

ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SALZGITTER AKTIENGESELLSCHAFT

Gunnar Groebler, Chairman of the Executive Board

Wolfsburg, May 25, 2023



SALZGITTERAG
People, Steel and Technology

KEY DATA OF THE FINANCIAL YEAR 2022

Annual General Meeting of Shareholders on May 25, 2023



2022
was one of the
most successful years
in the history of
Salzgitter AG

¹ only from entities within the Group of Consolidated Companies of Salzgitter Group
² per reporting date

STRATEGY “SALZGITTER AG 2030”

Annual General Meeting of Shareholders on May 25, 2023

PIONEERING FOR CIRCULAR SOLUTIONS

We are the market leader for circular economy solutions in global industrial value chains with our innovative products and processes.








PARTNERING FOR TRANSFORMATION

Together we will resolutely chart new courses, transform industry, and create sustainable value for the future.

STRATEGY SCORECARD – MAKING TARGETS MEASURABLE

Annual General Meeting of Shareholders on May 25, 2023

Strategy launched
on February 2, 2022

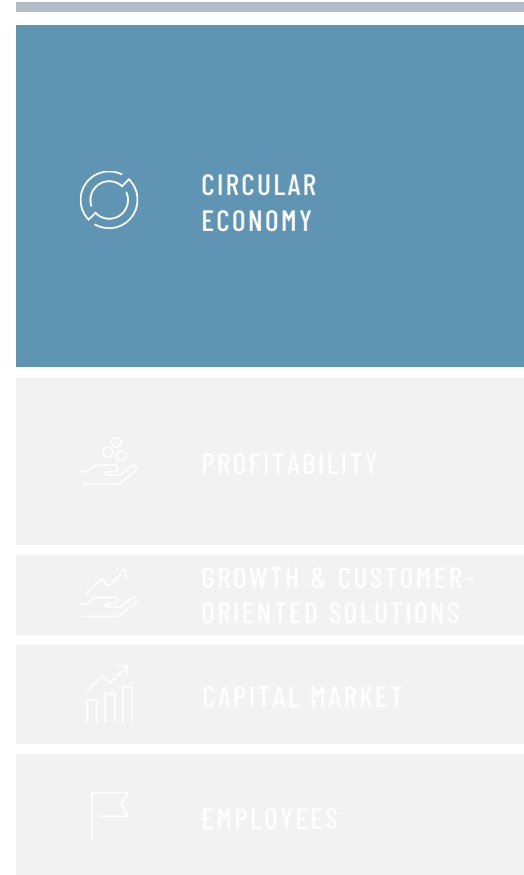
Strategic direction	KPI	Unit	Target 2025	Target 2030	Progress
 CIRCULAR ECONOMY	Expansion of scrap recycling	%	> 25	> 50	Scrap Strategy
		mt p. a.	2.5	3	
	CO ₂ reduction (Scope 1 & 2)	% CO ₂	> -30*	> -50	SALCOS® FID Stage 1
	Complete focus on low CO ₂ steel production	-	SALCOS® Stage 1	SALCOS® Stage 1-3 (2033)	
	Savings of 1 % of German emissions	mt p. a.	2.5	8 (2033)	
Electricity sourced exclusively from renewable sources	%	> 50	100	PPA acquisition	
 PROFITABILITY	ROCE	%	12	14	Second-best operating result
	EBITDA Margin	%	8-10	> 10	Performance 2026 / Strategic directions
	Increase of additional profit improvement potential	€ million p. a.	>150 (2026)	-	
 GROWTH & CUSTOMER-ORIENTED SOLUTIONS	Growth in profitable business areas with a focus on circularity (gross sales)	€ billion	-	> 11	Portfolio management
	Dividend yield	%	> 2	> 2	Share price performance
 CAPITAL MARKET	ESG-Rating	-	Top third industry	Top quartile industry	
	Accidents (LTIF)	% vs. 2021	-35	-50	ESG management
 EMPLOYEES	Proportion of women in new non-tariff/management positions	%	25	30	

* Alignment of plant operation at -30 % CO₂ (comprises mainly SALCOS® Stage 1)

