.

Our goal is to secure our position as a leading manufacturer of hot-dip galvanized hot-rolled strip in Europe - as the problem solver for the highest corrosion protection requirements on a flat steel basis without CO₂ emissions. In addition, we want to strengthen our niche position as steel tube and profile producer.

Reduce CO₂



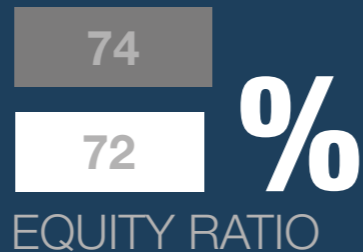
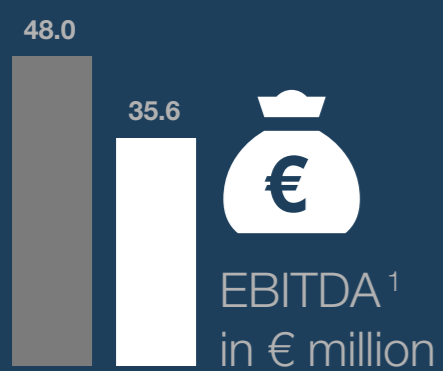
STEEL | ENVIRONMENT
PROTECTION

PROTECTION is the unifying element of our two core concerns, which we express in our mission statement: PROTECTION in the sense of the durability of STEEL through our top-quality galvanizing. PROTECTION in the sense of preserving the ENVIRONMENT, because our process emits far less CO₂ than the market standard.

Avoid CO₂

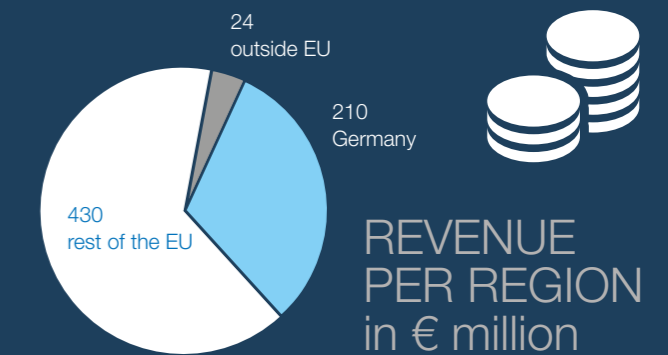
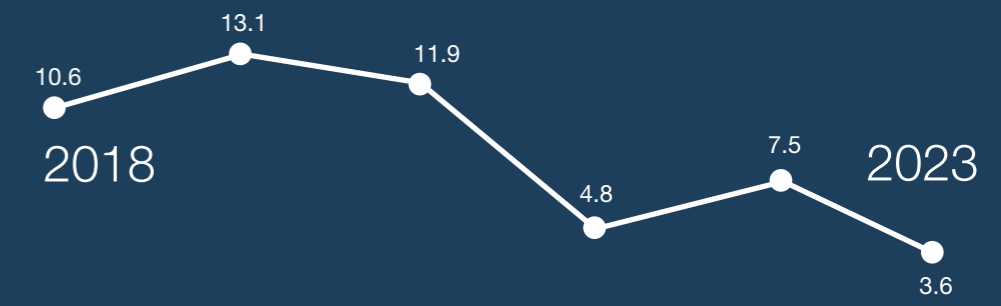
// WUPPERMANN AT A GLANCE

2022 | 2023



OCCUPATIONAL SAFETY LTI RATE

Occupational accidents with a loss of time of more than one shift per 1 million hours worked



PRODUCTION SITES



1) Earnings Before Interest, Taxes, Depreciation and Amortisation (operating profit + depreciation)
 2) 1A & declassified, excluding scrap and intercompany
 3) Total active & inactive employees (headcount) as of 31 December

