



SUSTAINABILITY REPORT 2023

FOUNDATIONS FOR CHANGE

Progress on our path to a sustainable future

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STEEL IS A BEDROCK OF ALMOST EVERYTHING THAT SURROUNDS US TODAY. IT ALSO LIES AT THE HEART OF SO MUCH OF TOMORROW, FROM WIND TURBINES AND SOLAR FARMS TO ELECTRIC CARS AND GREEN CITIES.

HEAVY INDUSTRY WITH A LIGHT TOUCH.

LIBERTY Steel Group (LIBERTY) was founded on the principles of sustainability and social responsibility. Our founding principles continue to light the way, as we strive for the highest Environmental, Social, and Governance (ESG) standards across all our operations. For these reasons I am delighted to introduce this year's Group Sustainability Report.

We highlight our decarbonisation projects and our aims to mitigate the challenges faced by committing to deliver a sustainable future for our business and the people and communities that depend on it.

We have made good progress in our social and governance pillars. But I know that most of our stakeholders will want to understand our plans to reduce greenhouse gas emissions (GHG).

Just a few years ago it was argued that the steel sector didn't need, or couldn't afford, to slash the CO₂ produced in manufacturing metals. Now most accept the view that LIBERTY has always held: the steel industry must move urgently to decarbonise, both for its own survival and for the good of the planet. The imperative now is not whether steel can transition, but how to find solutions

that overcome the undeniable financial challenge, and how to do this at pace.

Cut to the future

Steel is a bedrock of almost everything that surrounds us today. It also lies at the heart of so much of tomorrow, from wind turbines and solar farms to electric cars and green cities. To cut to this future – without CO₂ – we must make radical changes to combine steel recycling, renewable energy and breakthrough technologies such as hydrogen to produce green iron and steel.

This poses a financial challenge. The Boston Consulting Group estimates that eliminating emissions from the global steel industry could require US\$3 trillion of investment*. It is no secret that our industry finds it hard to attract investment capital. Obstacles include high energy costs and inflation, as well as fragmented global policy in carbon pricing and environmental standards. Yet the iron and steel industries continue to pack a financial punch.

Today, revenues from iron and steel are about US\$1.7 trillion annually**. By 2050, as developing countries further urbanise and industrialise, that figure is projected

*Source: Sifma.org **Spherical Insights





BY BEING READY TO ADAPT TO CHANGE, HOWEVER CHALLENGING, WE CAN WIN MARKET CONFIDENCE AND CUT TO A BRIGHT FUTURE FOR OUR INDUSTRY

to pass US\$2.5 trillion*. So, the need to decarbonise is only surpassed by the opportunities for those who lead the way.

LIBERTY is seizing these opportunities, particularly those related to hydrogen as a fuel. Hydrogen can take the steel industry from one of the planet's highest polluters to among the cleanest and greenest. In return, steel can enable hydrogen to scale up and nurture whole new businesses. These will be better, greener businesses that will attract new players and provide careers at the forefront of the green economy.

The strongest link

This Report shows why we believe hydrogen and steel are the perfect match and how our technology strategy and transformation plans are focused on building that strong relationship. We are forging powerful partnerships and stronger links in a global supply chain.

Steel plants were traditionally situated near the market, as raw materials (coal and iron ore) were relatively easy to ship to the plants. As we move away from coal-based production methods, we plan to decouple the location of green iron and green steel production. We will produce

green iron in locations where sources of renewable energy are plentiful, cost-effective, and can be scaled (such as Australia, the Middle East and parts of Europe). Steel production in Electric Arc Furnaces (EAFs) will remain close to the market, utilising domestic scrap and imported direct reduced iron (DRI) from green iron hubs as feedstock. To adopt this new technology and supply chain model requires very high-quality magnetite ore, which we have access to in South Australia.

A model for tomorrow

LIBERTY's own plants already form a key market for green iron and scrap, and they will need as much as 20 million tonnes a year by 2030. The supply of scrap is finite and other producers face the same bottleneck. However, any country with access to sustainable energy and the desire to invest in electric smelters will soon be able to import our green DRI to speed their own transition to green steel production. This is a dynamic that will only grow as carbon taxes and other limiting factors force the hands of those slow to adapt.

We believe that the model we have developed will spread throughout the industry, creating an integrated global solution that will unlock future finance and enable us

all to decarbonise faster. It is an example of how our better and different thinking can free us from centuries-old manufacturing techniques. By being ready to adapt to change, however challenging, and finding common ground for collaboration, we can win market confidence and cut to a bright future for our industry and all those who rely on it.

This Report sets out the path towards our goal of Carbon Neutrality by 2030 (CN30). It also shows how we continue to improve the processes already in place to care for our employees and the communities in which we operate. Of particular importance is that our employees are safe and healthy as well as secure. Our comprehensive actions are also improving and strengthening the governance and risk management frameworks that underpin our operations.

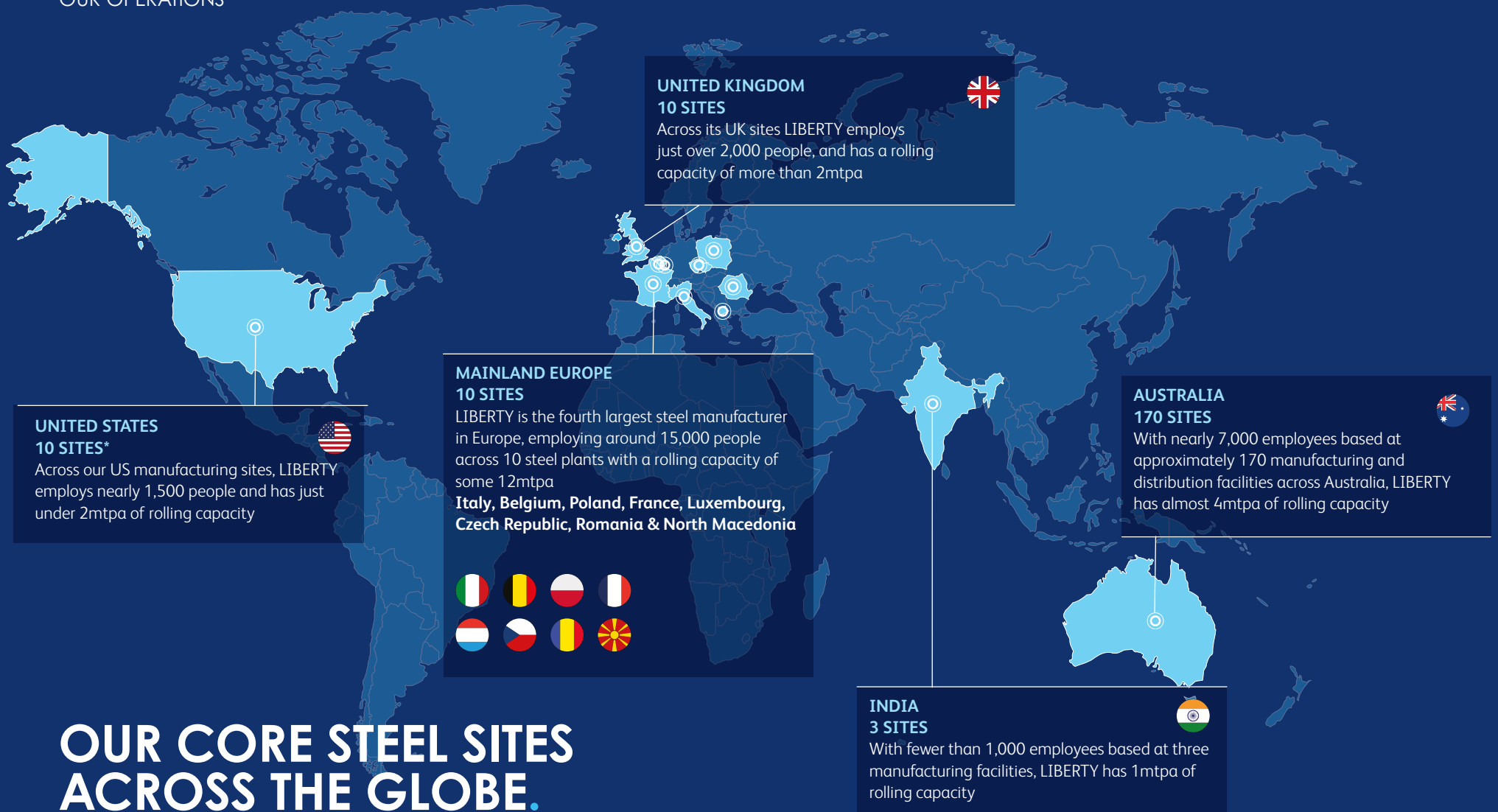
We will continue to shine a light on our businesses, our processes, and our performance, as well as how we intend to deliver sustainability for all our stakeholders. I invite you to read this Report with this journey in mind.

Sanjeev Gupta Executive Chairman, LIBERTY Steel Group



A GLOBAL STEEL BUSINESS.





OUR CORE STEEL SITES ACROSS THE GLOBE.

With plants in the UK, Europe, USA, India and Australia, LIBERTY is a significant employer and part of the local economies where we operate

NOTES: Our operational headquarters are in Dubai. We have sites in China. Indian production is not reflected in the rest of this report. Employee data does not take into account contractors.

Mtpa denotes million tonnes per annum.

*The definition of US sites has been amended resulting in some consolidation; the way liquid vs hot rolled capacity is aggregated has also been amended.





HOW PRODUCTION IS SPLIT

BLAST FURNACE
Coke-fired blast furnaces are being transitioned to a more sustainable alternative

ELECTRIC ARC FURNACE
EAFs fed by recycled scrap steel

LIQUID STEEL PRODUCTION.

As a global industry leader, LIBERTY is committed to reducing blast furnace production and moving to electric arc furnaces under our CN30 goal

AVERAGE CO₂ PER TONNE OF STEEL



NOTE: Dunaújváros in Hungary was acquired in October 2023, its transition to an EAF plant will be covered in the next Report



STEEL AND SUSTAINABILITY.

Steel is the sustainable material of choice as we transition to a low-carbon economy

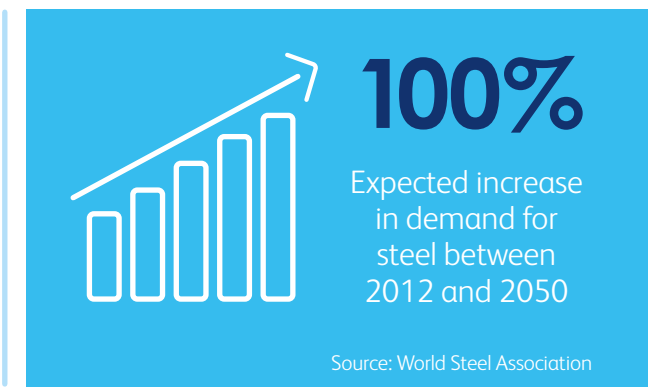
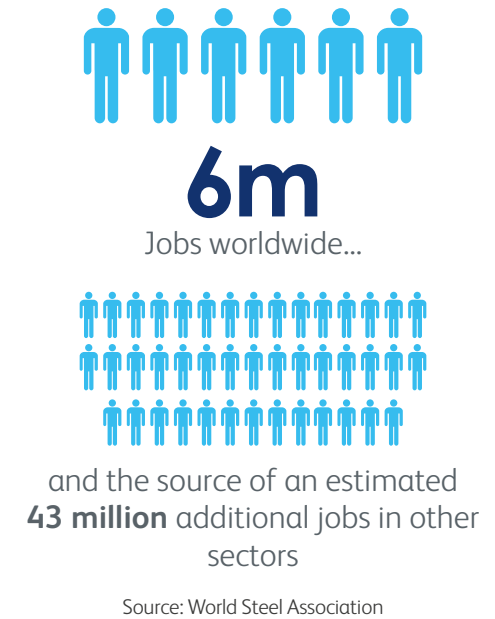
Steel plays a pivotal role in advancing a decarbonised economy. It is a crucial component in carbon-friendly technologies, such as wind turbines and electric vehicles. Like other foundational materials, such as glass, paper, and bulk chemicals, demand for steel will rise as economies develop and urbanisation intensifies.

However, the steel industry is a significant carbon emitter among those industries that deliver for modern life. It is crucial that the industry transitions to low-carbon production technologies if it is to deliver a sustainable future for businesses and communities that rely on this raw material.

LIBERTY participates in several cross-industry forums such as ResponsibleSteel and the Net-Zero Steel Initiative (NZSI) to better understand the challenges associated with this transition and how we can work together to overcome them.



THE ROLE OF STEEL IN A MODERN WORLD



LIBERTY'S IMPACT IS WIDE-REACHING

The capabilities of our Group range from liquid steelmaking from raw and recycled materials through to high-value precision-engineered products and associated services, which are sold around the world. We have committed to carbon-neutral steel production by 2030 (CN30). According to the NZSI, early progress on steel decarbonisation could unlock 1.3Gt of CO₂ by 2030. It is this early action that will help keep alive the target of limiting global warming to 1.5°C above pre-industrial levels.

Understanding our impact and where we are today is key to formulating a strategy to achieve our vision.

This Report articulates the strategy and plans we have in place to manage the impacts outlined in this section.



IT IS CRUCIAL THAT THE INDUSTRY TRANSITIONS TO LOW-CARBON PRODUCTION TECHNOLOGIES IF IT IS TO DELIVER A SUSTAINABLE FUTURE





TOMORROW'S WORLD STARTS TODAY.



LIBERTY remains steadfast in its commitment to lead the steel industry in shaping a sustainable future. We are phasing out carbon-emitting operations at some plants, making way for new lower carbon technologies. At the same time, we are laying the foundations for an end-to-end global approach, in which we deploy solutions reconfigured to geographical resources and market needs. Building the right skills across our businesses and helping existing colleagues to reskill and retrain is a key part of our transition plan as we seek to accelerate decarbonisation, support prosperity, and partner with our communities to deliver sustainable value.

Sandip Biswas

Chief Investment Officer

Interim CEO LIBERTY Primary Steel and Mining



REAFFIRMING OUR COMMITMENT TO SUSTAINABILITY.

Our sustainability goals are framed around Environment, Social, and Governance (ESG) pillars and they set out our ambition to deliver transformation within the steel industry

Our purpose, strategy, values, and ambitions	
PURPOSE	To create a sustainable future for industry and society
STRATEGY	To create a sustainable business model for our industry that benefits the environment, society and economy while ensuring long-term profitability and community development. Achieving carbon neutrality for Scope 1 and 2 emissions by 2030 (CN30) is a significant milestone in our strategy.
INDUSTRY CONTEXT	<p>Our strategy is driven by global trends which we see as opportunities to drive positive change</p> <ul style="list-style-type: none"> • Increasing demand for steel • The urgent need to decarbonise the sector • The global energy transition • The decline of traditional manufacturing industries in developed economies • The imperative to become more efficient in our use of the world’s resources
VALUES	<p>Our guiding values make LIBERTY unique in our approach to business</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>CHANGE Recognising change is a constant in the world, we are dynamic in that we seek to drive change rather than let it drive us. We take pride in our faster path to sustainability.</p> </div> <div style="width: 30%;"> <p>FAMILY We are more than a team; we are a family. We have an intergenerational outlook, which means we make decisions for the welfare of future generations.</p> </div> <div style="width: 30%;"> <p>SUSTAINABILITY As a family-owned group of businesses, we prioritise sustainability across three dimensions: economic, social, and environmental.</p> </div> </div>
GOALS	<div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>ENVIRONMENT CN30 To transition our existing (as at 2021) businesses to carbon neutrality for Scope 1 and 2 emissions by 2030. To develop transition plans, timelines and targets for any businesses acquired after 2021 Resilience Understand and mitigate the impact of climate transition scenarios for enhanced resilience Impact Measure and manage environmental impact, aligning with local standards</p> </div> <div style="width: 30%;"> <p>SOCIAL Our people Deliver safe, equitable and good-quality working lives while developing tomorrow’s workforce Our communities Make a positive contribution to our communities Our supply chains Manage supply chains our customers can trust</p> </div> <div style="width: 30%;"> <p>GOVERNANCE Corporate governance Demonstrate integrity, diversity and transparency Effective structures and controls Adhere to clear decision-making and risk management frameworks ESG integration Embed ESG considerations in our strategic and operational decision-making</p> </div> </div>



CONTRIBUTING TO GLOBAL GOALS

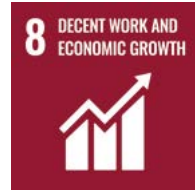
Our sustainability ambitions align with

- the World Economic Forum’s International Business Council’s set of common metrics for reporting sustainable value creation.
- the United Nations’ 17 Sustainable Development Goals (SDGs) and principal ESG domains of governance, planet, people, and prosperity.

SDGs and LIBERTY

The 17 SDGs are integrated, recognising that progress in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability. We fully subscribe to the objectives of the 17 goals and have identified six, outlined here, where our work will have the most impact.

We show where these six goals are most applicable to our business throughout this Report



By transitioning to sustainable business models, we aim to secure thousands of high-quality, well-paying jobs in industrial communities and provide products that are essential to economic growth, development and prosperity.



We aim to supply sustainable materials critical for the transition to a net-zero economy. By pioneering new technologies such as hydrogen steelmaking we aim to encourage wider application of hydrogen technologies across the economy that will create industrial hubs to foster innovation.



For every person we employ, a further 6-7 jobs are supported in the local community and supply chain*. By investing in community programmes and by supporting the work of the GFG Foundation we aim to help members of the community reach their full potential.



Beyond our own impact, our decarbonisation initiatives and wider environmental work will help our customers to build the infrastructure needed for the low-carbon transition.



By investing in low-carbon production processes, breakthrough technologies and renewable energy, we aim to become carbon neutral by 2030. By doing so we aim to support our customers, suppliers, governments, and other stakeholders, to decarbonise with us.



We actively participate in industry forums and business events to promote sustainability practices in our industry. We work with associations, partners, governments, and non-governmental organisations (NGOs) to promote progress towards sustainability goals.

*Source: Eurofer

PUTTING IN PLACE STRONG FOUNDATIONS.

LIBERTY's magnetite mine in Whyalla, Australia is central to our decarbonisation plan



Against the backdrop of a challenging year for many companies, it has been heartening to see the commitment of our businesses to delivering our sustainability objectives. We have taken concrete steps across our group to enhance efficiency and decarbonisation plans, as well as sustained engagement with our employees and communities. We have further bolstered the maturity of our environmental, social, and governance (ESG) programme with the appointment of specialists in sustainable finance, carbon accounting, and risk management. This continued focus on sustainability underscores LIBERTY's view that it is a fundamental part of our business strategy.

Marian D'Auria

Head of Risk and Sustainability



UPDATING OUR STRATEGY.

A continued focus on sustainability will ensure we lead decarbonisation in the steel industry

LIBERTY is committed to leading the decarbonisation of our industry by championing the transition to carbon neutral production by 2030. This is our vital step towards a net-zero world. It fuels innovation in steel decarbonisation, positions us as market leaders, and attracts top talent. It serves as our north star, guiding us towards the creation of profitable, resilient, and carbon-neutral businesses.

