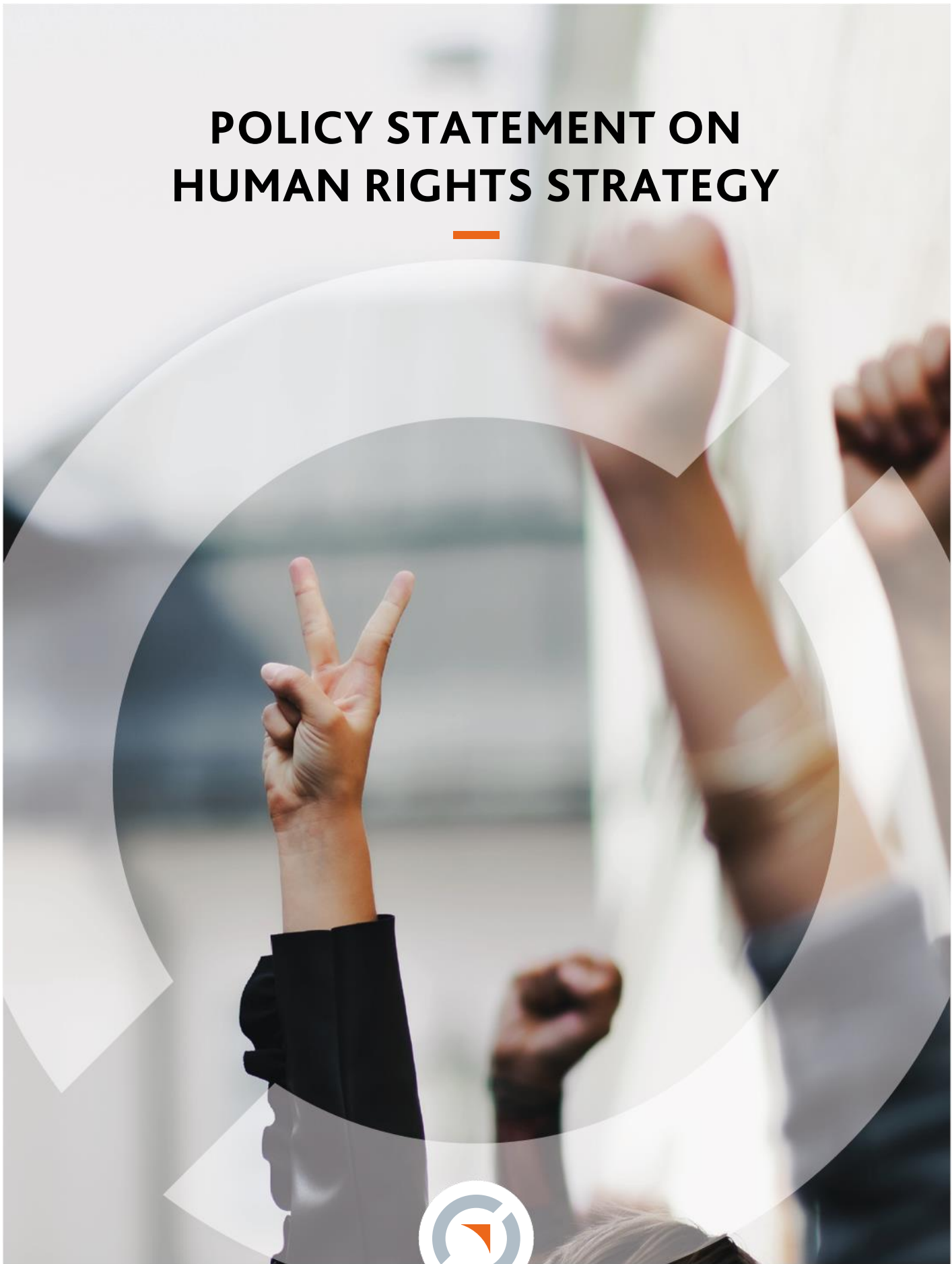


# POLICY STATEMENT ON HUMAN RIGHTS STRATEGY



**SALZGITTER  
FLACHSTAHL**

A Member of the Salzgitter Group

## Human Rights

Respect of internationally recognized human rights is a matter of course for us.

Salzgitter Flachstahl GmbH in Salzgitter produces up to 4.7 million tons of crude steel per year. The production of steel products, the procurement of the necessary raw materials, goods and the exchange of goods as well as services both throughout the Group and with suppliers and customers are an essential part of our economic activities.

Being the biggest subsidiary in the Salzgitter Group, as Salzgitter Flachstahl GmbH, we are integrated in the supply chain management system of the Salzgitter Group. Therefore, the principles of conduct enshrined in the [Salzgitter Group's Code of Conduct](#) also apply to all our employees. These principles are at the core of our corporate culture and at the same time represent binding guidelines for the actions of all Group employees. The respect of internationally recognized human rights is an essential component of these rules. Consequently, in the past, we have already aligned ourselves with the National Action Plan "Business and Human Rights" (NAP) of the Federal Republic of Germany with regard to corporate diligence in respecting human rights.

Our goal is to also strengthen and solidify this understanding with all of our suppliers and in this way work towards the respect of human rights along the entire supply chain.