// SUSTAINABILITY REPORT

Introduction

As a family business with more than 150 years of tradition, we feel particularly committed to future generations. At Wuppermann, we understand sustainability as a form of ecological and economic action that ensures comparable or better living conditions for present and future generations. Since 2019, we have regularly reported on the goals, measures and implementation status of our sustainability strategy as part of the Annual Report. The Wuppermann Group is not currently subject to any non-financial reporting requirements. In accordance with the EU's Corporate Sustainability Reporting Directive (CSRD), Wuppermann will be required to provide non-financial reporting for the first time for the 2025 reporting year. Nevertheless, our structure is already based on the European Sustainability Reporting Standards (ESRS). Consequently, the report is divided into the areas of Environment & Climate, Social Affairs and Corporate Governance. Furthermore, we are guided by the double materiality principle. Accordingly, we focus on reporting on sustainability aspects on which Wuppermann's business activities have an impact or which have an impact on Wuppermann's business activities.

In addition to implementing our sustainability strategy, the focus in 2023 was on establishing internal reporting systems and further creating transparency in the area of sustainability. This will also be a key focus for 2024. We consider 2018 to be the base year and report all progress in relation to the base year 2018.

Last year, the Wuppermann Group received comprehensive ISO certifications for quality, environment, occupational safety, and energy management.

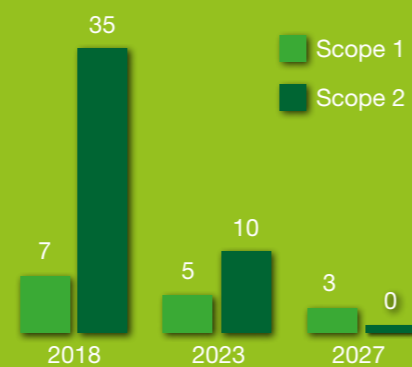
Environment & Climate

CLIMATE CHANGE

Wuppermann galvanizes flat steel products using the so-called "heat-to-coat" process. In 2022, the Fraunhofer Institute for Environmental, Safety and Energy Technology UMSICHT was commissioned to re-examine this process in comparison to conventional galvanizing processes based on fossil fuels. The findings have been available since the beginning of 2023. The results show that the measures taken in recent years are having an effect. The carbon footprint of the galvanizing process has been further reduced and is now up to 54% below the market standard. One of the main reasons for

the very low figure is the switch to electricity from renewable sources, in addition to many measures to reduce specific energy consumption. The tube mills were also included in the study and here, too, it can be seen that access to electricity from renewable sources is a prerequisite for low CO₂ values, which is why the Austrian sites perform better than the production site in Poland. A market comparison could not be carried out in this segment as comparison figures are not currently available.

The Wuppermann Group had to adjust its ambitious target of reducing all Scope 1 and Scope 2 emissions attributable to the production process to



Progress and forecast of CO₂ reduction:



Locations procuring green power



Wuppermann Metalltechnik GmbH, Altmünster, Austria



Wuppermann Austria GmbH, Judenburg, Austria



Wuppermann Staal Nederland B.V., Moerdijk, Netherlands

0 by 2025 over the course of the year. The economic and political framework conditions did not allow for some of the necessary measures to achieve this goal. In particular, measures to substitute natural gas in auxiliary units are not yet economically viable. Our sustainability strategy now envisages achieving this goal by 2027. All other Scope 1 and Scope 2 emissions are to be eliminated by 2030. We remain committed to this goal. The prerequisite for achieving both of these goals is that framework conditions exist in the coming years that allow the sometimes very long amortisation periods of the investments required in this context to be economically justifiable.

Installed nominal capacity (2023):

approx. **4,700** kWp/p.a.

Self-generated electricity

approx. **3,650** MWh/p.a.

Key measures to avoid Scope 1 and Scope 2 emissions include

- // use of electricity from renewable sources,
- // reduction in energy consumption per ton,
- // realisation of a gas-free production process and
- // replacement of gas heating systems.