Reducing emissions is important to all our stakeholders as we reshape our operations to rise to the decarbonisation challenge. They include

- **Our people** who want to see a sustainable future in this industry
- **Our communities** who want to enjoy a viable future for the thousands of people who depend on our businesses
- **Our customers** as they seek to manage their own carbon reduction journeys

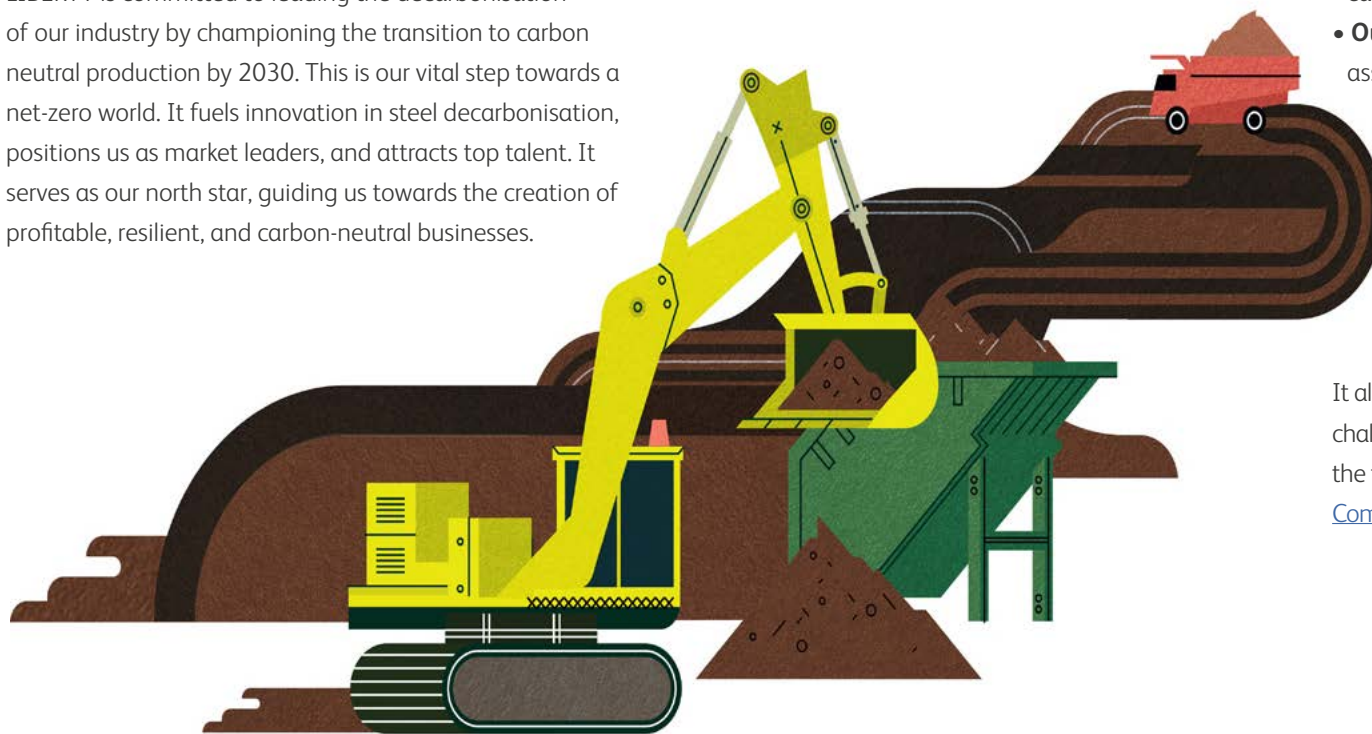
- **Our suppliers** as we engage with them to assess their sustainability credentials
- **Governments** in the locations we operate in and trade with, as our transition to low-carbon production methods will help them meet national and international carbon reduction targets

Reducing emissions also matters to

- **Our financial results** as we look to benefit from the ability to produce green steel products, reduce our carbon taxes and reduce our input costs
- **Our risk profile** as we reduce the transition risk associated with reliance on high carbon intensive production methods

We have outlined our [goals and mission](#) earlier in this Report. The purpose of this section is to give a high-level overview of our strategy for achieving these outcomes.

It also highlights the enablers we will need, as well as the challenges we face. Each pillar is covered in more detail in the following sections: [Environmental Delivery](#), [People and Community](#), [Safety](#), and [Governance](#).





WHERE WE ARE NOW

Environment

Our carbon emissions intensity, at around two tonnes of CO₂ per tonne of liquid steel produced, represents our main impact, risk, and opportunity. However, we also understand the need to address our broader environmental impact, in particular water use, waste management, and pollutants.

Social

LIBERTY has a workforce of almost 30,000 people across our global operations, supported by many communities built around our plants that have nurtured generations of steelworkers. We know the continued sustainability of our businesses is important to these communities, and that attracting a new generation of steelworkers is essential if we are to achieve our sustainability goals.

Governance

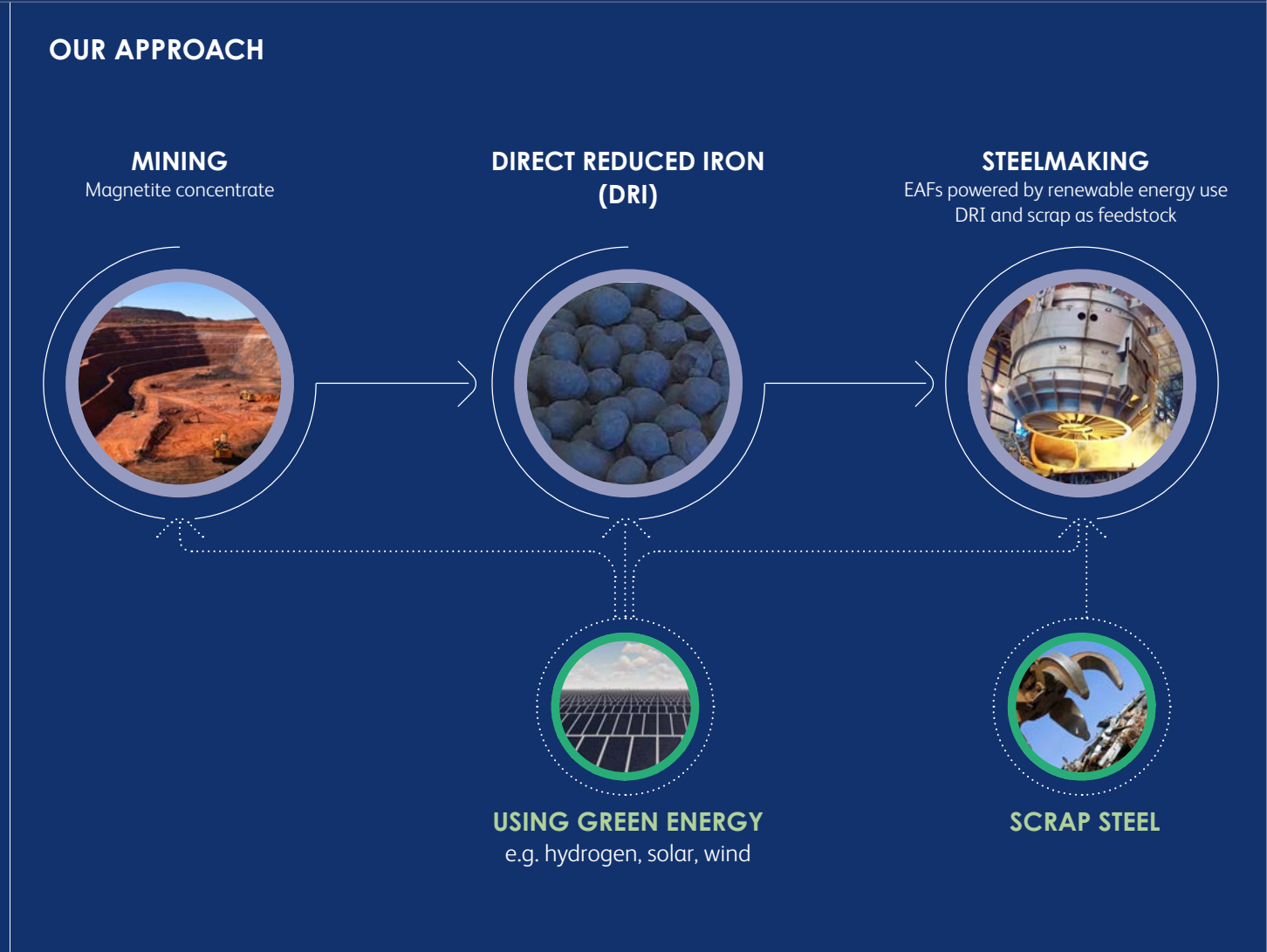
Our sustainability strategy is integrated into each of LIBERTY's business plans. We are steering the transition to sustainable production through a rigorous governance structure, incorporating sustainability considerations in business strategy and planning processes. Our leaders recognise the strategy is vital for our industry and our businesses' ongoing success, benefitting all stakeholders.

OUR DECARBONISATION PLAN

To achieve our aim to be carbon neutral by 2030 (our CN30 ambition), we must move away from blast furnace (BF) production. This uses coal to produce liquid steel from iron ore, and in the process creates over two tonnes of CO₂ for every tonne of steel produced.

Our decarbonisation plan is based on the following strands:

- Transitioning from coal-based steel production (BFs) to expand our use of electric arc furnaces (EAFs) powered by renewable energy.
- Transitioning to green hydrogen as the reductant fuel for primary production, creating a supply of low-carbon iron (DRI) supported by high-quality magnetite.



WHERE WE ARE GOING, AND HOW WE WILL GET THERE



The cornerstone of our strategy is our magnetite mine in Whyalla, South Australia. This source of premium magnetite, combined with favourable renewable energy conditions, and a 250MW hydrogen electrolyser being built in Whyalla by the South Australian government, will allow us to competitively produce enough low-emission DRI to support our EAF transition in Australia. Additionally, with planned scale-up, it can support the decarbonisation of our sites with existing EAFs in the USA and UK, and across Europe in transitioning from BF to EAF production.

By leveraging our competitive advantage in Whyalla, our strategy has the potential to accelerate decarbonisation across our global sites, guard against potential scrap shortages, and allows us to maintain and expand our product range in these locations. With 4 billion tonnes of magnetite reserves and exploratory rights, we can also meet the growing demand for DRI production from other suppliers globally.

By 2030, primary production is intended to take place in locations able to leverage renewable energy and raw material availability, and at the same time keep EAFs and finishing lines close to markets. More detail about how this

will work, and the technologies being deployed, is set out in [Environmental Delivery](#).

Our transition plans will be underpinned by careful environmental management, training initiatives such as the GREENSTEEL Academy, engagement with the communities in which we operate, and community development activities, including the GFG Foundation.

By integrating our environmental and social initiatives, we will develop the future skills we need to deliver our strategy and ensure that we bring our people and communities with us as we transform our operations.

OPPORTUNITIES, ENABLERS AND CHALLENGES

LIBERTY has ambitious decarbonisation plans as set out in [Goals](#). Our competitive edge lies in the strategic location of our facilities, the nature of our assets, the unique quality of our magnetite reserves, and the renewable energy capacity in Australia and Central and Eastern Europe (CEE).

Another competitive edge comes from our growing strength in CEE, where green steel projects cost less than half of those in Western Europe and offer high growth potential. It is why LIBERTY has so far focused on Romania, Hungary, the Czech Republic, and Poland for our green steel projects in Europe. We know from experience that delivering a

green transition will require strong and committed public-private partnerships, which we find in these markets. We are open to building similar collaborative partnerships wherever possible.


However, hurdles remain, including generating sufficient green hydrogen in an affordable way, managing the capital investment required to transition to green production techniques and reshaping our operations as we increase reliance on renewable energy sources. We set out a detailed analysis of the opportunities and challenges we face in our [2022 Report](#). The past 12 months have magnified some of these



challenges and introduced new opportunities. These include the backdrop of war in Ukraine and associated supply chain disruptions, the energy price crisis in Europe, rising inflation, and the introduction of policy interventions, such as the Inflation Reduction Act (IRA) in the US and the Green Industrial Deal in Europe.

The impact of the key changes we have experienced over the past year are analysed below.



THE BIGGEST OBSTACLES WE NEED TO OVERCOME TO DELIVER OUR STRATEGY

	What has changed this year	Still to do	How LIBERTY is responding
 <p>TECHNOLOGY</p>	<p>Globally, hydrogen-based solutions are growing rapidly. This surge is driven by investment tools that ease innovation’s financial and operational challenges. For instance, the South Australian government’s commencement of its project to build a 250MW hydrogen electrolyser in Whyalla will support hydrogen production with major renewable energy sources. It exemplifies vital institutional support for advancing innovation in this field. We are engaging with the Romania and Czech Republic governments and the EU to consider Galați and Ostrava respectively as potential locations for Europe’s hydrogen ‘green valleys’.</p>	<p>Hydrogen production requires massive quantities of renewable energy and production at scale is not yet economically attractive in most locations.</p>	<p>We are developing scalable hydrogen production technology. This includes initiating co-located hydrogen pilots for testing production, storage, and integration of locally consumed green hydrogen.</p> <p>In parallel, we are exploring natural gas blended with hydrogen as a transitional solution towards decarbonisation while the green hydrogen infrastructure matures. A cornerstone of our approach is to harness green energy to power the electrolyzers for hydrogen production.</p> <p>To realise these goals, we are partnering with universities and collaborating closely with governments in Australia and Europe. LIBERTY will work to access further government support to achieve competitively priced hydrogen production.</p>

	What has changed this year	Still to do	How LIBERTY is responding
<p>POLICY</p> 	<p>Supportive policy interventions have expanded. Examples include the Safeguard Mechanism in Australia, which requires major industrial facilities to reduce their emissions by close to 5% annually; the IRA in the USA, which bankrolls green technologies; and the EU’s Carbon Border Adjustment Mechanism. These, together with industry funds, provide aggressive decarbonisation targets and an incentive for the industry to invest in its decarbonisation transition.</p>	<p>Existing policy interventions, particularly in the EU, do not fully address value chain carbon leakage. While the IRA has simplified grant access in the US, accessing funds through grant programmes in other jurisdictions is still complicated. Industry needs more straightforward mechanisms to encourage investment in decarbonisation solutions, while staying competitive compared with higher carbon-emitting peers.</p> <p>To carry out our ambitious plans, we need regulatory approval and permits for natural resource and space utilisation. Getting these approvals on time is vital for achieving our goals. At times the pioneering technologies we are exploring might not fit neatly within existing regulatory frameworks. We need regulatory understanding to accommodate these innovations.</p> <p>As we transition to EAF technology, steel scrap becomes a critical raw material. We are urging stronger monitoring of scrap export, especially from the UK and Europe, and recognition that it is crucial for achieving carbon-reduction targets.</p>	<p>Our government relations leads and trade associations work on policy development in key regions. We make sure policymakers understand the effects of proposed policies before they are put into action. We also provide advice on measures to boost investment, protect competitiveness and promote decarbonisation.</p> <p>We commend initiatives such as the EU’s Net-Zero Industry Act and the US’s IRA, for creating a fairer business environment. However, we continue to advocate for easier access to finance and quicker permit approvals. We support CBAMs to prevent carbon leakage but believe they should work alongside existing measures such as the European Union Emissions Trading Scheme, particularly in CBAM’s early stages, and offer incentives for low carbon-emitting plants.</p>
<p>SECURING LOW-CARBON ENERGY SUPPLY</p> 	<p>The energy crisis across Europe raised our input costs, and resulted in sourcing difficulties across our operations. But now prices are dropping and supportive energy policies are coming into effect.</p>	<p>Low-carbon energy supply needs to scale significantly if we are to produce enough green power to deliver the transition for hard-to-abate sectors.</p>	<p>The availability of abundant, secure, and affordable low-carbon renewable energy is a key component of our strategy. We are encouraging governments to formulate policies that shield electro-intensive industries such as steel from market shocks caused by soaring energy prices. We are also advocating for policies that facilitate the rapid, large-scale implementation of renewable energy programmes. In addition, we will deliver our own solar and wind power generation projects. Our primary production sites in Australia and Romania are in areas with the highest capacity to produce renewable energy in the world. We are working with governments and industry stakeholders in those countries to develop their renewable energy infrastructure.</p>

	What has changed this year	Still to do	How LIBERTY is responding
<p>MARKET, INVESTMENT AND FUNDING</p> 	<p>There is a growing recognition that the industry needs billions of dollars to transition to low-carbon production processes. But there is rising scepticism and concerns around greenwashing. While the supply of capital and issuance of green bonds and sustainability-linked finance is increasing, there remains an opportunity to deploy more significant capital flows for decarbonisation projects in hard-to-abate sectors especially in CEE.</p> <p>Global supply chain disruption has made customers prioritise supply and price over sustainable production methods. However, public procurement and supply chain reporting improvements, along with more external accreditation and kite marks are starting to create higher demand for low carbon-emitting steel.</p>	<p>Our biggest investment requirements are around the Whyalla transformation project and the plans to transition our primary sites in Galați and Ostrava to low-carbon emitting production processes. The magnetite volumes we are anticipating in Whyalla are sufficient to attract finance in the form of offtake agreements or joint ventures. We anticipate this will support the project’s funding. While there are many facilities worldwide that can produce DRI, only a few have access to the magnetite ore needed to produce DRI in the greenest way. This is a bottleneck that LIBERTY can unclog with magnetite supplies from South Australia, along with its own DRI production from Whyalla.</p>	<p>Our transformation plans rely on various funding sources: debt, equity, operational cash flows, and governmental or supra-governmental support. We are leveraging various funds such as the South Australian government’s US\$30 million grant, which has been earmarked for LIBERTY. We are also working with institutions through partnerships such as the ResponsibleSteel Finance Working Party to learn about their financing preferences and risk-management requirements throughout the value chain. Finally, we are engaging with our key customers to understand their sustainability journey and how we can support them.</p>

PEOPLE AND PARTNERSHIPS

Transforming the steel industry requires a skilled workforce. We are advocating for a sector-wide image revamp and creation of training and academic opportunities to attract talent and prevent ‘expertise leakage’.

LIBERTY is a member of organisations such as EUROFER, The World Steel Association, and ResponsibleSteel. We partner with academic institutions that include Swinburne University in Melbourne, Australia; the University of

Sheffield Advanced Manufacturing Research Centre in the UK; and other universities and technical colleges in Europe. Our collaboration with policy organisations, commercial entities, and governments helps us identify and promote the most effective decarbonisation technology and policy interventions.

Our GREENSTEEL Academy ([People and Community](#)) has delivered worldwide and regional programmes and

learning channels that are helping people understand and engage with the compelling case for change to the way we make steel. The GFG Foundation has supported more than 8,900 students in developing skills, especially in engineering, metalworking and renewable energy. The GFG Foundation’s growing range of programmes and the interest in them highlights the value for young people in building real-life experiences so they can thrive in the changing industrial world.



OUR STRATEGY IN ACTION.



OUR ENVIRONMENTAL AMBITIONS

- **CN30** Build sustainable businesses which transition to carbon neutral by 2030
- **Resilience** Understand and mitigate the impact of different climate transition scenarios
- **Impact** Manage environmental impact and comply with local standards



Steel is an environmentally impactful industry, and we understand the important role we can play in making a difference and pushing for change. Our plans to decarbonise include adopting reduced-carbon iron and steelmaking technologies, such as direct reduction furnaces and hybrid Electric Arc Furnaces (EAFs), and using renewable energy and hydrogen when possible, to produce low-carbon emission steel. We firmly believe the sustainability of steelmaking involves major investment in industrialising these technologies. In this section, we outline our carbon-reduction pathway as well as our progress made to date.

Theuns Victor

Executive Director, Chairman's Industrial Projects Office (CIPO)

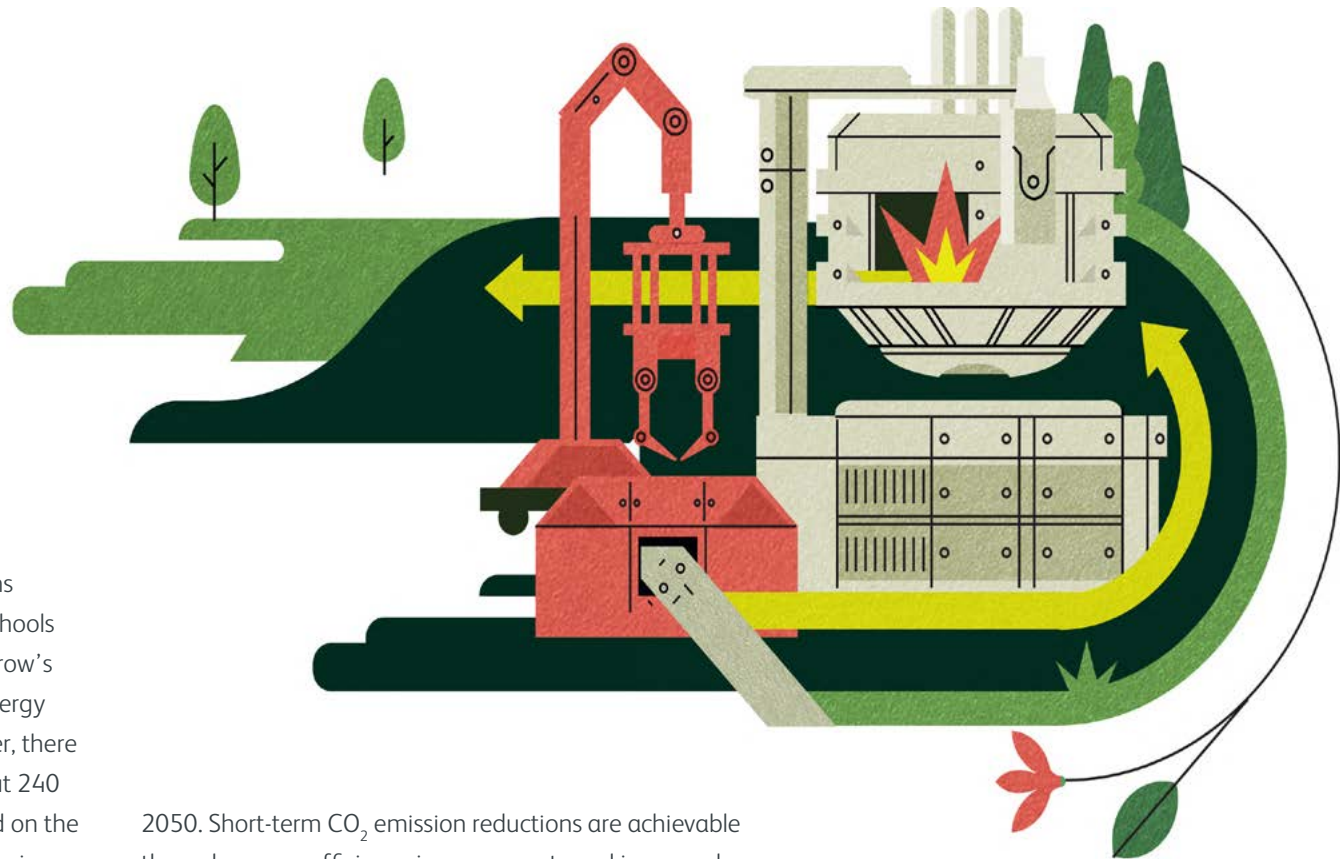


THE PATH TO CHANGE.