### Identification - Prevention - Remedy

In order to achieve this goal, it is essential to learn about the risks associated with the respect of human rights in connection with our economic activities. Our employees are provided with the necessary knowledge through e-learning and classroom training to better identify human rights and environmental risks<sup>1</sup> in the supply chains and to react appropriately. All operating Group companies report once a year on the human rights situation in their own business areas and on any risks concerning the respect for human rights at their suppliers that have become known.

All direct suppliers are screened for human rights and environmental risks by way of uniform Group-wide risk indicators. This risk analysis is conducted at least once a year and also on an ad hoc basis, for example if there are indications of a significantly changed or expanded risk situation, for example as a result of current market information or prompted by reports to the whistleblower system of the Salzgitter Group.

The ["FAIR TOGETHER" whistleblower system](#) provided by the Salzgitter Group offers all our employees, business partners and anyone else impacted by the economic activities of the Salzgitter Flachstahl GmbH or its suppliers the opportunity to point out circumstances in connection with the economic activities of the Salzgitter Flachstahl GmbH or one of its suppliers as a result of which they themselves or other people, the environment, Salzgitter Flachstahl GmbH or other Salzgitter Group companies are harmed, unjustly disadvantaged or natural resources unlawfully harmed and impaired. The whistleblower system established by the Salzgitter Group also encompasses the Salzgitter Flachstahl GmbH and ascertains that we receive all information regarding the economic activity of the Salzgitter Flachstahl GmbH, to adopt appropriate measures.

We encourage our direct suppliers' efforts to ensure the respect of human rights in their own companies and among their suppliers. To this end, we positively assess the willingness of our direct suppliers to commit to meeting our expectations in terms of lawful conduct and respect for human rights, as well as the recognition of the Supplier Code of the Salzgitter Group in our award decisions.

Any violations of human rights that have occurred or are imminent must be reported immediately to the compliance management of the Salzgitter Group. We shall take appropriate remedial action to prevent an infringement, to bring it to an end immediately or to minimize the extent of the infringement.

The effectiveness of the preventive and remedial measures taken and of the whistleblower system is reviewed by us once a year and on an ad hoc basis, among other things by means of risk-based control measures. Our Corporate Audit department of the Salzgitter Group carries out additional random checks.

All results of ongoing and incident-related risk identification and assessment, the preventive measures implemented, and the concepts, progress and results of any remedial action to be taken are documented and reported to the compliance management of the Salzgitter Group. In the same manner as the results of our risk analysis, they are incorporated in condensed form into the Salzgitter Flachstahl GmbH Supply Chain Report.

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<sup>1</sup> Unless explicitly stated otherwise, human rights and environmental risks are those within the meaning of the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains (Lieferkettensorgfaltspflichtengesetz - LkSG).

## Risks and expectations

In 2022, a task force of the Salzgitter Group subjected the Salzgitter Flachstahl GmbH as well as all other operating Group companies and all active suppliers to a review with regard to human rights and environmental risks. This risk analysis has already been oriented towards risks for legal positions within the meaning of the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights Violations in Supply Chains (Lieferkettensorgfaltspflichtengesetz).

Country risks and product group risks were used as risk indicators for this audit. In addition, current market information was included in the risk identification. The data obtained was processed by way of analysis software. In addition, defined suppliers took part in an assessment designed to identify human rights and environmental risks in the business units of the suppliers included, as well as in their respective supply chains.

Based on the results of our risk review, we did not identify any specific infringements or violations of human rights-related or environmental obligations either in our own business unit or at our suppliers.

The risk assessment has shown that human rights or environmental risks are primarily to be expected along our supply chains that extend to suppliers in regions with higher country risks and/or higher product group risks, as well as in particularly complex supply chains whose participants are partially unknown to us.

In addition to the Code of Conduct and the Group Guidelines of the Salzgitter Group, which also contain mandatory code of conduct for the employees of the Salzgitter Flachstahl GmbH, our internal guidelines set out in concrete terms the Executive Board's expectations of the behavior of all employees. As members of the Executive Board, we ensure that all human rights-related and environmental obligations are observed within the scope of our respective duties and responsibilities. This is also expected from all our employees. The Code of Conduct and the Group Guidelines of the Salzgitter Group also apply to the Salzgitter Flachstahl GmbH and thereby ensure uniform respect of human rights throughout the Salzgitter Group and the Salzgitter Flachstahl GmbH.

In order to further reduce human rights and environmental risks in our supply chains independently of the results of a risk analysis, we aim in future to work only with suppliers who recognize the Supplier Code of Conduct of the Salzgitter Group or enter into a comparable contractual arrangement with us, thereby committing themselves, among other things, to address our expectations regarding respect for human rights also with regard to their own suppliers and consequently along the entire supply chain.

We expect all the suppliers throughout the supply chains to adhere to and observe the principles of the United Nations International Labor Organization (ILO), to comply with the prohibitions under the Minamata Convention, the Stockholm Convention (POP's Convention) and the Basel Convention, and to adhere to and observe the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights in order to make a joint contribution to a humane working environment and a sustainable economy in harmony with natural resources. The expectations of Salzgitter AG and the Salzgitter Flachstahl GmbH with regard to suppliers in the supply chain are specified in concrete terms in the [Salzgitter Group Supplier Code of Conduct](#).