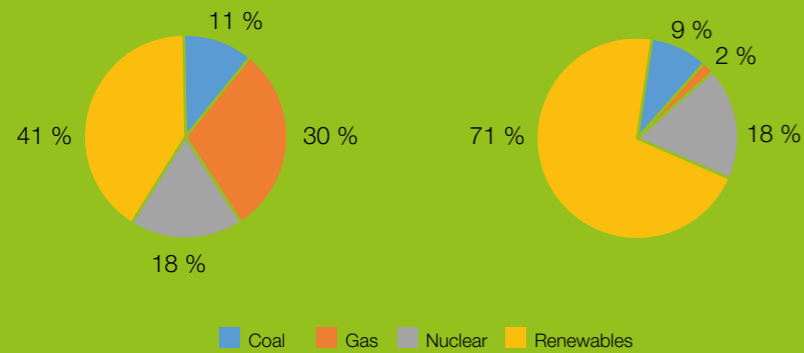
Scope 1 emissions are the CO₂ emissions that are generated directly on site at the Wuppermann Group's operating sites through the combustion of fossil fuels. In our case, the production process mainly uses natural gas and also diesel or petrol for company vehicles. Scope 2 emissions are CO₂ emissions that occur in the generation of the electricity we use.

The use of electricity from renewable sources is the biggest lever for reducing CO₂ emissions in the Group. The purchase of such electricity at our sites in the Netherlands and Austria plays a significant role in improving our Scope 2 footprint.

The first expansion stage of the company's own electricity generation from renewable energies was also completed in 2023. Photovoltaic systems have now been installed at every production site and at the company headquarters in Leverkusen. The total nominal output of the six systems was around 4,700 kWp in 2023. A total of approx. 3,650 MWh of electricity was generated, 99% of which was consumed by the company itself, with the remainder being fed into the grid.



Electricity mix 2018 Electricity mix 2023



However, the main share of CO₂ emissions is generated in the steel-producing industry, which also accounts for the majority of value creation in the supply chain. These Scope 3 emissions, which are generated in the production of our primary materials, exceed the emissions caused directly by Wuppermann many times over at approx. 1,350 kt CO₂-eq. In this respect, it is essential for Wuppermann as a steel processing company to influence steel manufacturers in the upstream stages of the value chain to also pursue ambitious sustainability goals. Due to the greater complexity of the steel production processes compared to the processing methods at Wuppermann, the reduction of Scope 3 emissions will take longer than the complete avoidance of Scope 1 and 2 emissions. Currently, the supply of CO₂-reduced steel in Europe is still very limited and subject to high surcharges. However, the first quantities of physically CO₂-reduced steel have already been procured for the WTopCarb product. Wuppermann regularly communicates with existing suppliers about the progress of the measures and keeps itself informed about the various projects within and outside Europe to create new, green steel production capacities. The launch of the WTopCarb 2023 product was a milestone for the sustainability strategy and a first step towards reducing the Wuppermann Group's Scope 3 emis-

sions. The Wuppermann Group has set itself the target of reducing Scope 3 emissions by 30 % by 2035. The prerequisite for this is that the announced capacities for green steel are created and the market accepts the surcharges.

At Wuppermann, WTopCarb stands for a galvanized hot-rolled strip with a physical reduction of the carbon footprint to a value of less than 1 t CO₂-eq./t of galvanized hot-rolled strip.

WATER AND MARINE RESOURCES

Healthy rivers, seas and coasts ensure our survival and preserve the livelihoods of all people. The many challenges in the protection and sustainable use of the oceans lie in renaturalisation. Any type of pollution that is discharged into water bodies by industrial companies in the form of wastewater poses a threat. Water is required in very large quantities in industry, particularly for cooling or cleaning purposes.

The "heat-to-coat" process at Wuppermann primarily requires water to cool the belt temperature. When discharging into watercourses, Wuppermann strictly observes the legally required framework conditions. To be able to guarantee this, our galvanizing sites have high-performance water treatment plants and analysis systems.

RESOURCES AND CIRCULAR ECONOMY

Raw materials such as ore, steel, and zinc are scarce resources that are extracted at great expense. This makes it all the more important to use these resources sparingly and to return them to the material cycle. It helps that steel is 100 % recyclable. However, Wuppermann also keeps an eye on all process-relevant raw materials and supplies with the aim of ensuring that all materials that are not supplied to our customers as products are completely recycled. The recycling rate at the two large galvanizing sites is already over 99%. The remaining waste is systematically analysed for recyclability on a recurring basis.