Transforming the way we work to achieve carbon neutrality by 2030 – our CN30 goal – is underway

Steel is at the heart of today’s society. It underpins transport, infrastructure, energy supply, houses, schools and hospitals. It will also be at the heart of tomorrow’s society. It is the core material for all renewable energy technologies and clean-tech value chains. However, there is a problem: the industry currently produces about 240 kilograms of steel for every man, woman and child on the planet and accounts for around 8% of global emissions, or around 3.5 billion tonnes of CO₂ annually*.

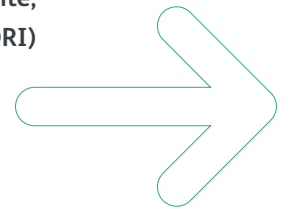
The growing population in developing nations is set to increase global steel demand by 30% in the next three decades**. Over the past decade, CO₂ emissions from iron and steel production have risen because of increases in steel demand. Substantial cuts in CO₂ emissions are essential to get on track with the Net Zero Emissions by 2050 (NZE) Scenario in which emissions intensity falls by about a quarter by 2030 and reaches net zero by



2050. Short-term CO₂ emission reductions are achievable through energy efficiency improvements and increased scrap steel recycling. More substantial reductions depend on the adoption of new technologies, such as electricity-based production, hydrogen usage and carbon capture, utilisation, and storage (CCUS).

With the Paris Agreement’s targets in jeopardy, our industry faces growing pressure from governments, customers and end consumers to decarbonise quickly. It is why LIBERTY aims to achieve carbon neutrality by 2030 (CN30), see [Our Goals](#).

LIBERTY’s ambition to deliver CN30 is based on the following pillars: high-quality magnetite; green direct reduced iron (DRI) / hot briquetted iron (HBI); hybrid electric arc furnaces (EAFs); renewable power and hydrogen (H₂).



*Net-Zero Transition Steel Strategy, September 2021 **Source: International Energy Agency





BENEFITS OF MAGNETITE OVER HEMATITE

Magnetite offers several benefits over hematite for steel decarbonisation, making it an increasingly attractive option for high-quality iron ore:

- **Higher iron content:** Magnetite boasts a higher iron content by weight (70-72.4% Fe) than hematite (60-68% Fe), resulting in greater efficiency and cost-effectiveness, as less magnetite is needed to produce the same amount of iron.
- **Lower impurities:** Magnetite typically contains fewer impurities, such as phosphorus, sulphur and gangue (silica and alumina), than hematite. This results in cleaner steel production and reduced emissions, making it ideal for DRI and EAF processes. The reduced amount of gangue also limits the fluxes required during steelmaking and the amount of slag generated.
- **Lower energy requirement:** Magnetite processing involves wet grinding, as opposed to hematite's dry grinding, which produces finer particles and so improves the efficiency of the beneficiation process. The magnetic separation process used with magnetite is also more energy-efficient than gravity separation or flotation, which are employed in hematite processing, and doesn't require the additional chemicals needed for hematite.

HIGH-QUALITY MAGNETITE

Historically, hematite was the preferred iron ore due to its direct usability in blast furnaces (BF) for steel production, without beneficiation (value improvement) costs. But with declining hematite ore quality and a shift towards low-carbon technologies such as DRI, the demand for high-quality magnetite ore is at historically high levels. This demand is driven by magnetite's low impurities, enabling even higher steel grades, and its lower energy requirements, which reduce end-to-end process emissions due to higher iron concentration, which also reduces waste by-products. Magnetite is increasingly recognised as a critical resource in the green steel process.

We own and operate a 10mtpa iron ore mine in South Australia's Middleback Ranges, located about 60km from

our Whyalla steelworks. These operations include the Iron Baron, Iron Knob, and Iron Duke sites, from which we extract both hematite and high-grade magnetite, which has a mass recovery grading of 33-40% in the ground – magnetite ore grades are typically 16-25%. The processed magnetite consistently yields premium-grade concentrate between 65% and 70%, ideal for DRI production. Current estimates based on more than US\$20 million of test drilling activity, suggest that our mines have the potential to produce more than 4 billion tonnes of this high-grade magnetite.

Currently, we produce 2.2mtpa of magnetite concentrate for domestic and international markets. We have now started a three-stage Magnetite Expansion Project to leverage our extensive magnetite resources. The project's

first phase aims to increase Whyalla's magnetite production to 15mtpa for conversion into 10mtpa of green DRI for export and domestic green steel production.

ENVIRONMENTAL DELIVERY



DIRECT REDUCED IRON AND HOT BRIQUETTED IRON

The DRI process, initially using natural gas and later green hydrogen, is the most effective technology for primary steel producers to cut carbon emissions and rapidly transition to decarbonised green steel. The process removes oxygen from iron ore to create metallised iron without melting it, using a reductant. When natural gas is the reductant, carbon emissions decrease by around 70% compared with using coal in a blast furnace.

Switching to green hydrogen as the reductant results in H₂O emissions instead of CO₂ as the hydrogen forms with the oxygen in the ore to make water. This method removes CO₂ from DRI for steel production. The green DRI can also be made into premium and compacted HBI product for easy storage and transportation. For more details on this technology and its benefits see our [2022 Report](#).

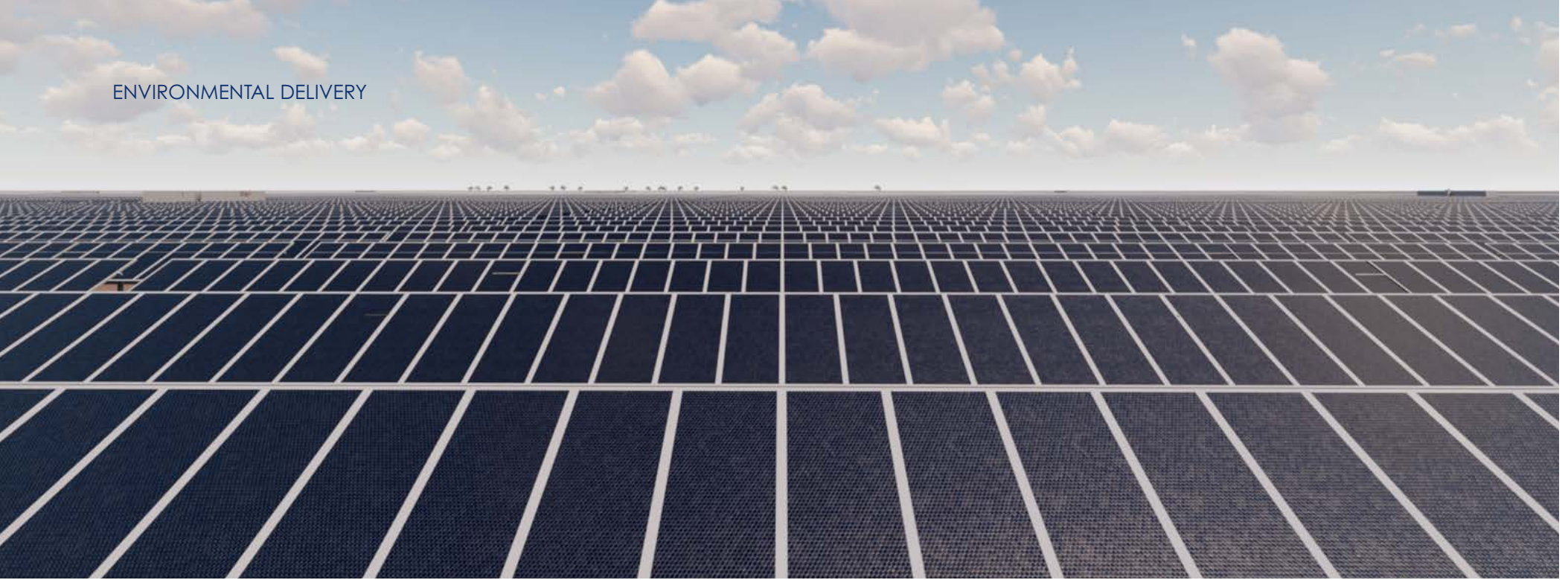


ELECTRIC ARC FURNACES

EAFs, like the Danieli Q-ONE furnaces contracted for installation at our plants in Ostrava and Whyalla, can cut direct carbon emissions by 80%-90% compared with the BFs they replace. They use innovative power electronics technology for precise control of arc current and voltage, ensuring efficient and stable power delivery.

This type of technology also enables the furnaces to be more flexible in their charge mix, allowing substantial quantities of hot metal, DRI/HBI and up to 100% scrap if there is sufficient power. For more details on the technology and benefits of EAFs see our [2022 Report](#).





RENEWABLE ENERGY

Renewable energy is critical for our CN30 ambition. The energy required to make 1mt of steel with H2-based DRI and 100% hydrogen-based electrons is vast – equivalent to around 5TWh of electricity. To put this into context, that is the equivalent of 5 million solar panels, 650 windmills or the average annual production of a nuclear reactor.

Each of our major transformation projects incorporates renewable energy projects, including:

- **In Australia**, we are investing in the 280MW Cultana Solar Farm, north of the Whyalla Steelworks, which will house 630,000 solar panels capable of generating

700GWh per annum. The whole area of South Australia’s ‘Iron Triangle’ at the head of the Spencer Gulf is also a natural renewable electricity power station, with ideal conditions for wind and solar generation. As a result, South Australia’s electricity grid is already almost 80% decarbonised*.

Cultana will be a primary source of the green energy needed to produce the green hydrogen to feed Whyalla. We are also studying the potential of wind energy in the Middleback Ranges, with an initial investigation into an 80MW wind farm project underway.

- **In Galați**, which has one of the highest annual sunshine hours in Europe, we plan to install around 250MW of solar generation capacity, with the first 50MW phase well underway. Galați will also be able to tap into wind power capacity from the nearby Black Sea and Romania’s high natural gas resources.
- **In Ostrava**, we have already completed the feasibility study for the first 50MW of a planned 150MW of renewable solar power onsite, to replace much of the plant’s consumption of carbon-based electricity. The new farm will maximise the plant’s consumption of renewable power, reduce electricity costs and enable the production of green hydrogen in the future.

*Source: Start with Steel, Grattan Institute 2020

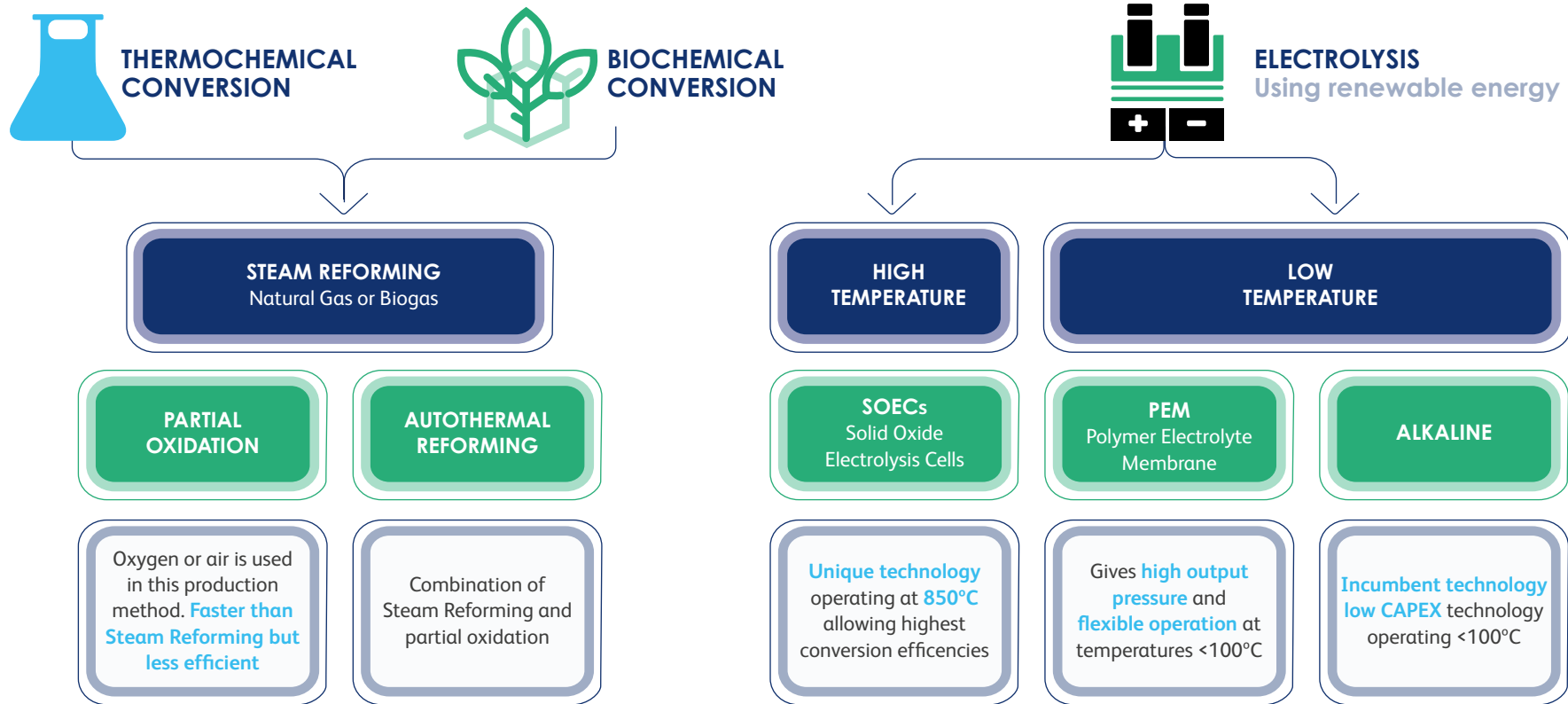


HYDROGEN: INDUSTRIAL-SCALE PRODUCTION

The next industrial revolution will centre on hydrogen, the most abundant element in nature and one that provides part of the solution to carbon-neutral ironmaking. There are several grades of hydrogen and we are predominantly exploring green hydrogen, the purest form, produced through renewable-powered water electrolysis.

We are exploring various industrial-scale hydrogen generation methods with global suppliers to identify the most effective.

The hydrogen supply chain (see next page) is costly and challenging with costs accumulating at each stage, from storage and liquefying, to shipping and re-gassing. That is in addition to the capital cost of the plants, energy and infrastructure required.



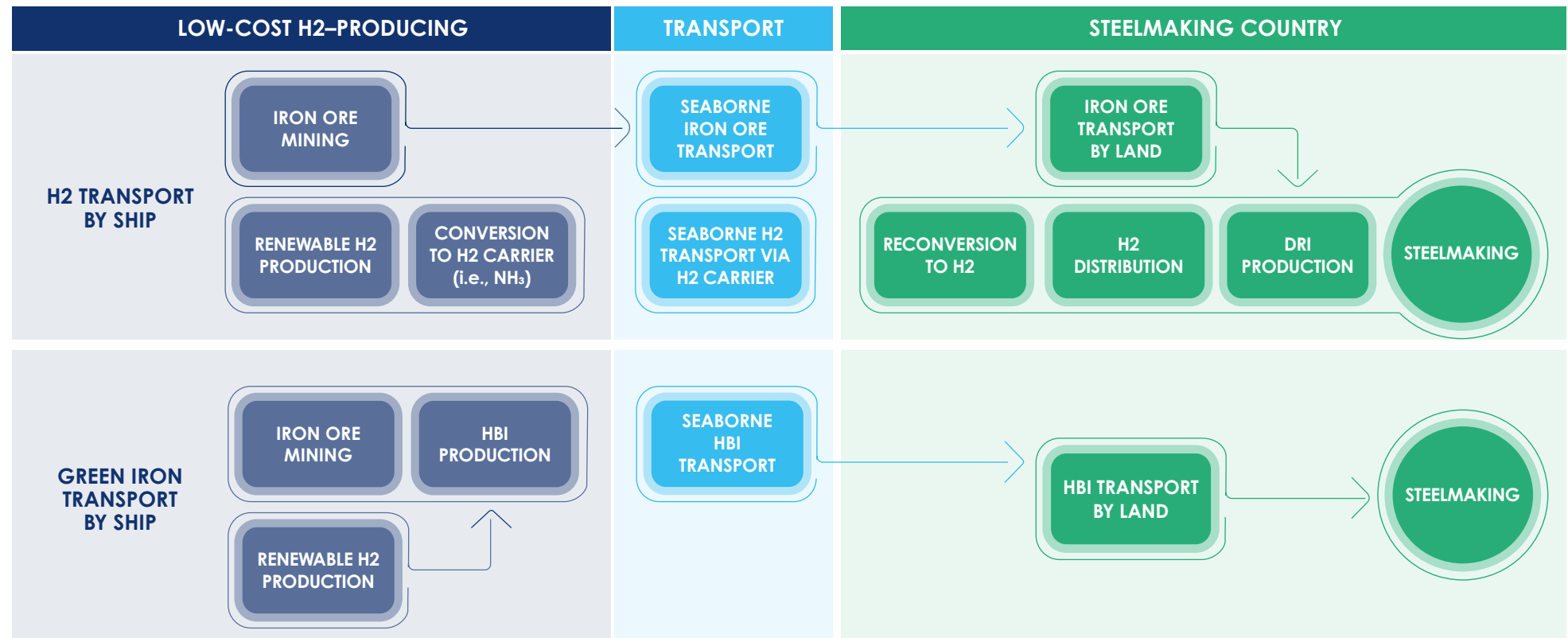
HYDROGEN: MAKING THE SUPPLY CHAIN MORE EFFICIENT

By using green hydrogen to make steel where iron ore is mined, we can solve the high-pressure storage and transport problems. This, combined with large-scale renewable energy use in key locations with favourable renewable resources, will allow us to take one big step closer to producing competitive green steel with very low emissions (60-80% reduction).

This will also enable large and effective consumption of hydrogen, allowing that industry to develop rapidly. For countries lacking renewable energy infrastructure, we are exploring the option of transporting hydrogen in 'embodied' green iron, such as DRI or HBI. This bulk material is efficient and safe to transport, does not incur

energy losses, and requires significantly fewer process steps and less additional hydrogen-related infrastructure. Green DRI made in Whyalla could potentially feed LIBERTY's EAFs across Australia, Asia, Europe, and the UK, helping to decarbonise global steel supply chains*.

*We are exploring alternatives to natural gas and coal charge for EAF and DRI heaters and other processes with alternative sources to meet the fossil-free requirements.



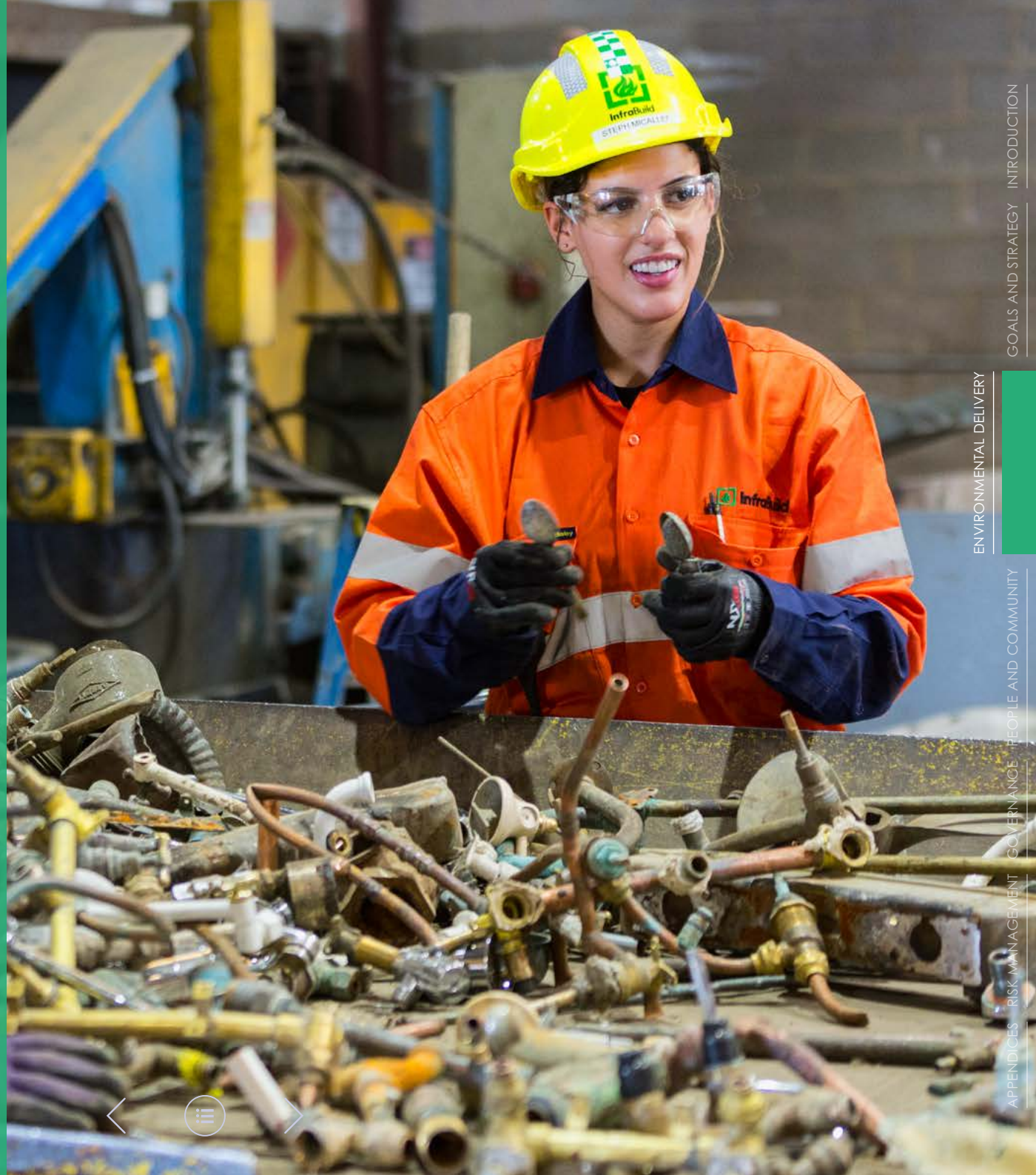
Progress Report

Each LIBERTY business has a comprehensive environmental delivery plan to monitor, manage and mitigate its environmental impacts – from carbon emissions to water to waste. The delivery of these plans will ensure our plants deliver our CN30 ambition while safeguarding people and the planet.

