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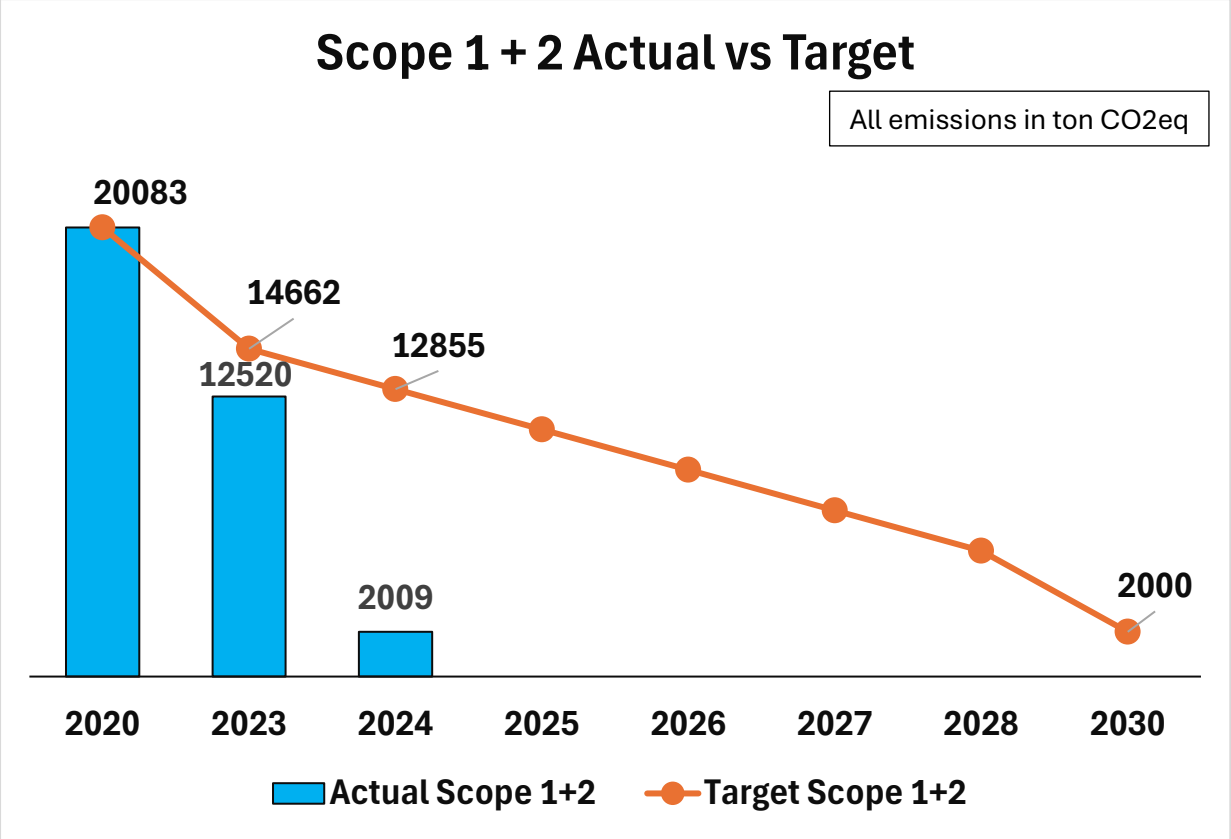
GHG PERFORMANCE REVIEW REPORT

2024

Report written under Sustainability Department

Greenhouse-Gas (GHG) Performance Review – Scope 1 + 2



(baseline year 2020)

Year	Actual emissions(t CO_2e)	Target emissions(t CO_2e)	Δ vs Baseline	Δ vs Target†
2020	**20 083**	20 083 (baseline)	–	–
2023	**12 520**	14 662	**-37.7 %**	**-14.6 %**
2024	**2 009**	12 855	**-90.0 %**	**-84.4 %**
2030	–	**2 000**	–	–

†Negative values = out-performance (actual below target).