ISO CERTIFICATIONS ENVIRONMENT & ENERGY

By fulfilling the ISO 14001 standard for the entire Group in 2023, Wuppermann is underlining the company's commitment to a responsible approach to environmental aspects and sustainability in its business processes. The ISO 50001 certification also recognises the Group's commitment to efficient energy management and reducing its environmental footprint.

Social affairs

In more than 150 years of entrepreneurship, responsible behaviour towards our employees, who are essentially responsible for and ensure the long-term success of our company, has become firmly anchored in our corporate culture. The following voluntary commitments are therefore documented in the Wuppermann Code of Conduct:

- // exclusion of forced labour,
- // prohibition of child labour,
- // fair pay,
- // fair working hours,
- // freedom of association,
- // prohibition of discrimination,
- // health protection; safety at work,
- // establishment of grievance mechanisms,
- // avoidance of conflict minerals.

The Code of Conduct is based on national laws and regulations as well as international conventions, such as the United Nations Universal Declaration of Human Rights, the Guidelines on the Rights of the Child and Business Conduct, the United Nations Guiding Principles on Business and Human

Rights, the international labour standards of the International Labour Organisation and the United Nations Global Compact.

OUR EMPLOYEES

In addition, Wuppermann AG has signed the Diversity Charter. By signing this agreement, Wuppermann is making a voluntary commitment to diversity management and to ensure that it is practised in everyday business life. The aim of the Diversity Charter is to create a working environment for employees in which everyone is valued and supported equally, regardless of nationality, ethnic origin, gender identity, religion or ideology, disability, age or sexual orientation.

Health protection and safety in the workplace, i.e. the integrity of employees, is a top priority. Occupational safety is therefore to be continuously improved with the aim of reducing the accident rate to zero. The business units and each operating company of the Wuppermann Group are responsible for occupational safety. Occupational safety is measured using the "LTI

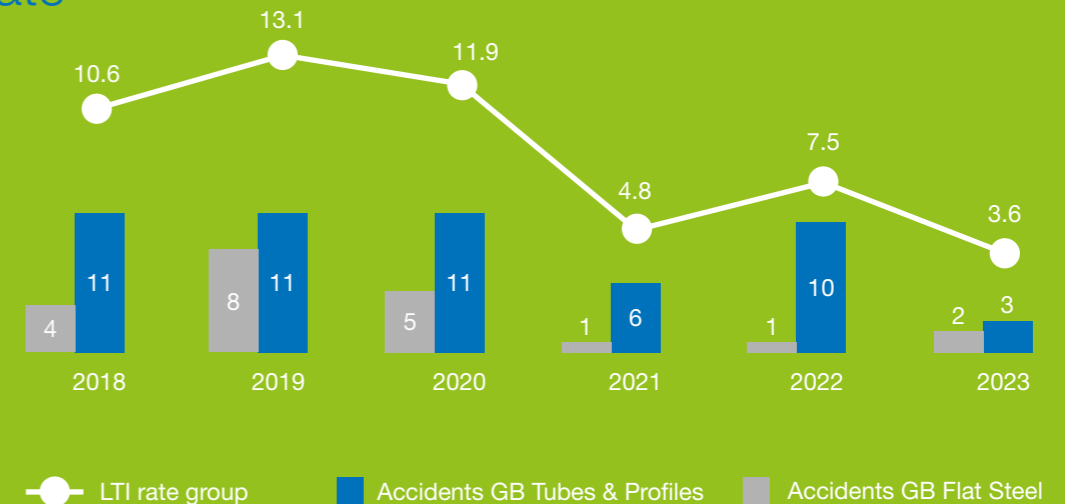
rate" indicator. LTI stands for Lost Time Injury and records accidents at work with more than one shift lost per 1 million hours worked. The LTI ratio is one of three strategic key figures used to manage the Group. The strategic target is an LTI ratio of 0.