We currently produce around one third of our steel from EAFs in Australia, Poland, the UK, and the USA. These EAFs emit 90% less direct CO₂ emissions per tonne of steel compared with traditional coal-burning blast furnaces (BF), and 60-80% lower on Scope 1 and Scope 2 measures.

In our [2022 Sustainability Report](#) we outlined the approach we are taking to transforming our three main primary steel plants, which currently use BFs (Galați, Ostrava, and Whyalla).

In 2022, we started the Transitional Phase (Two) of our carbon-reduction plan, under which our primary production sites' carbon intensity levels will approximately halve.



ROADMAP TO CARBON REDUCTION.

tCO₂/tCS

2.50
2.25
2.00
1.75
1.50
1.25
1.00
0.75
0.50
0.25
0.00

1

**PHASE ONE
PREPARATION**
Operational improvements to prepare for future phases. This includes putting in place a list of projects that make up the roadmap.

2019 - 2021

2

**PHASE TWO
TRANSITION**
Delivery of the key transformation projects identified previously: Ostrava, Galați, Whyalla and InfraBuild. Emission levels fall by around 45 %.

2022 - 2026

3

**PHASE THREE
TRANSFORMATION**
Major transformation projects come into focus, and carbon intensity levels fall by 75 %.

2027 - 2030

4

**PHASE FOUR
FUTURE DEVELOPMENT**
Technological developments continue, along with carbon offsets, carbon capture and storage projects, to deal with residual carbon from operations.

POST-2030

OFFSETS AND SEQUESTRATION TECHNOLOGY

**LIBERTY WHYALLA,
AUSTRALIA**

Our green iron and steel transformation development in South Australia benefits from abundant solar and wind energy, rich reserves of high-quality magnetite, and proximity to a substantial cape-size capable port. Its plan, which is intended to reduce carbon intensity by 86% by 2030, is well underway:

- In early 2022, we began our magnetite expansion project in the Middleback Ranges. The three-stage project has a production target of more than 10mtpa of magnetite ore. Stage one is already underway, stage two is nearing the end of its feasibility studies, while exploration is well advanced on stage three.
- In April 2023, we signed a supply contract for a 160-tonne EAF from leading equipment manufacturer Danieli, to lift steelmaking capacity at Whyalla from 1.2mtpa to over 1.5mtpa.
- We have engaged global equipment suppliers for the installation of a 1.8mtpa Direct Reduction Plant (DRP) in Whyalla to process local magnetite ore into DRI.
- Work has started on the 280MW Cultana Solar Farm (see page 25).



**LIBERTY OSTRAVA,
CZECH REPUBLIC**

Ostrava's GREENSTEEL transformation plan, which is intended to reduce its carbon intensity by 93% by 2030, is progressing well:

- In July 2022 we signed a supply contract for two 160-tonne hybrid EAFs from Danieli, which will increase steelmaking capacity at Ostrava from 2.4mtpa to more than 3.2mtpa while reducing its carbon intensity by more than 80% by Phase Three.
- We are developing the new EAF hall's main energy bridge, which will distribute the gases and electricity cables necessary for operation of the new steel plant. We have also completed the preparation of a new storage for tubular billet feedstock, which frees up the space needed for the EAFs' control centre, and have installed new service platforms alongside the crane tracks.
- We have completed the feasibility study for its new 150MW solar farm.





**LIBERTY GALAȚI,
ROMANIA**

Galați’s GREENSTEEL transformation plan, which is intended to reduce carbon intensity by 86 % by 2030, is underway:

- We have completed the engineering and design work for the transformation plan and a tender is underway for two hybrid EAFs, with potential to increase production from 3mtpa to 4mtpa.
- We are conducting technical feasibility studies for the relocation of state-of-the-art plant and equipment, including two modern 160t EAFs, acquired from KG Steel in South Korea at the end of 2022.
- We have completed the feasibility study for a new 250MW solar farm at the plant, with the first 50MW now in development.

We have also made demonstrable progress at some of our existing EAF and downstream plants, including:

- InfraBuild, a global leader in the supply of processed ferrous scrap products, has begun the process to transition to renewable energy sources, which is intended to reduce its Scope 1 and 2 emissions by 76 % by 2030.

- LIBERTY UK has completed trials of ecoke, a sustainable new raw material that replaces anthracite, the main source of charge carbon in electric steelmaking. Ecoke is expected to reduce EAF steel’s carbon footprint by as much as 30 %.
- LIBERTY USA is developing a framework to reduce its reliance on non-renewable energy sources.



Management of other environmental impacts

Our primary environmental focus is achieving our CN30 ambition, but our teams are also working to measure, monitor and mitigate our broader environmental impact.

Our global environmental teams conducted workshops this year on carbon, water, waste, and air pollutants to align with international reporting standards and regulatory requirements. As part of these workshops, the teams are mapping out our future reporting boundaries, proposed standardised calculation methods, assessed conversion factors, and agreed reporting frequency.

Our objective is to increase our data maturity, ensuring comparable, actionable and complete data across all LIBERTY businesses. We are also aiming to increase our reporting frequency with biannual carbon reports that state clear targets for each of our environmental impacts.

Additionally, all our major steelmaking sites have achieved or renewed ISO 14001:2015 Environmental Management System certification in the last two years.

For scope and measurement definitions see Appendices

WASTE

We strive to minimise waste generation and promote recovery, recycling and re-use in our operations. We have created a global working group on waste, involving subject matter experts from each of our major plants, to improve knowledge management on the issue.

Steel scrap

In 2022, LIBERTY used more than 3.7 million tonnes of recycled metals in our global steelmaking operations, both at our EAF plants and as part of the mix used in our BFs. This is a decrease of 14% compared with last year's 4.3 million tonnes, primarily due to the reduction in production at our European plants due to reduced market demand following Russia's invasion of Ukraine. The recycled steel is primarily sourced from local suppliers, where possible, or through InfraBuild's global recycling network.

Our scrap demand will triple during our transition to EAFs, affecting both demand and price. The issue will be exacerbated if governments continue to allow scrap to be exported to third countries with lower environmental standards. Therefore, we continue to engage with governments, especially in the EU and the UK, to help them better understand that scrap is a critical raw material without which the transition to low carbon steel will be more difficult. We advocate for stricter monitoring systems and anti-circumvention measures for scrap exports.

Slag

Our major integrated steelworks produced 2.3 million tonnes of slag (2.7 million tonnes in 2021), a by-product of blast furnace steelmaking, this year. Slag created by our operations continues to be crushed, screened, tested and approved for use in many construction applications. These include sealing, asphalt and filter aggregate, road pavement and road base, engineered fill, and as a component of slag cement, known for being at least 30% less carbon intensive than cement produced traditionally.

Other waste

If it is not possible to prepare waste for re-use or recycle, we rely on specialist providers who recycle or dispose of it in an approved manner. Each of our plants manages hazardous and non-hazardous waste in accordance with national and international environmental regulations, with proper storage and registration of waste types.

We work with local organisations to ensure effective waste processing. Earlier this year, LIBERTY Ostrava was awarded certificates from two specialist organisations – ASEKOL, a Czech not-for-profit which organises a nationwide take-back system for electrical and electronic equipment, and Ecobat, a Czech collector and recycler of portable batteries – for handing over almost 7.5 tonnes of electrical waste and 125 kilograms of batteries for recycling.

WATER

We closely monitor and manage our water use, waste and recycling at our major integrated plants, using water flow mapping. Our total water withdrawal (excluding mining sites, seawater and industrial water) was approximately 8m³/t this year (compared with 6m³/t in 2021) with the remainder of our water requirements satisfied by a system of recirculation and re-use. We are in the process of measuring water recycling and consumption more accurately while encouraging ongoing efforts to reduce water consumption.

For instance, LIBERTY Magona in Italy installed a modern desalinator to avoid pumping freshwater from groundwater sources for use in its new hydrogen electrolyzers. This can meet our future needs. To ensure full environmental circularity, the desalinator can also be powered using renewable energy.

Whyalla uses seawater for cooling while re-use of water streams exists in many areas of the plant to reduce demand. Treated water streams are carefully released into a buffer zone before final release to the marine environment. Whyalla reports regularly on a range of measurements to the South Australian Environmental Protection Authority.



NON-GHG EMISSIONS

Our iron and steel production operations generate many non-greenhouse gas (GHG) emissions, including dust, particulates matter (PM), Lead (Pb), Nitrogen Oxide (NO_x), Sulphur Oxide (SO_x) and volatile organic compounds (VOCs). These emissions are closely monitored and reported to the relevant authorities for each site. Our major integrated steelworks all store and transport coal and iron ore in the most effective way possible to avoid dust and associated emissions from impacting local communities. Over the past decade, our plants have spent hundreds of millions of dollars in dust-reduction measures, and continue to do so.

LIBERTY Ostrava is investing more than US\$4 million on the installation of a new exhaust pipeline at its sinter plant north, to cut fugitive emissions by 46%. Ostrava's efforts have led to 2022 emissions being more than 6% below stringent European legislation limits, with a year-on-year decrease of more than 15% in PM10 emissions. LIBERTY Galați has also added more dust filters.

ENERGY

Our sites have energy-reduction plans and ongoing energy-saving projects as part of their operational improvement plans.



HABITATS PROTECTED OR RESTORED

LIBERTY's UK, European, and USA sites are not located near protected areas or high biodiversity zones outside protected areas. In Australia, we collaborate with the Middleback Alliance, a co-operative framework that delivers improved and sustainable land management outcomes. To date, 12 properties have participated over an area of more than 250,000 hectares. We conduct regular flora and fauna surveys and assessments around our operations, and report on these against baseline and control sites. In the UK we are restoring and managing peatland in the Scottish Highlands.

JAHAMA Highland Estates in the Scottish Highlands, UK, is managed sustainably for the benefit of local communities, the environment and the economy



PEOPLE: OUR GREATEST ASSET.

<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 
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OUR SOCIAL AMBITIONS

- **Our People** Deliver safe, equitable, and good quality working lives while developing tomorrow's workforce
- **Our Communities** Make a positive contribution to our communities
- **Our Supply Chains** Manage supply chains our customers can trust



Our priority is to develop a bedrock of future talent to lead our industry's transformation away from carbon emissions. We must attract a new generation excited by green industrial jobs, and we have expanded our offering of graduate programmes and apprenticeships. Equally vital is upskilling our existing colleagues to ensure they contribute as significantly to our future as they have in the past. Following the closure of Whyalla's coke ovens, we have redeployed every affected colleague. This 'redeployment first' principle will guide us in reshaping other operations. Our focus on the sustainability of our people will create a workforce primed for competitive advantage in a decarbonised world.

Denise Timms
Chief Human Resources Officer



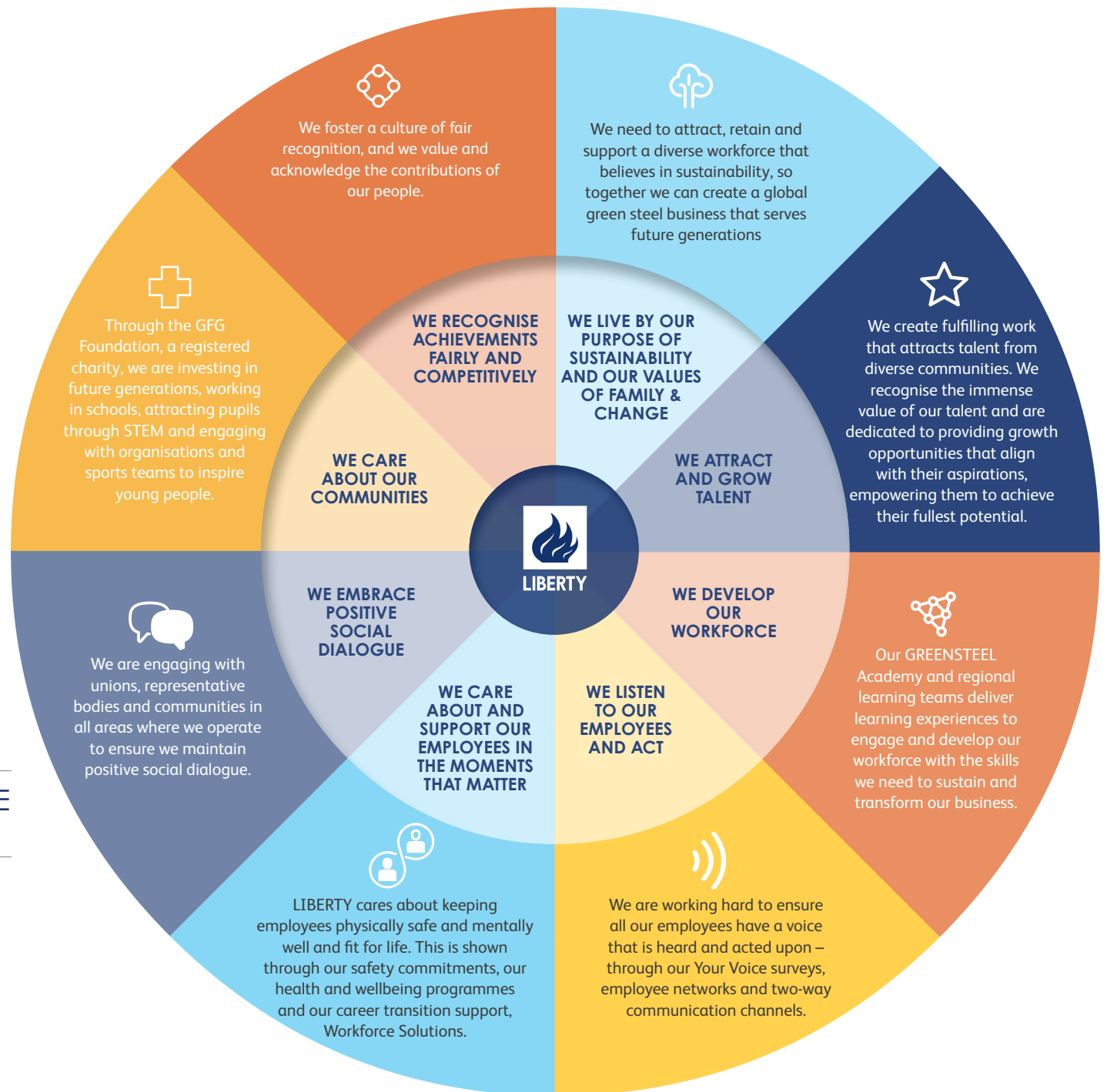
ACHIEVING A JUST TRANSITION.

Investing in our diverse workforce will create a sustainable business

Our sustainability purpose underpins everything we do. We know we cannot deliver on our sustainability ambitions without a global team of people who will help make this happen. We show how we deliver for our people and our communities against our over-arching plan (shown here) over the following pages.

WE LIVE BY OUR PURPOSE OF SUSTAINABILITY

We need to attract, retain, train and support our diverse workforce to ensure we create a sustainable steel business. We know that by working together we are able to achieve so much more.





“
THIS WAS THE OPPORTUNITY I HAD BEEN WAITING FOR. IT IS A BRILLIANT JOB AND A FANTASTIC CHANCE TO GROW PROFESSIONALLY AND PERSONALLY

Joseph Campbell
Process Engineer

★ WE ATTRACT AND GROW TALENT

Today’s jobseekers care about a company’s sustainability. Our CN30 ambition helps us attract and retain new talent by prioritising people, planet, and profit. We also focus on employee development and good-quality work environments.

CASE STUDY: WHYALLA, AUSTRALIA

OUR FUTURE IN THEIR HANDS

LIBERTY continues to grow its technical skill base at Whyalla in Australia with the placement of 31 new graduates over the past year across its steelworks and mining operations. The graduate intake is a key component of Whyalla’s pipeline programme, which includes student placements, apprenticeships and trainee roles.

The graduates studied engineering fields such as electrical, mechanical, metallurgy, chemical, geology, environment, and procurement. During their two-year placement they learn on the job and use their classroom knowledge in real situations. They also bring fresh ideas to their roles.

Most of the graduates moved to Whyalla to take part in the programme. Among them is Joseph Campbell, who, having completed his Chemical Engineering Masters in Austria, moved from Glasgow, Scotland, to take up his graduate position in process engineering and metallurgy.

Joseph’s story shows LIBERTY’s commitment to nurturing diverse international talent and encouraging a culture of innovation and teamwork. By supporting individuals like Joseph, we solidify our position as an employer of choice, offering exciting global opportunities.



 WE DEVELOP OUR WORKFORCE

Our workforce development teams work closely together and with external education partners to provide development opportunities for our current and future workforce.

Examples include:

GREENSTEEL Academy

The GREENSTEEL Academy delivers global learning initiatives that help people expand their knowledge of steelmaking and make a strong case for change. In 2022, the Academy published a module that helps people understand what causes climate change and why we need to act fast to counter its effects. This was translated and is available in eight languages and can be found [here](#).

Academy teams in Europe hosted an interactive blended learning event for our summer school attendees and early-career employees. The event focused on the environment, our CN30 ambition, and provided valuable business information and career advice from our senior team.



LIBERTY Ostrava, Czech Republic

The business provides a range of development opportunities for employees which are delivered locally. Examples from Ostrava include:

- **Rolling Mill Academy** Ostrava’s Rolling Mill Academy was established in 2022 to provide theoretical and practical training in rolling technology skills. Experts from the Academy and the research and development team led these sessions, which greatly improved participants’ skills.
- **Safety Connect** Global resources were used to deliver training to help our production-based colleagues improve their skills. Virtual reality was used to enhance the learning experience. In 2022, 49.3% of our front-line employees participated in the programme. Most front-line employees are expected to have completed the course by the end of 2023.
- **Leadership Academy** Over two years, the Leadership Academy worked with 20 talented colleagues across the Ostrava business to develop their leadership abilities and build their change skills. This has provided employees with additional skills to help with succession plans.



CASE STUDY: INFRABUILD

WOMEN IN LEADERSHIP

InfraBuild’s Discover Leadership Programme held a graduation ceremony for its first group of women leaders. After four months of intensive training, this group of diverse individuals learnt a range of the necessary skills to lead in today’s workplace. At the ceremony they shared their experiences, which delivered positive insights for the executive team. The programme shows our commitment to nurturing and developing women leaders within our organisation, giving them tailored opportunities to unlock their full potential.

Diversity, Equity, and Inclusion

In 2022, significant strides were made in further integrating Diversity, Equity, and Inclusion (DE&I) into our people management approach. We:

- expanded our DE&I Committee with representatives from all regions
- introduced a metrics dashboard to better monitor our performance
- adopted a strategic approach to DE&I, agreed upon by senior executive management

The Women’s Network has also been also active, with local champions nominated for each country and region to increase awareness and local relevance of the programme.

The percentage of women in the LIBERTY workforce increased to 12.2% from 11.5%, with significant increases in operational roles. However, we also noted that the number of

women working in office-based roles decreased over the year, prompting a review of our approach to those roles. Looking ahead, we have plans in place to make it easier to attract talent from diverse backgrounds, maximise opportunities for women in the organisation, remove age barriers to career progression, and measure the impact of our DE&I policies.