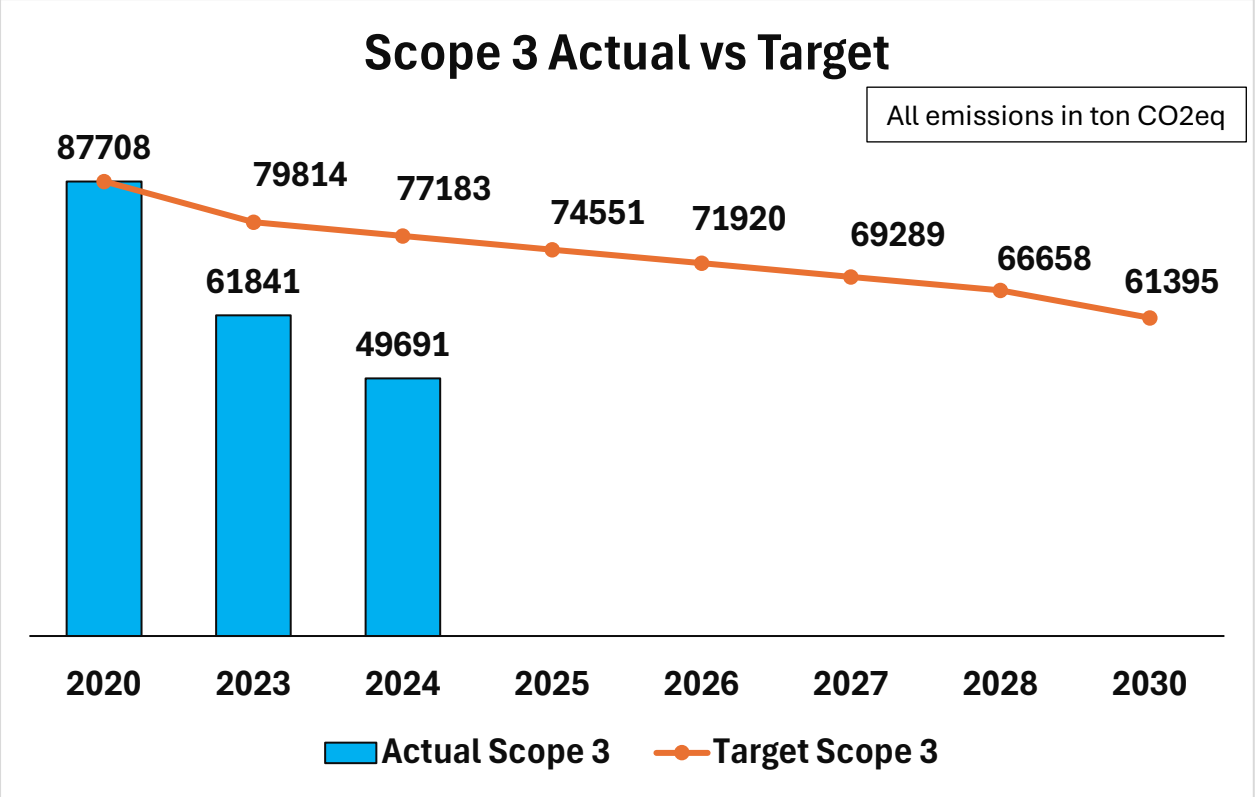
Key take-aways

1. **Sharp, front-loaded reductions.**

- Emissions have fallen from 20 083 t CO_2e in 2020 to just 2 009 t in 2024—a **90 % cut in four years**.

2. **Ahead of the science-based glide-path.**
   - The 2023 target called for 14 662 t; actual emissions were already **15 % lower**.
   - In 2024 the organisation effectively **reached its 2030 goal (≈2 000 t) six years early**, outperforming the interim 2024 target by **84 %**. This was due to the purchase of 100% renewable electricity
3. **Remaining runway is now about consolidation, not further absolute cuts.**
   - The published target line continues to slope gradually from ~13 k t in 2024 down to 2 000 t in 2030.
   - Since the 2030 level has been met, the focus should shift to:
     - **Maintaining** the low-emission footprint (avoiding rebound as operations grow).
     - **Validating** the underlying data and any residual Scope 2 market-based instruments (e.g., RECs, PPAs).
     - **Exploring next-step ambitions** (e.g., net-zero or absolute-zero before 2030, or expanding the boundary to Scope 3).
4. **Risk & opportunity signals.**
   - **Positive:** Surpassing targets enhances credibility with investors, customers and regulators; creates headroom for future growth; and positions the company as a sector leader.
   - **Caution:** Rapid drops of this magnitude often stem from one-off actions (asset divestments, green-power procurement, etc.). Sustained verification and transparent reporting are essential to ensure reductions are permanent and not simply displaced.

Greenhouse-Gas (GHG) Performance Review – Scope 3



(baseline year 2020; demand-driven update)

Year	Actual emissions(t CO_2e)	Target emissions(t CO_2e)	Δ vs Baseline	Δ vs Target†
2020	**87 708**	87 708 (baseline)	–	–
2023	**61 841**	79 814	**-29 %**	**-23 %**
2024	**49 691**	77 183	**-43 %**	**-36 %**
2030	–	**61 395**	–	–

†Negative values = out-performance (actual below target).

What's really driving the drop?

- **Lower production volumes, not structural decarbonisation.**
  - A contraction in market demand led to output cuts in 2023-24.
  - Stainless steel – which represents **≈46 % of total Scope 3 emissions** through its upstream production – fell sharply with the reduced throughput.
  - Other value-chain categories moved only marginally; the headline decline is therefore **activity-based**, not efficiency-based.

Key implications

Positive signals	Watch-outs
• Interim targets are comfortably beaten (by 22-36 %). • Demonstrates the inventory can respond quickly to production changes, confirming robustness of the activity-based methodology.	• **Rebound risk**: emissions will rise again if demand – and stainless-steel consumption – recover.

Priority actions for 2024-30

1. **Target stainless-steel hotspot (46 % of Scope 3)**
   - Engage mills on green-steel pathways (near-zero, scrap-based EAF, renewable power).
   - Explore material efficiency and lightweighting in product design to decouple emissions from volume.
2. **Embed supplier-engagement levers before demand rebounds**
   - Climate clauses in contracts, joint R&D on low-carbon stainless steel,.
3. **Transparent communication**
   - Acknowledge the demand effect in external reporting and outline the plan to secure *permanent* reductions regardless of market conditions.

Executive summary

The organisation has **out-performed its 2030 Scope 3 target six years early**, but the gain stems chiefly from lower production volumes amid a demand downturn, which cut stainless-steel consumption (46 % of Scope 3). To convert this temporary dip into a sustainable trajectory aligned with a 1.5 °C pathway, the company must now focus on structural levers—particularly decarbonising its stainless-steel supply chain—and adopt metrics that hold up when demand returns.

This GHG Performance review has been thoroughly reviewed and approved by

Signed by:
Christian Oberlechner
Vice President Engineering, Procurement, Quality and Sustainability
23/05/2025