The ISO 45001 certification now received confirms the Wuppermann Group's efforts and commitment to ensuring a safe and healthy working environment for all employees.

EMPLOYEES IN THE VALUE CHAIN

The Wuppermann Group expects the same behaviour and the same high standards in dealing with its employees from all suppliers. Suppliers are manufacturers and dealers as well as their upstream suppliers of goods and services of all kinds and logistics service providers. The voluntary commitments that Wuppermann has imposed on itself are also supported by our suppliers. All major suppliers have either signed the Wuppermann Group's Code of Conduct or have submitted a similar voluntary commitment of their own.

LTI rate



Corporate Management

Corporate governance at Wuppermann AG stands for responsible and value-creating corporate management and control in the long term and applies to all company companies. It serves as the basis for transparent corporate action and thus also for the confidence of shareholders, employees, business partners, and the public in the company. Wuppermann AG is a family business, but also a public limited company with high legal requirements regarding the principles of corporate management. In addition, for Wuppermann the traditions, values and interests of the entrepreneurial family - which is currently not operationally active in the company - are an integral part of entrepreneurial activity and corporate identity.

ORGANISATION OF THE SHAREHOLDER FAMILY

The Wuppermann family of shareholders currently consists of 99 shareholders. Members of the shareholder family are all natural persons who are shareholders, as well as their life partners, descendants (including by adoption), and children who have a parental relationship with a shareholder. According to the definition in the articles of association of Wuppermann AG, family members are the descendants (also by adoption) of the company founder Heinrich Theodor Wuppermann. The basis of the actions of the shareholder family and the executive bodies of Wuppermann AG is cross-generational sustainability in the economic, ecological, and social sense. The focus here is particularly on environmental protection. In the medium term, the company wants to operate on a climate-neutral basis. However, the aim is also to sustainably secure and increase the community's asset value in the long term. The shareholder family exercises its shareholder rights at the Annual General Meeting. In a family charter and in the articles of association of Wuppermann AG, the entrepre-

neurial family sets out its values, its self-image and its relationship to the company. In 2010, a Family Shareholder Council (FAR) was created. This acts as a communicative link between the shareholders themselves and between the shareholders on the one hand, and the official bodies of Wuppermann AG on the other. The committee currently consists of ten members of the Wuppermann family.

COMPOSITION OF THE BODIES

The shareholders authorise a nomination committee to draw up proposals for the composition of the Supervisory Board. If members of the shareholder family are active in the Management Board, the majority of the Supervisory Board will be non-family members. The shareholder family must be represented on the Supervisory Board by at least one person. If the Management Board is made up exclusively of non-family members - which has been the case since 2019 - a family member should be elected as Chairman of the Supervisory Board if possible. The Chairman of the Supervisory Board shall discuss possible candidates in the Supervisory Board in good time before a meeting of the Nomination Committee and submit corresponding proposals to the Nomination Committee for discussion. The Supervisory Board currently consists of six members. The members are each appointed for five years. The Management Board is appointed by the Supervisory Board, as is customary for stock corporations. The decision on the appointment or dismissal of a family member to or from the Management Board should be made by the non-family members of the Supervisory Board together with the Chairman of the Supervisory Board. If a member leaves the Management Board, he or she may move directly to the Supervisory Board, but may only run for the position of Chairman after two years.