WE LISTEN TO OUR EMPLOYEES AND ACT

Our people are the best indicators of our culture, safety, and wellbeing. That’s why we introduced the Your Voice employee survey in 2019 and have since expanded it to new businesses as they join the Group. The survey, designed to gather feedback and ideas from our people, was fully embraced by LIBERTY Częstochowa in Poland. Employees who were less familiar with the technology we use were given help to participate, which meant more than 500 members of the team took the time to give feedback.

Survey results and improvement ideas were shared across the site, empowering departments to act based on employees’ feedback. Positive changes included tablets for cold store staff, improved communication using walkie-talkies, and more lighting across the site.

WE CARE ABOUT AND SUPPORT OUR EMPLOYEES IN THE MOMENTS THAT MATTER

We keep helping our people with a positive approach to wellbeing and mental health through corporate and other local safety and wellbeing awareness campaigns. Our approach is guided by the four pillars of wellbeing – emotional, physical, financial, and social.

LIBERTY Steel UK – Health Awareness Campaign

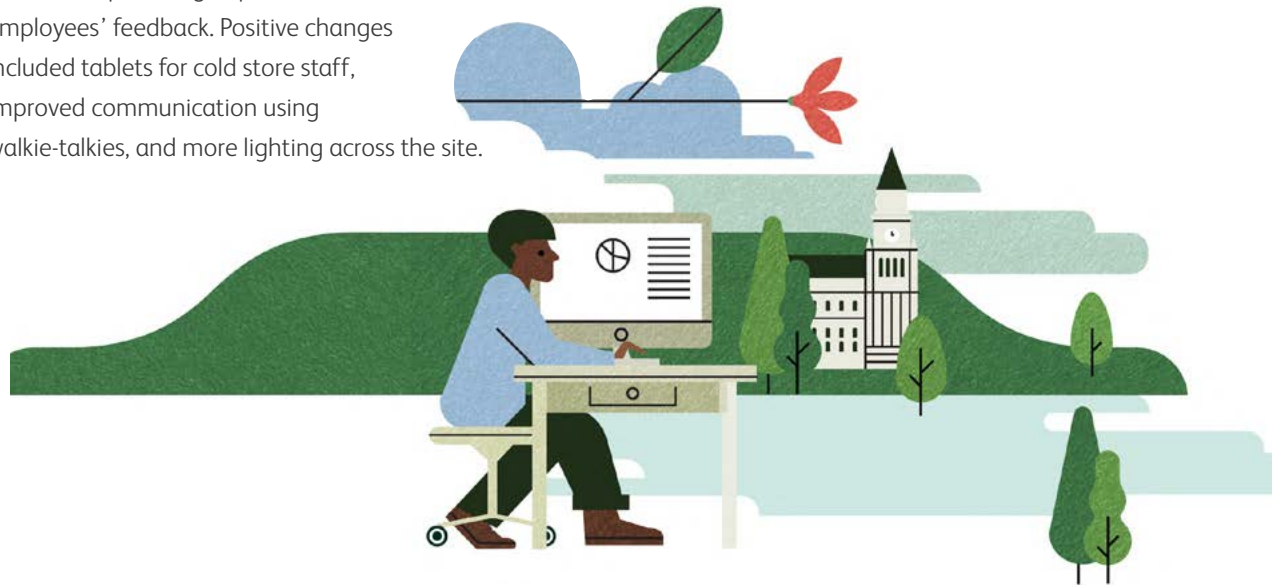
In 2022, LIBERTY Steel UK ran a series of health promotional campaigns every two months to raise awareness of common health issues.

Topics covered cancer awareness, ways to maintain good mental health, as well as tips for healthy eating and exercise. The campaigns also discussed where to find medical advice and support. Several UK health charities supported the team in raising awareness and explaining screening tests.

For example, our cancer awareness sessions helped one employee decide to get tested for prostate cancer. The diagnosis was positive, but because it was caught early, he was able to successfully overcome the condition. He shared his experience with others, encouraging them not to delay seeking medical attention if they were worried about their health. He later appeared on the global Women’s Network, spreading the campaign’s message more widely.

LIBERTY Steel Skopje – Wellbeing Programme

Our strip mill in North Macedonia implemented a successful wellbeing programme in 2022. All employees completed training to understand the importance of mental health and wellbeing, and the business now has monthly health promotion sessions. HR Director Vesna Velickovska says the programme boosts employee satisfaction and is a key part of the Skopje’s health and safety strategy.





CASE STUDY: LIBERTY GEORGETOWN, USA

WORKING TOGETHER WITH THE UNION

At LIBERTY Georgetown in the US, the strength of the union-management relationship is unlike many others. Despite a history of distrust and conflict, our acquisition of the plant has brought about a positive change.

With the help of our Head of Human Resources Karen Smith; Plant Manager Dwayne Newton; and Executive Vice President Axel Ampolini; a partnership was formed for plant and employee benefit.

It led to great results, including: a successful contract negotiation completed within 24 hours; very few

grievances having been filed in the past five years – the union and company work together to address complaints before filing grievances, saving time and maintaining a positive team mentality; the plant’s production increased significantly, and, with no accidents in 2022, it was recognised as the safest plant in the USA. Finally, the plant strengthened its relationships with the community and local and state leaders. The relationship between the union and LIBERTY Georgetown serves as a model for how businesses and unions can work together to create a better future.

 **WE EMBRACE POSITIVE SOCIAL DIALOGUE**

LIBERTY values working positively with unions and other employee representative groups. We create an open and transparent platform for social dialogue and encourage opportunities for unions to interact and connect with our senior leadership teams.



WE CARE ABOUT OUR COMMUNITIES

LIBERTY, in partnership with the GFG Foundation, works with education providers worldwide to deliver student programmes and scholarships. In 2022, the GFG Foundation launched as a registered charity in the Czech Republic and signed an agreement with the Electrotechnical High School in Ostrava to start a pilot programme for trainee electricians in September 2023.

In Romania, the Foundation launched a three-year dual education programme in partnership with the ‘Paul Dimo’ Technological High School. There, the Foundation and LIBERTY Galati, together with Rewise Learning, began a STEM-based learning programme with 20 students, with a new class starting in the 2023 academic year.



In Australia, the Foundation continued programmes in Whyalla, South Australia for the third consecutive year, in Newcastle, New South Wales, for the second consecutive year, and began in George Town, Tasmania. The first-ever ‘Get Job Ready’ event was held in Whyalla.

In the UK, the Foundation partnered with the Engineering Development Trust (EDT), to promote STEM skills. The pilot programme in Rotherham, developed in partnership with EDT and LIBERTY Steel UK, started in 2022 and doubled in size the following year. Celebration events took place at Sheffield Hallam University in June 2022 and 2023. The Industrial Cadet Bronze Award was presented to students from schools in Rotherham and Sheffield.

WE RECOGNISE OUR ACHIEVEMENTS FAIRLY AND COMPETITIVELY

We believe in paying our people competitively and fairly. We understand that a motivated and satisfied workforce is key to our success, and we ensure our reward packages align with industry standards. We ensure our pay matches the relative value and responsibilities of positions within teams and regions. Overall, we evaluate thoroughly and use up-to-date scales to ensure fair pay.

Chairman’s Awards

We celebrate the exceptional contributions of our people, reinforcing our commitment to growth and development. Our Chairman’s Global Excellence Awards provide a platform for showcasing achievements and recognising outstanding performance from colleagues across the Group. The Awards categories match our values and focus on driving positive change, fostering a family culture, and promoting sustainability.

Categories include: Change, which encourages an open mindset, innovation, and continuous improvement; Evolution, which celebrates ongoing efforts; Revolution, which recognises transformative change; Safety, which acknowledges commitment to safety standards; Sustainability, which includes the Economic award for initiatives aligning economic benefits with social and environmental sustainability; Social, for positive impacts on people’s lives; and the CN30 award for environmental efforts.

CREATING HEALTHY, SAFE, SUSTAINABLE WORKPLACES.



Employee safety remains our top priority every day. Over the past year, we have established consistent systems and processes, and shared best practices across the group. This has enabled strong safety records across most plants, with others making significant improvements. Mitigating high risk incidents has been a key focus, with continued Root Cause Analysis (RCA) and sharing findings through the safety network to enhance collective learning. For operations with intermittent activity, we have introduced re-induction programmes to emphasise safety and focus on operating procedures and written instructions to ensure a safe restart. A central element of our 'Be GFG Safe' strategy addresses psychological safety risks. With Human Resources we offer training, response mechanisms and support channels to all employees.

Arnaud de Weert
Chief Operating Officer

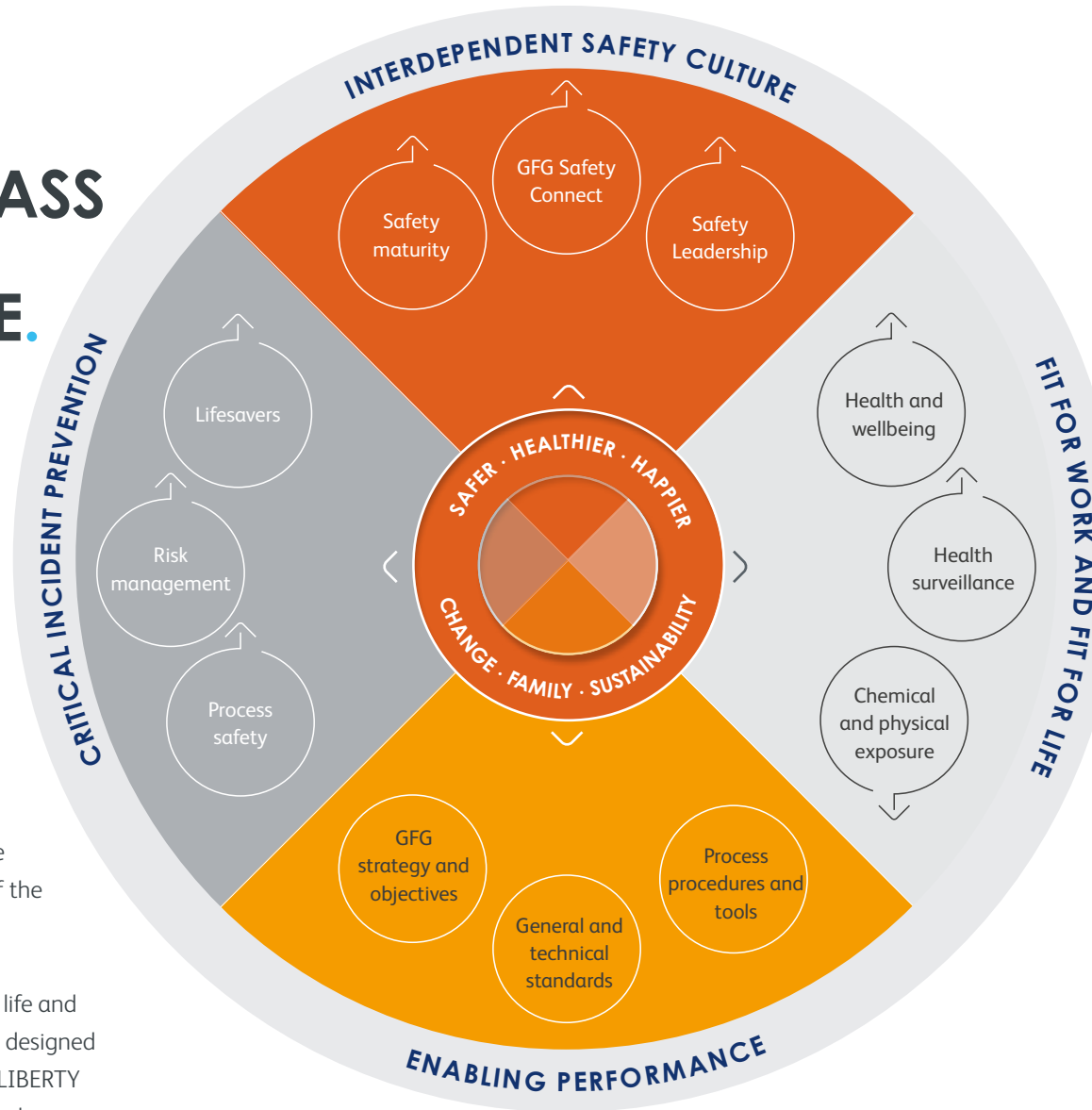


WORLD-CLASS SAFETY STARTS HERE.

Our safety vision never wavers. We invest to achieve industry-leading standards and support our employees

We are committed to maintaining the highest safety standards and building a working environment in which everyone thrives. We have captured some of the highlights of the past year.

Our main goal is to prevent loss of life and serious injuries. To support this, we designed our 'Be GFG Safe' strategy, which LIBERTY has adopted, and we work relentlessly on our four health and safety pillars.



OUR SAFETY PILLARS

1.

Enabling Performance

We develop standards, systems and tools based on industry best practices. In 2022, we introduced four new Global Health and Safety Standards and we shared 40 toolbox topics for our bi-monthly safety focuses.

2.

Critical Incident Prevention

We monitor, assess, and improve critical controls using an advanced investigation method. Trained leaders investigate critical incidents in all locations. This has led to 196 safety alerts being shared for organisational learnings.

3.

Interdependent Safety Culture

We foster a caring culture by identifying and addressing error traps. In 2022, more than 8,000 employees had participated in Safety Connect, our behavioural safety programme.

4.

Fitness for Work and Life

We oversee employee safety from physical and chemical hazards and promote healthy lifestyles both in and out of work. In 2022, we launched our first Global Health Challenge to encourage our employees to create healthy daily routines.

ENABLING PERFORMANCE

We continuously review and improve our processes, learn from best practices, and prioritise safety through our Health and Safety Assurance Programme. All this helps us achieve world-class safety outcomes.

CRITICAL INCIDENT PREVENTION

In 2022, we had one fatality, at our operation at Ostrava, Czech Republic. Even though our fatality frequency rate in 2022 was 0.016 lower than the World Steel Association Fatality Frequency Rate (WSA FFR) of 0.02, one fatality is still one too many. It underscores the need for continuous improvement.

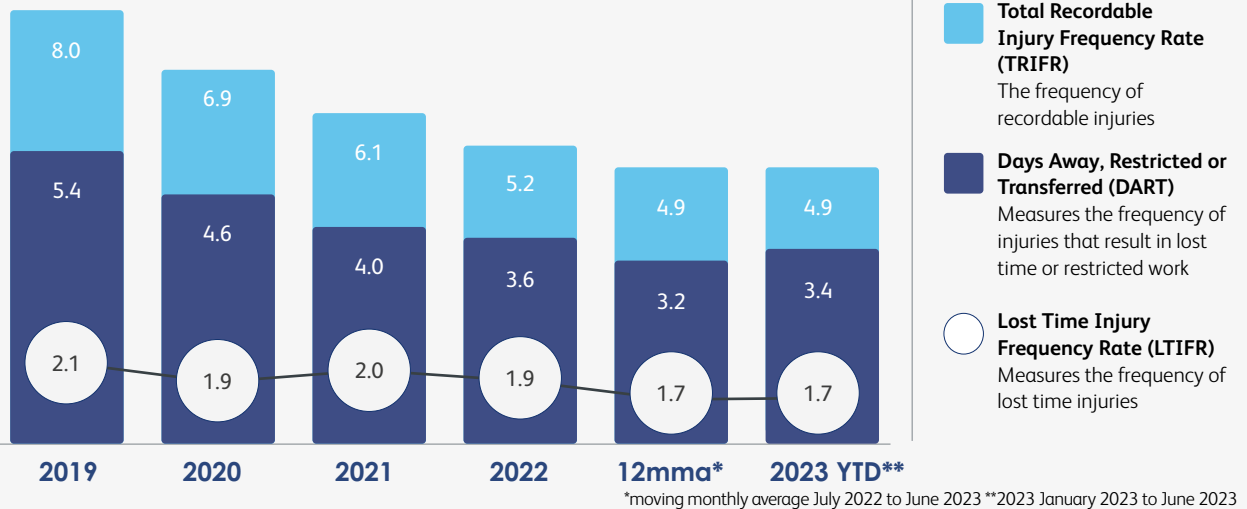
Our other main lagging indicators, Lost Time Injury Frequency Rate (LTIFR), frequency of cases including Days Away, Restricted or Transferred (DART) and Total Recordable Injury Frequency Rate (TRIFR) continued to improve over the last 12 months.

In 2022, some of our main operations across the world, including our coking coal mine in New South Wales, Australia, and our EAFs, recycling and distribution businesses in Australia achieved their best ever safety performance. Galați, our integrated steel business in Romania, has achieved world-class frequency rates with only 1.9 recordable injuries per one million working hours.

PROACTIVE SAFETY REPORTING INCREASES



IMPROVING INJURY RATES



*moving monthly average July 2022 to June 2023 **2023 January 2023 to June 2023



INTERDEPENDENT SAFETY CULTURE

We made things safer through our Safety Connect programme, which has been rolled out across all operations. Our behavioural safety programme is focused on creating a culture whereby we look after each other by making a connection between safety at work and what matters most to each of us. It is a big part of our five-year plan to attain world-class safety performance by 2025.

We spent a year studying what causes incidents and how people react to them. The programme was developed by a multi-disciplinary team that included LIBERTY leaders, safety professionals from Europe and Australia, and employee safety representatives, as well as through networking with mining and metal companies. Safety Connect sessions are led by experienced internal leaders with strong safety credibility across the workforce, with a senior leader present in each session.

By the end of 2022, more than 8,000 employees, 30% of the global workforce, had participated in the programme. Effects of the programme are seen in reductions in injury frequency and in the improvement in proactive reporting. Over the past year, proactive reporting rose by 84% compared with 2021. In 2022, our employees intervened in more than 65,000 at-risk behaviours.



FIT FOR WORK AND FIT FOR LIFE

In October 2022, we launched our first Global Health Challenge, to promote healthy lifestyles and encourage each other to introduce healthy routines in our daily lives. More than 150 teams, 800 employees in total, participated, including Australia, the UK, the USA, the Czech Republic, Romania, and Italy.

During the eight-week challenge, we walked more than 463 million steps, a distance equal to almost nine laps around Earth. The challenge fostered team spirit, motivation, support and celebration among participants. It also united people to develop habits for improved health and wellbeing.

GOVERNANCE FOR SUSTAINABILITY.



OUR GOVERNANCE AMBITIONS

- **Corporate governance** Demonstrate integrity, diversity, and transparency
- **Effective structures and controls** Adhere to clear decision-making and risk-management frameworks
- **Environmental Social Governance (ESG) integration** Embed ESG considerations in our strategic and operational decision-making



We recognise the importance of having an effective and transparent governance structure for all our stakeholders. In the last year, the Board has reviewed and improved our governance approach. I have been pleased to see the development of our Board committees, particularly the Strategic Investment Committee. Additionally, we have updated and rolled out our global risk-management framework. Good progress has been made in embedding processes, data collection, and in ensuring compliance and regulatory alignment across the Group. We have also expanded our global assurance function and reinforced our Global Compliance Standards through extensive training and internal audit review.

Iain Hunter

Chief Governance Officer



A FRAMEWORK TO DELIVER.

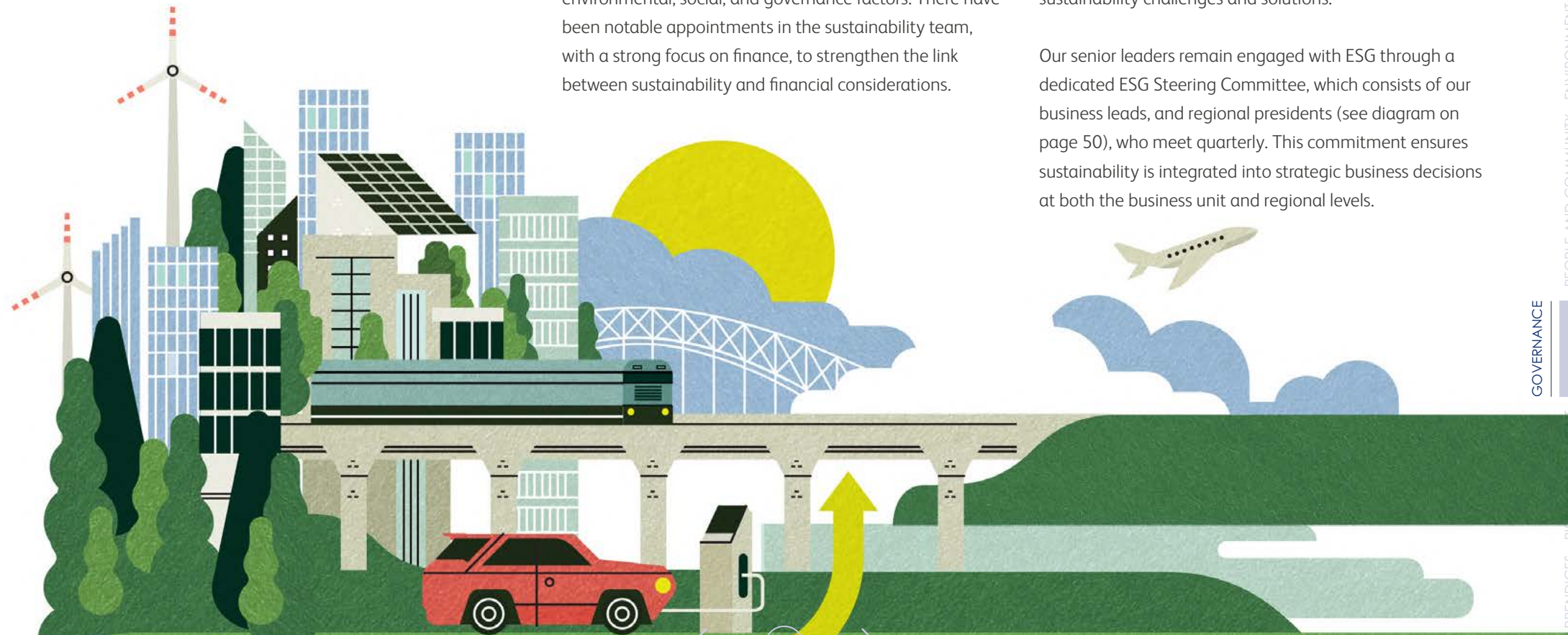
Embedding sustainability across the way we operate is helping drive change

Good governance is essential for sustainable business practices. It establishes the framework for our commitment to high standards of responsibility, accountability, and transparency. This section offers a comprehensive overview of our governance approach, detailing our strategies and initiatives in key areas. Our global ESG function is growing and maturing, reflecting the Board's increased emphasis on environmental, social, and governance factors. There have been notable appointments in the sustainability team, with a strong focus on finance, to strengthen the link between sustainability and financial considerations.

We have also hired a global carbon accounting specialist, indicating the growing emphasis on precise carbon footprint measurement and reporting, as companies worldwide strive for greater transparency and accountability in their climate action efforts.

Additionally, regional sustainability leads highlight our recognition of the importance of nuanced, localised sustainability challenges and solutions.

Our senior leaders remain engaged with ESG through a dedicated ESG Steering Committee, which consists of our business leads, and regional presidents (see diagram on page 50), who meet quarterly. This commitment ensures sustainability is integrated into strategic business decisions at both the business unit and regional levels.



GOVERNANCE

Stakeholder Engagement

Engaging with our stakeholders is fundamental to our governance approach. Our primary stakeholders are employees, unions, national and local governments, customers, suppliers, investors, communities, regulators, the media, and non-governmental organisations (NGOs).

Our engagement methods include

- Surveys and feedback: We survey our staff and regularly communicate with our key external stakeholders to gather feedback on sustainability issues ([People and Community](#)).
- Roundtables & Forums: We hold discussions and forums, attend industry events and sit on industry body expert panels to engage in dialogue around our key sustainability issues ([Sustainability Strategy](#)).
- Feedback Integration: The feedback and insights from these engagements are channelled back into our strategy formulation and decision-making processes.

Ethical Conduct and Compliance

Our Global Code of Conduct outlines the minimum standards we expect from employees in our businesses. It is a guide to behavioural expectations across issues that range from strict compliance with global and national anti-bribery and corruption laws, to avoiding conflicts of interest. All employees must understand and follow the principles in the code, as well as abide by the applicable laws and regulations in the areas where we operate.

GOVERNANCE IN ACTION How sustainability is delivered



*Committee includes: Group Chief Operating Officer, Chief Investment Officer, Chief HR Officer, Chief Governance Officer, Group General Counsel, regional presidents and business CEOs, as well as representatives from the sustainability, CIPO, and communication teams

Regulatory compliance is managed locally (subject to compliance with the GFG Alliance Global Compliance Standards and Global Code of Conduct). A Compliance Monitoring Charter has been developed, which will offer independent assurance from a Group perspective with respect to local compliance controls, in addition to providing independent oversight of regulatory compliance, which will be overseen by LIBERTY's Global Head of Compliance.

Tax compliance and risk are also co-ordinated globally, overseen by the Global Head of Tax who reports to the Global CFO. We work with our businesses to ensure compliance with relevant tax regulations in the jurisdictions in which we operate. We also conduct periodic internal control reviews, assess accounting quality, and identify and address tax risks.

- **Training and awareness:** We are rolling out Code of Conduct staff training across all our businesses. Additionally, the GREENSTEEL Academy offers training sessions that focus on sustainability-related issues to ensure our employees are aware of the challenges in this area and our responses.
- **Monitoring and reporting:** Our internal audit team has been strengthened with key hires. They conduct checks to ensure compliance with our global standards, and that any breaches are appropriately addressed. The global Board monitors actions, including training or disciplinary measures, taken as a result of these findings.

Transparency and Reporting

Our annual Sustainability Report is benchmarked against the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) standards. It outlines our performance on key sustainability metrics, providing our stakeholders with a transparent view of our progress and areas for improvement.

- **External assurance:** To reinforce our commitment to transparency, we are in the process of appointing a specialist third party to carry out a pre-assurance exercise on our sustainability metrics and data.

Risk Management

In the past year, we have worked with all our businesses to align the way they identify, evaluate and mitigate their key risks. This risk-management framework now explicitly covers ESG-related risks. Our global risk-management team has been bolstered with two new hires and it works with the risk function within our businesses to conduct second-line reviews of the risk assessment and mitigation processes. We are also improving Board risk reporting, which is currently being developed and tested with our regional and global Boards.

Board Composition

Our Board demonstrates diversity, expertise, and experience. Its composition – gender (20% female), ethnicity (South Asian, European, American, and Australian) and expertise (steel and commodities to sustainability) – gives a spectrum

of perspectives on potential challenges and solutions. We will continue to evaluate our Board and executive management composition to support our future success.

Executive Compensation

This year, we appointed a Global Head of Talent and Reward who is working closely with our businesses to connect remuneration KPIs directly to our sustainability performance. We recognise the importance of connecting performance metrics to sustainability outcomes that influence executive bonuses and long-term incentives.

Key Talent Risk & Succession Planning

A succession strategy for critical roles will ensure smooth transitions in case of unplanned exits or retirements. This includes mentorship programmes, training, and talent development initiatives, led by our Global Head of Talent and Reward. Our CEO and Regional President structure ensures that there is senior coverage for all our businesses. The CEO or Regional President can step into each other's role if needed. For instance, Dak Patel, our Regional President for Australia, stepped in as interim CEO for InfraBuild while we finalised a permanent replacement for that role.

Conclusion

Our governance framework underscores our commitment to sustainability. From ensuring transparency and managing risks, to shaping our Board composition and integrating ESG factors, we are dedicated to continuous improvement in our sustainable business practices.

**MANAGING RISK
KEEPS US ON TRACK.**



CLIMATE CHANGE BRINGS RISKS AND OPPORTUNITIES.



By evolving our approach, we will achieve our sustainable goals



Our industry and operations have an impact on the global climate and human wellbeing. In turn, our businesses are influenced by both direct and indirect consequences of climate change. Sustainability risk at a global level is integrated into our enterprise risk management and reporting process. The Head of Risk and Sustainability reports directly to the Board and is responsible for overseeing our sustainability programme, while also working on a consistent global approach to identify, manage, and report risks, with a specific focus on climate change considerations.



We have identified seven key risk areas for our global operations, which range from economic and market risks, to operational risks. These are set out in the table on the next page. It shows how the physical and transition risks associated with climate change affect our assessment and response to traditional risk areas.



KEY RISK AREAS FOR OUR GLOBAL OPERATIONS

Key risk area	Key physical climate risk/opportunity	Key transition climate risk/opportunity	Risk response
<p>ECONOMIC AND MARKET RISK</p> 	<p>Acute: rising severe extreme weather can shock input prices and market demand.</p> <p>Chronic: changes in rainfall patterns and weather conditions will impact renewable electricity costs and availability, as well as the success of our own renewable energy projects.</p>	<p>Heightened energy cost risk as we transition to production methods that are more reliant on electricity as the primary power source.</p> <p>Steel demand impacted by investments into renewable infrastructure and a circular economy.</p> <p>Customer demand and willingness to pay a premium for low-carbon steel products.</p> <p>Increased exposure to scrap price and availability changes as we and others in the market transition to lower carbon production, which requires a greater proportion of scrap.</p>	<p>To mitigate climate-related economic and market risks, we will:</p> <ul style="list-style-type: none"> • Develop on-site renewable energy projects • Engage with governments and industry groups on local approaches to energy price regulation and scrap policy • Include energy price hedging in individual business planning processes where relevant • Work with customers to understand and anticipate their future needs • Discuss the cost premium for green steel production with key customers. <p>Commit to have no explicit green premium in our business plans for transformation projects to allow for a margin of prudence and to reflect uncertainty in this area.</p>
<p>LIQUIDITY AND FUNDING RISK</p> 	<p>Inability to attract or retain investment.</p>	<p>New funding structures and a greater requirement for capital expenditure to fund transformation projects.</p> <p>New financial products on the market for financing green transformation could be a source of opportunity.</p>	<p>Local management teams forecast profit and cash flow, are continually reviewed by the global finance function. These consider likely demand from key customers and suppliers and monitor and review availability and requirements for credit and other funding.</p> <p>Chairman’s Industrial Planning Office (CIPO) centrally manages transformation projects for visibility of all transformation-related capital expenditure requirements and centralised liquidity control.</p>

Key risk area	Key physical climate risk/opportunity	Key transition climate risk/opportunity	Risk response
<p>PEOPLE RISK</p> 	<p>Acute: severe or extreme weather and climate induced pandemics could disrupt travel and displace communities.</p> <p>Chronic: higher temperatures may require altered work patterns, reduced productivity or an increase in health and safety risk.</p>	<p>Change in skillsets required to operate lower carbon-emitting production methods.</p> <p>Ability to attract a new generation of workers into an industry that some have historically considered to be 'dirty'.</p> <p>Ability for the steel industry to adequately respond to an increased requirement for diversity at all levels of the organisation.</p>	<p>LIBERTY established the GREENSTEEL Academy in our major jurisdictions to provide future skills training and development for employees, as well as training for a new generation of steelworkers.</p> <p>A skills gap analysis process is underway to align recruitment policies with the skills for low-carbon emitting production.</p> <p>Designing curriculums in partnership with local universities and technical colleges to encourage young people to enter the industry and help develop more sustainable production methods.</p> <p>Diversity & Inclusion Committee activities, including women's networks and mentoring programmes, will continue to benefit underrepresented groups.</p> <p>Five-year plan in place to achieve world-class safety performance by 2025. Initiatives include the behavioural programme Safety Connect, rolled out to all levels of the organisation in face-to-face sessions.</p>
<p>TECHNOLOGY RISK</p> 	<p>N/A</p>	<p>Production cost changes due to new technologies implementation.</p> <p>Carbon capture and storage technologies might come on stream more quickly than anticipated, raising our transition costs compared with peers.</p> <p>Availability of scrap or other critical raw materials needed to operate new technologies.</p>	<p>LIBERTY pilot projects are underway ahead of transformation activities being approved. They will assess production cost associated with new technologies.</p> <p>Continual engagement with industry groups and government for insights into investment in and development of alternative carbon-removal technologies.</p> <p>LIBERTY's business plans for transformation projects include risk assessments for technology readiness and the ongoing cost of production associated with incorporating new technology.</p>

Key risk area	Key physical climate risk/opportunity	Key transition climate risk/opportunity	Risk response
<p>CREDIT RISK</p> 	<p>Exposure to supply chain areas where greater incidence of extreme weather events or changes in climate patterns might reduce credit worthiness, e.g., suppliers in high-risk areas whose operations could be disrupted by storms, increased temperature or displaced workforce.</p>	<p>Bank and investor approaches to funding carbon-intensive sectors.</p> <p>Greater influence of Environmental, Social, and Governance (ESG) considerations when determining the cost of capital.</p>	<p>LIBERTY’s key supplier due diligence will include an assessment of exposure to climate risks.</p> <p>New supplier relationships are secured through letters of credit or credit insurance.</p> <p>LIBERTY’s accelerated decarbonisation plans should increase attractiveness to sources of sustainable finance.</p> <p>Engagement with banks and investors to understand their requirements in ESG considerations and reporting standards.</p> <p>Active participation in industry groups covering finance, government, customers, and suppliers to develop a steel sector transition investment framework.</p>
<p>LEGAL, REGULATORY AND REPUTATIONAL RISK</p> 	<p>N/A</p>	<p>Changes to carbon pricing, Carbon Border Adjustment Mechanisms and environmental policy frameworks will significantly impact our operating costs.</p> <p>Risk associated with failure to adhere to environmental or waste management regulations.</p>	<p>Dedicated environmental policy team to engage with senior government officials and participate in steel industry associations’ meetings to ensure the impact of policy and carbon pricing mechanism changes are addressed.</p> <p>LIBERTY aims for carbon neutrality covering Scope 1 and 2 emissions for pre-2021 assets by 2030. This reduction in carbon emissions will reduce future carbon pricing mechanisms risks.</p> <p>Our major steel production sites have a process in place for continuous engagement with local communities on environmental taxonomies, circularity, biodiversity, and water. Any breaches or complaints are logged and acted on. Significant breaches are reported centrally for co-ordinated mitigation and learning.</p>

Key risk area	Key physical climate risk/opportunity	Key transition climate risk/opportunity	Risk response
<p>OPERATIONAL RISK</p> 	<p>More frequent or severe extreme weather can cause property damage and business interruption – either to our own business or supply chains. Heat can also affect worker productivity (see People Risk page 55).</p>	<p>Transitioning to low-carbon steel production entails added operational risks due to technology changes.</p> <p>Reporting against and compliance with ESG criteria, environmental regulations and policies may introduce additional systems and internal process risk.</p> <p>Policy changes could rapidly make high-carbon emitting technology costs prohibitive, leading to stranded assets or disrupted operations.</p>	<p>LIBERTY’s internal audit system identifies and mitigates fraud, internal control and systems failure. It is being adapted to include ESG policies and environmental regulation compliance.</p> <p>Business entity risk teams manage operational risk at the first line. Second-line oversight is global, involving reporting to the global Board, a Business Excellence team tasked with benchmarking process effectiveness, and global Chief Operating Officer (COO) oversight.</p> <p>Insurance covers physical damage associated with severe or extreme weather. Site locations limit climate change exposure during the strategic planning process.</p> <p>Our transformation projects are large scale and capital intensive and are fully risk assessed as part of the feasibility stage of the project planning process. They each have tailored mitigation strategies in place, relevant to the risks identified for that project. CIPO oversees all projects for risk and timing considerations.</p>

Low risk of asset stranding due to infrastructure lifecycle and transition timing, such as decommissioning out blast furnaces before they would need relining.

For more about our risk response, please see Sustainability Strategy





Climate risk assessment and scenario analysis

We understand the impact of the key risks we have identified depends on how well global climate mitigation strategies work and how quickly they are put into action. In an ‘orderly’ transition, policies will be put in place and improved over time. This may lead to short-term challenges during the transition, but it reduces the long-term risk to our operations.

In a ‘disorderly’ transition, the short-term challenges are fewer, but the long-term effects of policy changes are expected to be more severe. In a ‘failed’ transition it is

more likely we will face the immediate consequences of climate change, rather than the challenge of transitioning.

We have started to assess the weighting of the various risk factors and the potential impact on our businesses through scenario analysis (page 59). This analysis is considering scenarios based on: the International Energy Agency (IEA)’s Global Energy and Climate Model; the Announced Pledges Scenario (APS), which represents successful transition to a world where global warming is limited to 2°C above pre-industrial levels; the Stated Policy Scenario (STEPS), which represents energy trends in a world where global

temperature exceeds 2°C above pre-industrial levels; and the Net Zero Emissions by 2050 (NZE). Future reports will share this scenario analysis in more details, and findings will be incorporated in our business planning processes.

Risk metrics and monitoring

The key environmental and social metrics we monitor are set out from page 60 onwards. These will be categorised into key risk indicators associated with the risks identified in the table and monitored by the associated risk owner. Where a material risk is outside of risk appetite, it will be reported to the ESG Steering Committee or referred to the Board.

SCENARIO ANALYSIS.

SCENARIO DESCRIPTION

2022 World Energy Outlook (WEO) provides a detailed description of the IEA Global Energy and Climate Model and its related scenarios.

Stated Policies Scenario (STEPS): Energy-related CO₂ emissions plateau and fall around 2050, leading to a rise of 2.5°C in the global average temperature by 2100. Global energy demand growth of around 1% per year by 2030 is met almost entirely by renewables. It projects a global peak demand for fossil fuels such as coal in the coming years, natural gas flattening by 2030, and oil in the mid-2030s. This scenario accounts for stated policies and measures in place or under development in each sector.

Announced Pledges Scenario (APS): Fossil-fuel demand is put into decline by 2030. Greenhouse Gas (GHG) emissions peak in the mid-2020s and fall to 12Gt in 2050, which is associated with a temperature increase of 1.7°C by 2100. Increases in global clean energy manufacturing are a driving factor for rapid deployment of clean technology. This scenario assumes that governments will meet fully and on-time all climate-related commitments made, and includes related pledges made by the private sector and NGOs.

Net Zero Emissions by 2050 (NZE): CO₂ emissions fall to 23Gt by 2030 and to zero by 2050. There is a 50% increase in global energy demand by 2050, mostly coming from emerging economies. Getting to net zero requires a tripling of spend on clean energy and infrastructure by 2030. Achieving the NZE pathway is narrow but achievable with the necessary policy and technology advances. This scenario outlines the technology, policies, and behaviour change necessary to bring about net zero emissions by 2050 and includes key energy related UN SDGs.

In our climate risks and opportunities assessment we consider two IEA scenarios: STEPS – representing a global high carbon emissions pathway with the world surpassing 2°C in this century above pre-industrial levels; and APS – representing a global low emissions pathway with the world not surpassing 2°C in this century. Key input data for these scenarios were taken from IEA GEC Model.

Sample assessment of transitional climate-related risks and opportunities

SCENARIO	CARBON PRICE		TRANSITION TO LOW-EMISSION TECHNOLOGIES		ACCESS TO CLEAN ENERGY INFRASTRUCTURE	
	STEPS	APS	STEPS	APS	STEPS	APS
RISK/OPPORTUNITY	Increased expenditures on CO ₂ allowances		Increased operational expenses comparing to BF-BOF route		Investment into clean energy infrastructure	
DESCRIPTION	Expected CO ₂ allowance prices according to IEA GEC Model: 2030 – 90 USD/t 2050 – 113 USD/t This applies to most jurisdictions in which LIBERTY operates.	Expected CO ₂ allowance prices according to IEA GEC Model: 2030 – 135 USD/t 2050 – 200 USD/t This applies to most jurisdictions in which LIBERTY operates.	LIBERTY transitions to low-emission technologies will result in significant reduction of coke consumption. However, transition will increase overall electricity, natural gas and scrap consumption.		LIBERTY develops its own renewable energy projects, as well as seeks partnership for accessing local clean-energy mix (solar, wind, bioenergy, green hydrogen) in main jurisdictions of operations to produce low-emissions steel.	
POTENTIAL MATERIALITY						
Short-term (2025)	+/-	+/-	+/-	+/-	-	-
Mid-term (2030)	+/-	-	-	-	+/-	-
Long-term (2050)	-	-	-	-	+/-	+/-

Sample assessment of physical climate-related risks and opportunities

SCENARIO	INCREASED SEVERITY OF EXTREME WEATHER EVENTS		RISING MEAN TEMPERATURES		ADAPTATION AND RESILIENCE	
	STEPS	APS	STEPS	APS	STEPS	APS
RISK/OPPORTUNITY	Increased severity of extreme weather events		Decreased productivity and operational revenue		Adaptation through supply chain diversification, raw material substitution, and recirculation	
DESCRIPTION	Extreme floods and droughts may affect the supply chain of raw materials and increase supply costs in the long term.		Rising mean temperatures may reduce operational revenue due to lower workforce productivity, altered work patterns, and increased exposure to pandemic diseases.		Adapting capacities of internal infrastructure for alternative raw materials and clean energy source mix. Using post-industrial territories for renewable energy infrastructure.	
POTENTIAL MATERIALITY						
Short-term (2025)	+/-	+/-	+/-	+/-	+/-	+/-
Mid-term (2030)	+/-	+/-	+/-	+/-	+/-	+
Long-term (2050)	-	+/-	-	+/-	+	+

+/- (neutral); + (positive changes); - (negative changes)



PERFORMANCE DATA.



ESG DISCLOSURE STANDARDS.

LIBERTY conducted a comprehensive review of disclosure frameworks as part of our 2022 reporting process. We have used the same frameworks for this report and have benchmarked our disclosures against the Sustainability Accounting Standards Board (SASB) and Global Reporting Initiative (GRI).

We will further refine our disclosures as our reporting processes develop, alongside the wider regulatory approach to sustainability reporting. The data collected and disclosed in this report are consistent with the information we use to inform and monitor our global strategy and targets. This information is used not only to communicate progress to stakeholders, but also for our global Board and local management teams to learn, adapt, and drive change over time.