INFORMATION OF THE SHAREHOLDER FAMILY

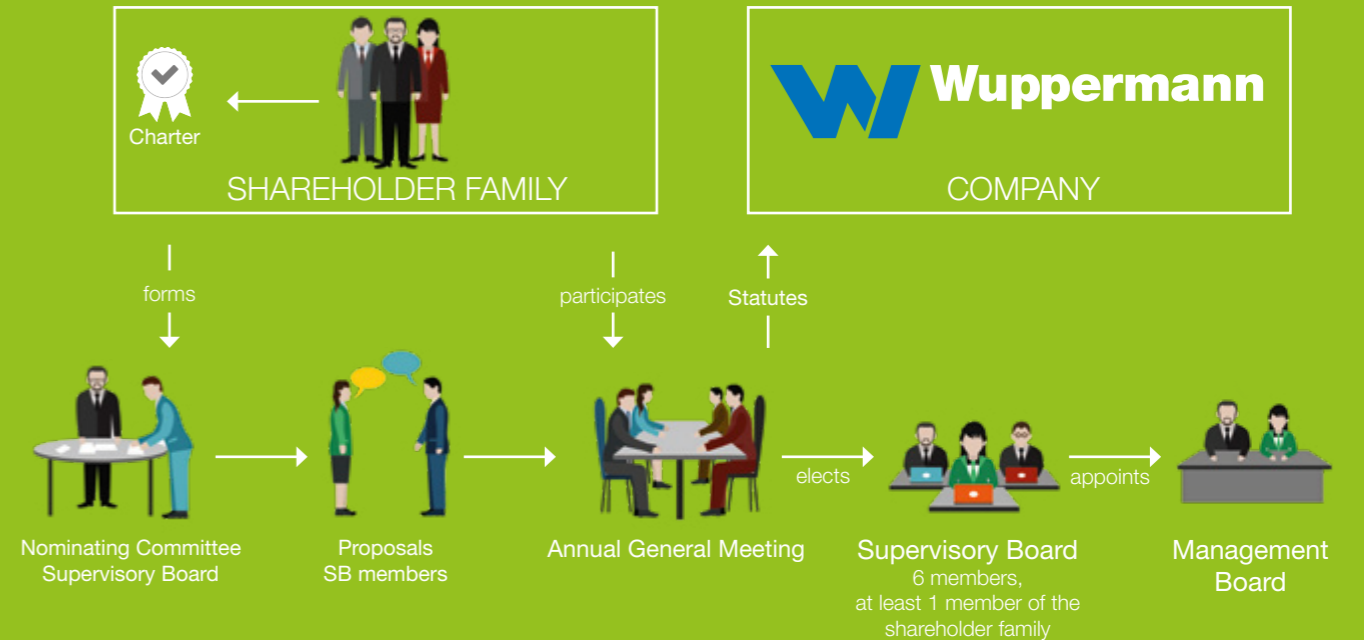
Written information is provided to the shareholders by Wuppermann AG on a quarterly basis. Comprehensive reporting takes place at the Annual General Meeting and once a year at an information event.

WORKING METHODS OF THE SUPERVISORY BOARD

The minimum number of meetings of the Supervisory Board is determined by Article 110 of the German Stock Corporation Act. In addition, the Supervisory Board must be convened if this appears necessary in the interests of the Company or the Management Board of a Supervisory Board members requests one in writing stating the purpose and reasons for convening it. Five Supervisory Board meetings were held in the 2023 financial year.

WORKING METHODS OF THE MANAGEMENT BOARD

Management Board meetings are held regularly, if possible fortnightly, as meetings or video conferences. In the 2023 financial year, 21 board meetings were held. The Management Board is represented to the public and shareholders by the Spokesperson of the Management Board. Regular reporting to the shareholders and the Supervisory Board is generally carried out jointly by the Management Board. The Management Board uses the following main instruments to manage and control the business units, subsidiaries and holding companies:



- // Monitoring risks using a structured risk management system that takes into account the probability of occurrence and the potential economic impact of individual risks,
- // Development and implementation of the Group's strategy,
- // Establishment of a continuous improvement program,
- // Regulation of the reporting obligations and authorisation requirements of the Group companies,
- // Issuing and implementing (Group-wide) guidelines, in particular on compliance, data protection, information security, accounting and employee matters such as company cars and teleworking,
- // Definition of the Group's management principles,
- // Obligation of all Group companies to prepare an annual plan for sales, income statement, balance sheet, investments, cash flow and personnel,