LIBERTY's Board reviews sustainability data to identify key areas of risk and opportunity for our businesses, make informed strategic decisions and ensure that our operations are aligned with the global vision. The ESG Steering Committee defines the group's Environmental, Social, and Governance ambitions, and uses a subset of the ESG data collected to monitor progress towards these ambitions and to help shape each annual programme of

work. The Group Sustainability Function drives reporting and communicates data internally and externally, ensuring that operational management across the world integrates the available data into their decision-making.

Data in the following tables cover these sites

- Primary Production in Europe: LIBERTY Ostrava and LIBERTY Galați
- Electric Arc Furnace (EAF) Production in Europe: Rotherham and LIBERTY Częstochowa steel plants
- Downstream production in Europe: LIBERTY Steel UK downstream (including Hot Rolling), LIBERTY Częstochowa Rolling Mill, LIBERTY Skopje, LIBERTY Magona, LIBERTY Liège (LIBERTY Dudelange not included in this Report)**. Production volumes in the UK and some of the European operations were impacted by the supply chain and energy crises during 2022. Despite low production levels, a minimum volume of electricity and water usage is required to maintain the sites. Intensity figures are therefore impacted by the lower production volumes and will be higher for 2022 than 2021 where production was at more normal levels
- EAF and downstream production in the USA: LIBERTY Steel USA. In addition to Peoria's data, Georgetown's Carbon and Air pollutants CY 2022 data are included. Water and Waste data are only partially available, but this will not materially alter the combined figure due to the much smaller volume estimated at less than 1% difference.
- InfraBuild Australia: All InfraBuild sites
- Primary production in Australia and Australia Mining: LIBERTY Primary Steel – Whyalla Steelworks, LIBERTY Bell Bay, SIMEC Mining Tahmoor Coking Coal, and SIMEC Mining Iron Ore
- The environmental data for India are not material and therefore have not been included
- Hungarian site is not included, as the acquisition date is after the period covered by this Report

METHODOLOGY FOR THE FOLLOWING TABLES

Environmental data

Data are split by production type and geographic area. During 2023, the data optimisation and approach to comparability across data has evolved. Carbon data (Calendar Year (CY) 2022) have been calculated in line with the IPCC methodology for all sites. CY 2021 data were reported in line with local reporting standards/boundaries ([Worldsteel](#), [EU Emissions Trading Statement \(EU ETS\)](#) and the [National Greenhouse Energy Reporting Scheme \(NGER\)](#)). The variations are only likely to be material for the Primary Production Europe figures. This accounts for approximately 15% of the year-on-year variation for these sites.

As part of the refinement of our data collection process some discrepancies in terms of scope and boundaries in the data reported in the 2022 reporting cycle were identified. These have been updated and restated in the attached table and identified with *. For transparency, explanations have been provided in the different sections below.

Issues created by global supply chain disruption, energy crises and fluctuations in production volumes, mean variations in environmental KPIs are greater than may be expected across years where production volumes and inputs are more stable.

Social data

The number of LIBERTY full-time equivalent employees (FTEs) by jurisdiction on December 31, 2022 is reported. No material significant fluctuations in the number of employees were reported in the data collection process. The contractor and recruitment (temporary) numbers have not been included as these are managed at the site level and may fluctuate based on production activities. Data for the USA wire entities (Solon Speciality Wire, Engineered Wire Products, Johnstown Wire Technologies) were made available in 2022 and have been included in the USA 2022 figure. The reporting cycle for CY 2021 only included Peoria and Georgetown.

APPENDIX 1 ENVIRONMENTAL METRICS.

This table provides disclosures against the Sustainability Accounting Standards Board (SASB)

METRICS		UNIT		EUROPE				USA		AUSTRALIA										SASB	MORE INFORMATION	
				Primary Production Europe		EAF Production Europe		Downstream Production Europe		EAF & Downstream Production in the USA	InfraBuild Australia	PRIMARY PRODUCTION IN AUSTRALIA				AUSTRALIA MINING						
				CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021			CY 2022	CY 2021	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022			FY 2023
PRODUCTION																						
Production volume (BoF) – crude steel	kt	3,343	4,566									886	1,022									
Production volume (EAF) – crude steel	kt			337	510			438	496	1,306	1,242											
Production volume (Downstream production)	kt					931	1,970 **	513	556													
Production volume (Iron ore, Coking coal, Ferroalloys...)	kt													381 (1)	394 (1)	14,479	14,733	1,559	1,690	EM-IS-000.A EM-IS-000.B EM-IS-000.C		
Total scrap recycled in the furnaces	kt	1,244	1,665	345	527			496	546	1,418	1,354	222	250									All externally sourced scrap usage (ferrous and non-ferrous).
Total external metal recycled	%	51%	52%	86%	93%			91%	92%	94%	94%	26%	36%									Internally created arisings from steel-manufacturing process, including downstream processing/stockist facilities where relevant.
Total internal metal recycled	%	49%	48%	14%	7%			9%	8%	6%	6%	74%	64%									
ENERGY MANAGEMENT																						
Energy intensity per tonne produced – Total	GJ/t	24	25	3	3	4	3	4	3	4	4	30	31 (2)*	16	15	0.16	0.13*	0.29	0.29	EM-IS-130a.1 EM-IS-130a.2		
Energy intensity per tonne produced - coal	GJ/t	16	17	0	0	0	0	0.2	0.2	0	0	23	24 (2)*	8	8	0.00	0.00	0.00	0.00			

*Updated and restated figures



Environmental metrics (continued)

		EUROPE						USA		AUSTRALIA											
		Primary Production Europe		EAF Production Europe		Downstream Production Europe		EAF & Downstream Production in the USA		InfraBuild Australia		PRIMARY PRODUCTION IN AUSTRALIA				AUSTRALIA MINING					
												LIBERTY Primary Steel Whyalla		LIBERTY Bell Bay - Ferroalloys		SIMEC Mining Iron Ore		SIMEC Mining Tahmoor coking coal			
METRICS	UNIT	CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	SASB	MORE INFORMATION
ENERGY MANAGEMENT																					
Energy intensity per tonne produced - natural gas	GJ/t	2	2	1	1	2	2	2	1	2	2	5	5	0.2	0.1	0.00	0.00	0.00	0.00		
Energy intensity per tonne produced - electricity	GJ/t	4	3	2	2	1	1	2	1	2	2	1	1	7	7	0.04	0.04	0.25	0.25		
Energy intensity per tonne produced - Other	GJ/t	2	2	0	0	0.3	0.2	0	0	1	1	0.4	0.4 (3)*	0.1	0.1	0.12	0.09 (3)*	0.04	0.04 (3)*		
ELECTRICITY MANAGEMENT (4)																					
% grid electricity (out of the total energy intensity per tonne produced)	%	16%	14%	60%	65%	31%	31%*	44%	49%	50%	50%	3%	3%	46%	46%	25%	29%	87%	86%		
Electricity intensity per tonne produced – renewable	GJ/t	0.8	1.0	0.4	0.5	0.3	0.2*	0.3	0.2	0.7	0.7	0.7	0.6*	7.3	7.0*	0.03	0.03*	0.08	0.07*		
Electricity intensity per tonne produced – non-renewable	GJ/t	3.1	2.5	1.6	1.6	0.8	0.6*	1.3	1.2	1.4	1.5	0.3	0.3*	0.1	0.1*	0.01	0.01*	0.18	0.17*	EM-IS-130a.1 EM-IS-130a.2	
Electricity intensity per tonne produced - coal	GJ/t	2.1	1.7	1.0	0.8	0.3	0.1*	0.5	0.5	1.3	1.4	0.0	0.0*	0.0	0.0*	0.00	0.00*	0.16	0.16*		
Electricity intensity per tonne produced - natural gas	GJ/t	0.4	0.3	0.3	0.4	0.2	0.2*	0.5	0.4	0.1	0.1	0.3	0.3*	0.1	0.1*	0.01	0.01*	0.01	0.01*		

*Updated and restated figures



Environmental metrics (continued)

METRICS	UNIT	EUROPE						USA		AUSTRALIA										SASB	MORE INFORMATION
		Primary Production Europe		EAF Production Europe		Downstream Production Europe		EAF & Downstream Production in the USA	InfraBuild Australia		PRIMARY PRODUCTION IN AUSTRALIA				AUSTRALIA MINING						
		CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021				CY 2022	CY 2021	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023		
ELECTRICITY MANAGEMENT																					
Electricity intensity per tonne produced - nuclear	GJ/t	0.6	0.6	0.1	0.1	0.2	0.2*	0.2	0.2	0.0	0.0	0.0	0.0*	0.0	0.0*	0.00	0.00*	0.00	0.00*		
Electricity intensity per tonne produced - Other	GJ/t	0.0	0.0	0.3	0.2	0.1	0.1*	0.0	0.0	0.0	0.0	0.0	0.0*	0.0	0.0*	0.00	0.00*	0.00	0.00*		
GREENHOUSE GAS EMISSIONS																					
Carbon dioxide equivalent emissions - gross emissions - Scope 1 and 2	kt	7,001	10,087	169	240	248 (5)	398	408	617	809	844	2,008	2,460	469	475	159	150	1,073	1,055		Methodologies used to calculate CO ₂ e emissions in 2022: IPCC methodology. To allow consistent global reporting, the calculation methodology across our different businesses was harmonised. Scope 2 not under the EU ETS (European sites) and the Safeguard mechanism (LIBERTY Primary Steel - Whyalla and Laverton Steel Mill) requirements. No emission-limiting regulation in the USA.
Scope 1	kt	6,667	9,472	57	83	122	178	129	212	196	184	1,947	2,373	335	351	119	95	993	964		
Scope 2	kt	334	615	112	157	126	220	279	405	614	660	62	87	134	125	39	55	80	91		
Carbon dioxide equivalent emissions intensity - Scope 1 and 2	t/t	2.1	2.2	0.5	0.5	0.3	0.2	0.4	0.6	0.6	0.7	2.3	2.4 (2)*	1.2	1.2	0.01	0.01	0.69	0.62	EM-IS-110a.1	
Scope 1	t/t	2.0	2.1	0.2	0.2	0.1	0.1	0.1	0.2	0.2	0.1	2.2	2.3 (2)*	0.9	0.9	0.01	0.01	0.64	0.57		
Scope 2	t/t	0.1	0.1	0.3	0.3	0.1	0.1	0.3	0.4	0.5	0.5	0.1	0.1	0.4	0.3	0.00	0.00	0.05	0.05		
% Scope 1 emissions covered under emission-limiting regulations (6)	%	85%		99%		90%				100% (7)		100%		100%		100%		100%			
AIR EMISSIONS (8)																					
Particulate Matter PM10 (9)	kg/t	0.25	0.23*	0.06	0.09*	0.02 (11)	0.02	0.04	0.03*	0.03	0.09	2.70	2.71	0.55	0.56	0.80	0.77	0.02	0.02	EM-IS-120a.1	CO/MnO/PAHs not measured as it isn't mandatory anymore in jurisdictions.
Particulate Matter PM2.5 (10)	kg/t	0.12	0.11*					0.03	0.02*			0.18	0.35	0.01	0.01	0.01	0.01	0.002	0.002		

*Updated and restated figures



Environmental metrics (continued)

		EUROPE						USA		AUSTRALIA											
		Primary Production Europe		EAF Production Europe		Downstream Production Europe		EAF & Downstream Production in the USA		InfraBuild Australia		PRIMARY PRODUCTION IN AUSTRALIA				AUSTRALIA MINING					
												LIBERTY Primary Steel Whyalla		LIBERTY Bell Bay - Ferroalloys		SIMEC Mining Iron Ore		SIMEC Mining Tahmoor coking coal			
METRICS	UNIT	CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	SASB	MORE INFORMATION
AIR EMISSIONS																					
Pb emissions	g/t	1.40	1.41	2.74	2.71	2.06	1.37	1.51	1.50	0.30	0.17	0.27	0.14	0.40	0.40	0.06	0.05	0.001	0.001		
NOx (oxides of nitrogen) – NO and NO ₂	kg/t	1.10	1.03	0.13	0.15	0.15	0.14	0.19	0.18	0.13	0.21	1.98	1.82	1.05	1.15	0.10	0.08	0.03	0.03		
SOx (sulphur oxide in general) – SO ₂ (12)	kg/t	1.06	1.12	0.11	0.13*	0.02	0.02*	0.02	0.03	0.02	0.02	0.55	0.67	0.28	0.27	5.10 ⁵	5.10 ⁵	1.10 ⁵	1.10 ⁵		
Volatile organic compounds (VOCs) (13)	t	1	1	5	8	2	0.3	21	18	9	1	1,081	1,194	34	23	123	112	2	2		
WASTE MANAGEMENT (14, 19)																					
By-products generated	kg/t	450		19		20		124		(18)		607	560*	(18)		0	0	0.3	0.3		
Waste generated – material reused, recycled and recovered (16)	kg/t	195 (15)	199	202	183	90	74 (17)*	16	13	150	158	7	6*	2	1*	0.01	0.01*	0.01	0.01*		
% hazardous waste	%	25%		3%		13%		98%				11%	12%*			0%	0%	0%	0%	EM-IS-150a.1	
Waste generated – material disposed to landfill or incinerated	kg/t	7	7	2	11	5	4	11	10	4 (20)	4 (20)	5	5*	0.5	0.4*	0.02	0.02*	0.79	0.74*		
% hazardous waste	%	29%		2%		25%		3%				0%	0%*			0%	0%	3%	3%		
WATER MANAGEMENT (21)																					
Water withdrawn (22)	m3/t	13	8	6	5	17	10*	12	9*	1	1	4	3*	3	2*	1.20	1.26*	0.99	1.21*		
Water discharged (23)	m3/t	11	7	5	5*	16	10*	12	6*			0.3	0.2*	1.1	0.4*	0.79	0.88*	1.36	1.55	EM-IS-140a.1	
Mass emissions to water, suspended solids (24)	kg/t	0.11	0.11	0.20	0.07	0.09	0.07*	0.02	0.03									0.02	0.02		SASB - % recycled and % in regions not displayed this year.

*Updated and restated figures



Environmental metrics (continued)

METRICS	UNIT	EUROPE						USA		AUSTRALIA										SASB	MORE INFORMATION	
		Primary Production Europe		EAF Production Europe		Downstream Production Europe		EAF & Downstream Production in the USA	InfraBuild Australia	PRIMARY PRODUCTION IN AUSTRALIA				AUSTRALIA MINING								
		CY 2022	CY 2021	CY 2022	CY 2021	CY 2022	CY 2021			CY 2022	CY 2021	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022			FY 2023
OTHERS																						
Material environmental complaints/compliance breaches	#	3 (25)	1	1 (26)	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0		Any breach which results in regulatory action (prosecution, fine, or operational restriction).	
ISO 14001 Accreditation or equivalent environmental management system	Y/N	Y	Y	Y	Y	Y	Y	N	N	Y	Y	Y	Y	N	N	Y	Y	N	N		LIBERTY Liège not adjacent but close to "Natura 2000" zones.	
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Y/N	N	N	N	N	N	N	N	N	N	N	Y	Y	N	N	Y	Y	N	N			
Discussion of long- and short-term plan to manage Scope 1 emissions reduction targets and an analysis of performance against targets		Included in Sustainability Strategy and Environmental Delivery																EM-IS 110a.2	Performance against targets included in metrics above.			
Discussion of the process for managing iron ore and/or coking coal sourcing risks arising from environmental and social issues		Included in Environmental Delivery																EM-IS-430a.1				

*Updated and restated figures



Environmental metrics (continued)

NOTES

Where new data have become available, figures for 2021 have been restated to include this and ensure comparability with 2022 data (e.g., Skopje's breakdown for the electricity between renewable and non-renewable energy, 2021 SO₂ figure for LIBERTY Steel UK, water discharged and suspended solids data for some sites).

Production

(1) This figure includes the ferroalloys production and the sinter production, which is consumed on site.

Energy management

(2) Restatement – in March 2023 an error was flagged in the reported imported coke volume in FY 2022, hence the corrections of the 'Energy intensity per tonne produced – coal' and 'Energy intensity per tonne produced – total' and thus in the 'Carbon dioxide emissions intensity – Scope 1 and total'. This error was investigated and self-reported to the regulator under the NGER scheme.

(3) Where new data were made available (e.g., transport fuels and diesel to boilers for the Whyalla Steelworks), the 'Other' category has been restated to include it. This has no material impact on FY 2022 intensities.

Electricity management

(4) For 'Primary Production in Australia' and 'Australian mining' Australian Energy Statistics Data FY 2022 by state were made available and were used for restating FY 2022 data and providing FY 2023 data. Australian Energy Statistics Data FY23 data are not available yet.

Greenhouse Gas Emissions

(5) CO₂ emissions were not calculated for Skopje in the 2022 reporting cycle as not required in North Macedonia. As part of the refinement of our data collection process, CY 2022 Scope 1 and Scope 2 CO₂e emissions have been calculated for Skopje.

(6) As approach to comparability across data has evolved, the methodology to calculate the % Scope 1 emissions covered under emission-limiting regulation was harmonised to stick to the SASB definition (total amount of gross global Scope 1 CO₂e emissions that are covered under emissions-limiting regulations divided by the total amount of gross global Scope 1 CO₂e emissions) hence better comparability in 2022 data across the different sites. There is no emission-limiting regulation in the USA.

(7) Only concerns Laverton Steel Mill.

Air emissions

(8) Average for the sites monitoring it as a requirement, this is not relevant for all sites, depending on the processes carried out. No 2022 measurement was made at Liège as production didn't meet the threshold.

(9) Total Particulate Matters reported in 2021 except for Australian sites which only report PM10 – and PM 2.5 for the Primary Production in Australia and Australian Mining sites, as per local requirements. 2022 data include 'Particulate Matters PM10' and 'Particulate Matters PM 2.5' providing additional granularity. 2021 data have thus been restated to reflect the PM 10 and PM 2.5 values. Only direct emissions have been reported as per local legislation's requirements.

(10) PM2.5 is not monitored at European sites (except in Ostrava) as not a requirement.

(11) PM10 data are not available for the European Downstream sites, hence the CY 2022 total Particulate Matter data are reported.

(12) Only SO₂ is monitored across all sites.

(13) Sites reported VOC data in line with their applicable regulatory definition (only including the painting shops for example in Ostrava and in Częstochowa rolling mill). VOCs are reported in absolute figures.

Waste management

(14) The metrics have been slightly updated to more closely reflect the GRI standards and report the waste diverted from disposal by recovery operations (re-use/ recycle/recover) on-site and off-site and the waste directed to disposal (landfilling or incineration) on-site and off-site. This might have an impact on 2021 data and on the variations between 2021 and 2022. The waste classification may change from one jurisdiction to another and by-products may be considered as part of waste management for some sites and not for others. It has thus been decided to report them separately to allow consistent reporting. InfraBuild's by-products have been included in the waste FY 2022 and FY 2023 data and will be reported separately next year.

(15) Waste resulting from a one-off demolition project in Galați is not included.

(16) Breakdown between waste recovered/re-used/ recycled and waste disposed has been estimated based on the local Waste classification for Ostrava, Częstochowa and Liège.

(17) Scrap steel was not included in the 2021 Częstochowa 'Waste generated – material re-used, recycled and recovered' hence the 2021 figure has been updated to reflect this.

(18) Only partial waste data are available for LIBERTY Bell Bay and InfraBuild Australia.

(19) For the Australian Mining operations, the solid waste coming from the extraction processes (low-grade ore, solids transferred to tailings, overburden including waste rock for SIMEC Mining Iron Ore, reject coal for SIMEC Mining Tahmoor Coking Coal) has not been included.

(20) Shredder floc not included (FY 23 data not yet available).

Water management

(21) Reporting definitions have been updated to ensure consistency of data in terms of water withdrawn and discharged. 2021 data have been updated to reflect the revised definition and include total water withdrawal (as opposed to freshwater only as reported by some sites in 2021 data). The seawater used for cooling has not been included in the 'water withdrawn' and 'water discharged' intensities. The metric 'mass emissions to water, PAH' has been taken out as not relevant and/or monitored for most sites.

(22) 100% of the withdrawn seawater that is used in Whyalla for cooling purposes is then discharged back to the sea via internal detention ponds. In comparison, Galați and Ostrava use 'closed cooling circuits' of cooling towers.

(23) Water discharged is not available for InfraBuild. Only water discharged from the wastewater treatment plant is included for Magona.

(24) Average for the sites monitoring it as a requirement. This is, for example, not a requirement for Częstochowa or the Australian sites (since this is not included in the National Pollutant Inventory (NPI) reporting).

Others

(25) Galați – Number of environmental compliance breaches in 2022: three fines applied by the environmental authority, approximately €12,000. All three related to waste management. One was contested and the others were rectified.

(26) No material environmental complaints/compliance breaches except in Częstochowa where the steel plant got an environmental penalty for noise violations at night and work has commenced on resolution.

APPENDIX 2 SOCIAL METRICS.

The tables on this page summarise our current workforce

PRIMARY PRODUCTION EUROPE						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	8,080	7,699	817	723	10%	9%
<=40	1,672	1,584	113	99	7%	6%
>40	6,408	6,115	704	624	11%	10%
White collar	2,896	2,822	849	840	29%	30%
<=40	595	581	184	185	31%	32%
>40	2,301	2,241	665	655	29%	29%
Total	10,976	10,521	1,666	1,563	15%	15%

EAF AND DOWNSTREAM PRODUCTION IN EUROPE						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	2,841	3,420	137	143	5%	4%
<=40	756	933	19	26	3%	3%
>40	2,085	2,487	118	117	6%	5%
White collar	1,945	1,808	340	383	17%	21%
<=40	329	347	63	77	19%	22%
>40	1,616	1,461	277	306	17%	21%
Total	4,786	5,228	477	526	10%	10%

EAF AND DOWNSTREAM PRODUCTION IN AUSTRALIA AND THE US						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	3,766	3,316	65	37	2%	1%
<=40	1,274	1,044	38	17	3%	2%
>40	2,492	2,272	27	20	1%	1%
White collar	2,272	2,116	599	547	26%	26%
<=40	648	610	212	194	33%	32%
>40	1,624	1,506	387	353	24%	23%
Total	6,038	5,432	664	584	11%	11%

PRIMARY PRODUCTION IN AUSTRALIA						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	1,268	1,243	51	52	4%	4%
<=40	557	511	37	38	7%	7%
>40	711	732	14	14	2%	2%
White collar	761	751	137	142	18%	19%
<=40	234	217	54	51	23%	24%
>40	527	534	83	91	16%	17%
Total	2,029	1,994	188	194	9%	10%

TOTAL						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	16,461	16,822	1,070	955	7%	6%
<=40	4,403	4,486	207	180	5%	4%
>40	12,058	12,336	863	775	7%	6%
White collar	8,127	8,258	1,928	1,924	24%	23%
<=40	1,863	2,039	516	515	28%	25%
>40	6,264	6,219	1,412	1,409	23%	23%
Total	24,588	25,080	2,998	2,879	12%	11%

We have fewer than 1,000 people in our India operations and these are included in all total columns.



The tables on this page summarise the recruitment of our permanent employees

PRIMARY PRODUCTION EUROPE						
Working class	Total FTE*		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	946	10	131	1	14%	10%
<=40	410	6	38	0	9%	0%
>40	536	4	93	1	17%	25%
White collar	222	6	77	4	35%	67%
<=40	139	4	51	3	37%	75%
>40	83	2	26	1	31%	50%
Total	1,168	16	208	5	18%	31%

EAF AND DOWNSTREAM PRODUCTION IN EUROPE						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	194	475	16	14	8%	3%
<=40	98	148	3	6	3%	4%
>40	96	327	13	8	14%	2%
White collar	117	241	31	55	26%	23%
<=40	70	34	18	10	26%	29%
>40	47	207	13	45	28%	22%
Total	311	716	47	69	15%	10%

EAF AND DOWNSTREAM PRODUCTION IN AUSTRALIA AND THE US						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	880	402	61	0	7%	0%
<=40	613	274	46	0	8%	0%
>40	267	128	15	0	6%	0%
White collar	462	306	174	117	38%	38%
<=40	244	175	101	73	41%	42%
>40	218	131	73	44	33%	34%
Total	1,342	708	235	117	18%	17%

PRIMARY PRODUCTION IN AUSTRALIA						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	171	138	11	0	6%	0%
<=40	126	97	10	0	8%	0%
>40	45	41	1	0	2%	0%
White collar	162	143	44	37	27%	26%
<=40	80	77	21	19	26%	25%
>40	82	66	23	18	28%	27%
Total	333	281	55	37	17%	13%

TOTAL						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	2,195	1,025	220	15	10%	1%
<=40	1,250	525	98	6	8%	1%
>40	945	500	122	9	13%	2%
White collar	974	696	327	213	34%	31%
<=40	536	290	192	105	36%	36%
>40	438	406	135	108	31%	27%
Total	3,169	1,721	547	228	17%	13%

*2022 Ostrava's hiring policy for permanent employees results in a transfer from temporary to permanent contracts following a one-year period of service, hence the significant year-on-year variation in the recruitment of permanent employees.



The tables on this page summarise employees who have left the business in 2022

PRIMARY PRODUCTION EUROPE						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	1,133	1,188	98	111	9%	9%
<=40	353	362	18	16	5%	4%
>40	780	826	80	95	10%	12%
White collar	350	433	116	126	33%	29%
<=40	139	178	49	63	35%	35%
>40	211	255	67	63	32%	25%
Total	1,483	1,621	214	237	14%	15%

EAF AND DOWNSTREAM PRODUCTION IN EUROPE						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	301	193	17	12	6%	6%
<=40	120	77	3	0	3%	0%
>40	181	116	14	12	8%	10%
White collar	220	112	43	35	20%	31%
<=40	67	52	18	23	27%	45%
>40	153	61	25	12	16%	19%
Total	521	305	60	47	12%	15%

EAF AND DOWNSTREAM PRODUCTION IN AUSTRALIA AND THE US						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	750	593	39	21	5%	3%
<=40	434	330	27	14	6%	4%
>40	316	263	12	7	4%	3%
White collar	382	398	106	121	28%	30%
<=40	164	169	44	56	27%	33%
>40	218	229	62	65	28%	28%
Total	1,132	991	145	141	13%	14%

PRIMARY PRODUCTION IN AUSTRALIA						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	126	124	5	8	4%	6%
<=40	44	54	4	5	9%	9%
>40	82	70	1	3	1%	4%
White collar	122	142	24	29	20%	20%
<=40	42	50	5	8	12%	15%
>40	80	91	19	21	24%	23%
Total	248	266	29	37	12%	14%

TOTAL						
Working class	Total FTE		Female FTE		% of Female FTE	
	2022	2021	2022	2021	2022	2021
Blue collar	2,376	2,098	160	152	7%	7%
<=40	991	823	53	35	5%	4%
>40	1,385	1,275	107	117	8%	9%
White collar	1,271	1,085	293	310	23%	29%
<=40	479	449	118	149	25%	33%
>40	792	636	175	161	22%	25%
Total	3,647	3,183	453	462	12%	15%



APPENDIX 3

GLOBAL REPORTING INITIATIVE (GRI).

GRI 1 FOUNDATION 2021

LIBERTY has reported the information cited in this GRI content index for the period January 2022-December 2022 with reference to the GRI Standards.

	DISCLOSURE	LOCATION / STATEMENT
GRI 2 GENERAL DISCLOSURES 2021	2-1 Organisational details	Our Operations, Governance
	2-2 Entities included in the organisation's sustainability reporting	Our Operations
	2-3 Reporting period, frequency and contact point	Data collected relate to Calendar Year (CY) 2022 for our European operations and Financial Year (FY) 2023 for our businesses in Australia. Our Financial reporting is done on a country-by-country basis at different times of the year. This report is published in November 2023. Questions should be directed to gfgglobalcommunications@gfgalliance.com .
	2-4 Restatements of information	The FY22 turnover figure has been restated as US\$13bn. This contrasts with the figure of US\$16bn used in last year's report. Both the restated figure for FY22 and the figure for FY23 include LIBERTY Primary Steel Whyalla Steelworks, LIBERTY Bell Bay Australia, SIMEC Mining Iron Ore, and SIMEC Mining Tahmoor Coking Coal and Steel business for InfraBuild, USA, Ostrava, Częstochowa, Galați, Skopje and Magona, and exclude India, Liège, Dudelange and UK. As part of our data collection process refinement, some environmental data reported in 2022 have been restated. Environmental Metrics
	2-5 External assurance	No external assurance has been carried out on this report at the date of publication. We are in the process of appointing a specialist third-party to review the data in this report. The findings will be used to inform the next reporting process.
	2-6 Activities, value chain and other business relationships	Our Operations, Our Impact, Environmental Delivery
	2-7 Employees	People and Community, Social Metrics
	2-8 Workers who are not employees	We monitor and manage our contractor labour force at business level. The number of contractors is variable and will fluctuate dependent on the needs and status of operations.
	2-9 Governance structure and composition	https://libertysteelgroup.com/about/our-leadership/ More information can be found in Governance .
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance

	DISCLOSURE	LOCATION / STATEMENT
GRI 2 GENERAL DISCLOSURES 2021	2-13 Delegation of responsibility for managing impact	Governance
	2-14 Role of the highest governance body in sustainability reporting	The Board is responsible for reviewing and approving topics that are material to LIBERTY. More information can be found in Governance .
	2-15 Conflicts of interest	All employees and third parties engaging with GFG Alliance must immediately disclose any existing, perceived, or potential conflicts of interest to their line manager/supervisor/HR or legal department, in a Conflicts of Interest Declaration form. Disclosure forms should be shared with GFG Global Compliance Team for cross entity oversight. Additional information is documented in the GFG Global Compliance Standards.
	2-16 Communication of critical concerns	Through regular management reporting structures, critical concerns are raised with the Board in a timely manner. More information can be found in Governance .
	2-17 Collective knowledge of the highest governance body	Governance
	2-18 Evaluation of the performance of the highest governance body	Governance
	2-19 Remuneration policies	Across its businesses, LIBERTY has established compensation programmes aligned to industry-specific market practices. Our total reward philosophy consists of competitive salaries within our peer companies and broader talent markets, coupled with rewarding variable pay to incentivise achievement of our challenging business targets. The total reward framework is subject to a central governance that encompasses corporate and chairman’s approval to ensure internal fairness and consistency.
	2-20 Process to determine remuneration	Overall remuneration principles are established centrally and applied locally as per the market.
	2-21 Annual total compensation ratio	Not yet reported
	2-22 Statement on sustainable development strategy	Executive Chairman’s Introduction, Sustainability Strategy
	2-23 Policy commitments	The UN Guiding Principles on Business and Human Rights informs our business conduct. Additional information is documented in our GFG Global Compliance Standards that demonstrates our commitment to identifying and mitigating human rights abuses and modern slavery (https://libertysteelgroup.com/legals/slavery-and-human-trafficking-statement/). More information can be found in Our Goals .
	2-24 Embedding policy commitments	Governance
2-25 Processes to remediate negative impacts	Our Impact, Sustainability Strategy, Environmental Delivery, People and Community	



	DISCLOSURE	LOCATION / STATEMENT
GRI 2 GENERAL DISCLOSURES 2021	2-26 Mechanisms for seeking advice and raising concerns	Additional information with respect to employees’ obligations is detailed in the GFG Global Compliance Standards that provide employees with guidance on how to raise concerns for Reportable Conduct. More information can be found in People and Community , and in Governance .
	2-28 Membership associations	Sustainability Strategy
	2-29 Approach to stakeholder engagement	Sustainability Strategy , Environmental Delivery , People and Community , Governance
	2-30 Collective bargaining agreements	Blue-collar workers in our businesses are covered by collective bargaining agreements. More information can be found in People and Community .
GRI 3 MATERIAL TOPICS 2021	3-1 Process to determine material topics	Materiality assessments have been carried out individually by some of our businesses and these have been used to inform the ESG Steering Committee’s view on the global material topics. A formal global materiality assessment is being conducted in conjunction with our first pre-assurance exercise. More details can be found in Our Impact , Sustainability Strategy , ESG Disclosure Standards , GRI .
	3-2 List of material topics	GRI
	3-3 Management of material topics	Our Impact , Sustainability Strategy , Environmental Delivery , People and Community
GRI 201 ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	More information on direct economic value generated and distributed by our operations is available in individual businesses’ financial statements. More information can be found in Our Impact .
	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management
GRI 205 ANTI-CORRUPTION 2016	205-2 Communication and training about anti-corruption policies and procedures	The organisation has made its position clear with respect to anti-bribery and anti-corruption as detailed in the Global Standards. All businesses are expected to follow the guidance provided in the Global Standards. More information can be found in Governance .
GRI 207 TAX 2019	207-1 Approach to tax	Governance
	207-2 Tax governance, control, and risk management	We rely on broader corporate mechanisms to raise concerns about the organisation’s business conduct and the organisation’s integrity in relation to tax. More information can be found in Governance .



	DISCLOSURE	LOCATION / STATEMENT
GRI 301 MATERIALS 2016	301-1 Materials used by weight or volume	Environmental Metrics
	301-2 Recycled input materials used	Environmental Metrics
GRI 302 ENERGY 2016	302-1 Energy consumption within the organisation	Environmental Metrics
	302-3 Energy intensity	Environmental Metrics
GRI 303 WATER AND EFFLUENTS 2018	303-1 Interactions with water as a shared resource	Environmental Delivery , Environmental Metrics
	303-4 Water discharge	Environmental Metrics
	303-5 Water consumption	Environmental Metrics
GRI 304 BIODIVERSITY 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environmental Delivery , Environmental Metrics , Our Operations
	304-3 Habitats protected or restored	Environmental Delivery
GRI 305 EMISSIONS 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Delivery , Environmental Metrics
	305-2 Energy indirect (Scope 2) GHG emissions	Environmental Delivery , Environmental Metrics
	305-4 GHG emissions intensity	Sustainability Strategy , Environmental Metrics
	305-5 Reduction of GHG emissions	Sustainability Strategy , Environmental Delivery , Environmental Metrics
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environmental Metrics



	DISCLOSURE	LOCATION / STATEMENT
GRI 306 WASTE 2020	306-1 Waste generation and significant waste-related impacts	Environmental Delivery
	306-3 Waste generated	Environmental Delivery, Environmental Metrics
	306-4 Waste diverted from disposal	Environmental Metrics
	306-5 Waste directed to disposal	Environmental Metrics
GRI 308 SUPPLIER ENVIRONMENTAL ASSESSMENT 2016	308-1 New suppliers that were screened using environmental criteria	The Global Compliance Standards state that all GFG businesses should have appropriate screening protocols in place that assess the suitability of any potential customer, supplier or third party and have completed the screening activity before a business relationship is established, which can include Reportable Conduct associated with environmental damages. More information can be found in the ESG Policy .
GRI 401 EMPLOYMENT 2016	401-1 New employee hires and employee turnover	People and Community, Social Metrics
GRI 403 OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Safety
	403-5 Worker training on occupational health and safety	Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety
	403-8 Workers covered by an occupational health and safety management system	Safety
	403-9 Work-related injuries	Safety, Our Impact Health and Safety Metrics as per SASB requirement – EM-IS-320a.1 One fatality in CY 2022. LTIFR and TRIFR reported in Safety .



	DISCLOSURE	LOCATION / STATEMENT
GRI 404 TRAINING AND EDUCATION 2016	404-1 Average hours of training per year per employee	On average between 15 and 24 working hours per employee per year.
	404-2 Programmes for upgrading employee skills and transition assistance programmes	People and Community
	404-3 Percentage of employees receiving regular performance and career development reviews	Performance Management process in place for all eligible employees in all businesses with ~ 90% having completed a Performance Management Review cycle in our major sites.
GRI 405 DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	People and Community , Governance , Social Metrics
GRI 408 CHILD LABOUR 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	We operate in highly regulated jurisdictions with experienced HR teams. Risk in our supply chain: see our Modern Slavery Statement on our website.
GRI 409 FORCED OR COMPULSORY LABOUR 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	We operate in highly regulated jurisdictions with experienced HR teams. Risk in our supply chain: see our Modern Slavery Statement on our website.
GRI 411 RIGHTS OF INDIGENOUS PEOPLES 2016	411-1 Incidents of violations involving rights of indigenous peoples	Community communication processes are in place in our Australian businesses. There have been no known incidents of violations.
GRI 413 LOCAL COMMUNITIES 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	People and Community
GRI 414 SUPPLIER SOCIAL ASSESSMENT 2016	414-1 New suppliers that were screened using social criteria	The Global Compliance Standards state that all GFG businesses should have appropriate screening protocols in place that assess the suitability of any potential customer, supplier or third party and have completed the screening activity before a business relationship is established, which can include Reportable Conduct associated with social damages. More information can be found in the ESG Policy .



APPENDIX 4 ESG POLICY.

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ESG POLICY.

1. SCOPE

This document defines the Environmental, Social, and Governance (ESG) Policy applicable to all major LIBERTY Steel Group sites and businesses.

2. STRATEGY

To create an economically sustainable business model for our industries that is profitable for the long term, allows for socially sustainable development in our local communities, and is carbon neutral.

3. PRINCIPLES

Our ESG principles are aligned with the World Economic Forum's International Business Council set of common metrics for reporting sustainable value creation, and we have aligned our ambitions with the UN's Sustainable Development Goals (SDGs).

We will benchmark our sustainability reporting against the SASB and GRI frameworks, according to our assessment of materiality. We will measure progress towards our ambitions, and performance against the principles in this policy, using relevant key performance indicators set out in an annual sustainability report.

4. ENVIRONMENT

4.1 Objective: Build sustainable and resilient businesses that support our ambition to be carbon neutral by 2030

We will be part of the solution to climate change with a carbon neutrality by 2030 (CN30) commitment covering Scope 1 and Scope 2 emissions for our existing steel plants.

Wherever a new plant or business is acquired, a plan will be formulated to reduce carbon emissions associated with those operations as quickly as is technologically and economically feasible.

We will partner with others across academia, industry and finance to develop new technologies for producing low carbon-emitting steel.

We will set out a road map covering each of our major sites, detailing the path to carbon neutrality by 2030. We will embed sustainability considerations in our risk management approach, in order to identify and mitigate the physical and transition risks associated with climate change.

We will engage with our key suppliers and contractors to encourage them to behave in environmentally responsible ways and to abide by principles similar to those set out in this policy.

ESG POLICY.

4.2 Objective: Comply with regional environmental legislation and reduce the environmental impact of our operations

We will comply with the requirements of relevant legislation in the countries and regions in which we operate, through the efficient use of natural resources and energy, and through careful management of the environmental impact of our operations.

Effective environmental and energy management systems will be implemented and maintained at each of our major steelmaking sites. We will encourage external audit of our sites in line with ISO14001.

Sustainable waste management processes will be deployed across our businesses, and we will report on the environmental impact of our operations.

The re-use and recycling of products and the effects of our products throughout their life cycle will be communicated to customers where appropriate.

Wildlife habitats in and around LIBERTY sites will be respected and, where opportunities arise to do so in a way that is conducive to business operations and the local community, they will be progressively enhanced for the benefit of nature.

5. SOCIAL (PEOPLE AND COMMUNITIES)

5.1 Objective: Deliver safe, equitable and good quality working lives for our people

Each location within LIBERTY must have a policy, appropriate to the nature and scale of activities being managed that incorporates the principles and objectives set out in the GFG Health and Safety Vision Values Mission Policy. All local policies should align with our global commitment to achieve world-class performance in work health, safety, and wellbeing.

We will operate globally in a safe, responsible manner, respecting the health of our employees, our customers, suppliers, contractors and the communities in which we operate. We will not compromise health or safety values for profit or production.

We will proactively identify, analyse and address diversity challenges and comply with local legal, regulatory obligations and values in the regions in which we operate.

We will put in place appropriate training structures to ensure all employees have the required skills and competencies to carry out their roles safely and to progress their careers.

We will invest in training to equip our people with the skills for the future and develop a pipeline of critical future talent. This will include retraining our existing workforce and building technical programmes with industry awareness to encourage future generations to join us from the local communities we serve.

ESG POLICY.

5.2 Objective: Make a positive contribution to our communities

We will invest in young people and communities to create high-quality jobs, sustain local suppliers and forge meaningful partnerships to support local economies. We will deliver specific community engagement programmes, such as the GFG Foundation to promote STEM skills to school and university students.

We are committed to doing our part in eradicating modern slavery in all its forms from our global business and supply chains in line with our Modern Slavery and Human Trafficking Statement.

6. GOVERNANCE

6.1 Objective: Ensure integrity and transparency, as well as clear decision-making and risk management frameworks are at the heart of our corporate governance

We will set out clear roles and responsibilities and maintain simple reporting lines to enable a focus on value creation.

We will provide timely and comprehensive information to stakeholders and expect our businesses to comply with local laws, rules and regulations, together with our Global Compliance Standards.

We will monitor and test the implementation and application of our Global Compliance Standards, covering Modern Day Slavery, Anti-Money Laundering & Counter-Terrorist Financing, Anti-Bribery and Corruption, Whistleblowing, Gifts and Hospitality, Sanctions, Counter-Fraud, and Conflicts of Interest.

The global Executive Committee will receive reports of any material deficiencies against the standards, along with any remedial actions which have been agreed.

We will benchmark our businesses against a governance scorecard and put in place plans to deliver year-on-year improvements against the scorecard metrics.

6.2 Objective: Embed sustainability considerations into our strategic decision-making and governance structures

Our Sustainability Strategy is led and reviewed by the ESG Steering Group, which includes regional CEOs, and global Function Heads and meets quarterly. Our sustainability approach is managed and reported against by Marian D'Auria, Global Head of Risk & Sustainability.

ESG Ambitions are approved by the Board and reported against regularly. We will include sustainability initiatives in our standard capital expenditure, risk-management and budgeting processes.

LIBERTY's Governance and Compliance is overseen by our Chief Governance Officer, Iain Hunter.

7. POLICY REVIEW FREQUENCY

We will review and update this policy as appropriate, at least every two years.



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