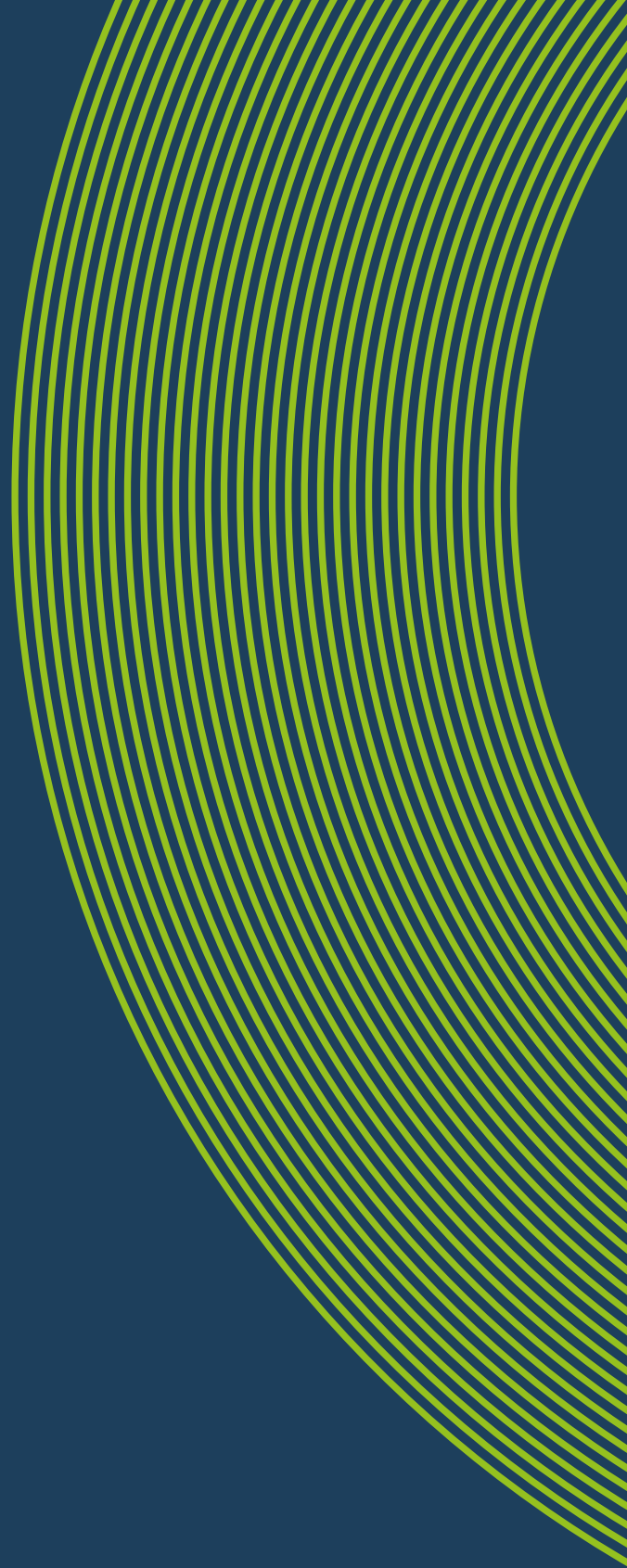
- // Carrying out a monthly performance review of all operating Group companies, taking control measures as required,
- // Revision of the planning for the current financial year twice a year in the so-called 1st and 2nd quarter forecast
- // Agreement on targets and determination of a performance-related remuneration component for the managing directors and senior executives of the Group companies.

CORPORATE COMPLIANCE

The Management Board achieves compliance with and implementation of the relevant statutory provisions and internal corporate guidelines within the scope of the entrepreneurial activities of the Wuppermann Group and its companies, in particular by:

- // Issuing and implementing the compliance guideline and regularly reviewing and, if necessary, adapting it to changes in legal provisions and compliance training,
- // Establishment of an information chain from the employee to line managers, managing directors and the Group's compliance officer,
- // Possibility of direct contact with the Compliance Officer for all employees and implementation of whistle-blower protection,
- // Increasing employees' willingness to report concerns by handling them confidentially and providing an internal compliance reporting address, and
- // Regularly analyse compliance risks in the Group.

The Compliance Officer is the Spokesman of the Management Board.



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