CIRCULAR ECONOMY – STATUS QUO TARGETS

Annual General Meeting of Shareholders on May 25, 2023

Strategic direction



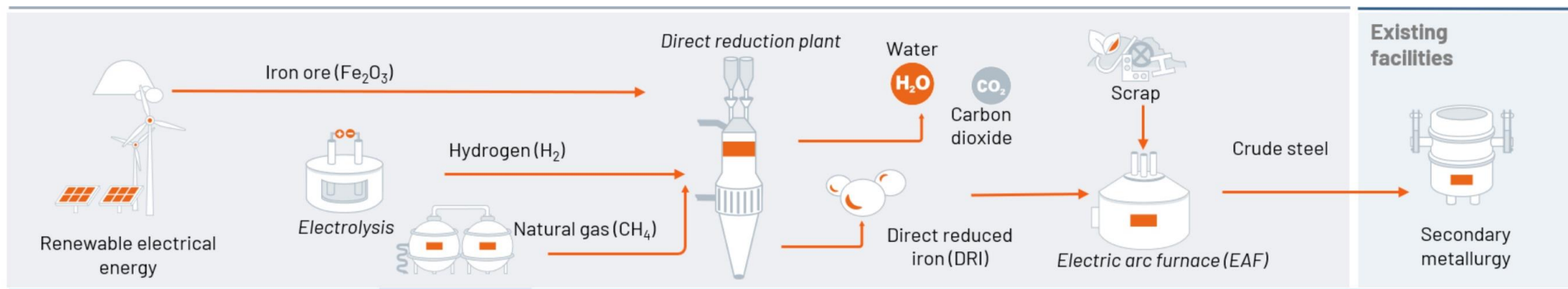
- / Final investment decision for SALCOS® Stage 1 and start of construction
- / Formulation of a scrap strategy
- / Signing of multiple Power-Purchasing-Agreements to increase the procurement of energy from renewable sources
- / Commitment to Science Based Targets initiative (SBTi)
- / Organization and staging of the Salzgitter Decarb-Award



CIRCULAR ECONOMY – PIONEERING FOR CIRCULAR SOLUTIONS

Annual General Meeting of Shareholders on May 25, 2023

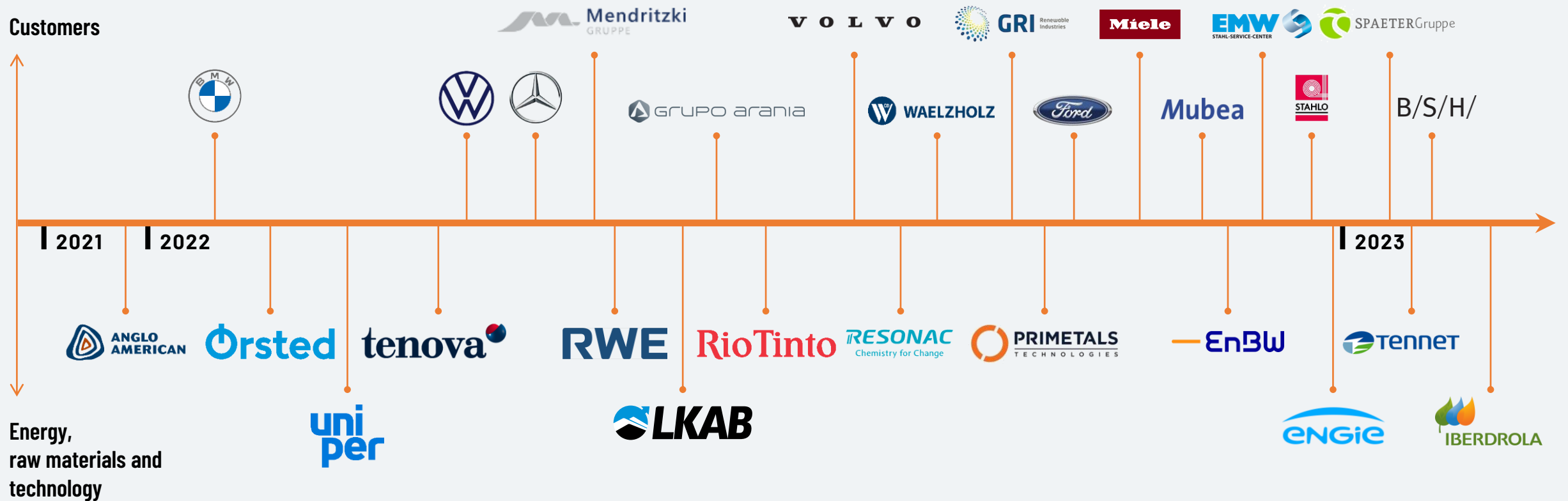
- / **Release of the total budget** (€ 2.2-2.4 billion) for the first stage of SALCOS® by the Supervisory Board (March 23, 2023)
- / **Public funding** to the amount of € 1 billion secured
- / **Total investment volume** for the first stage of SALCOS® of around € 2.3 billion
- / **Successful establishment of market premiums:** Model for securing volumes in all customer segments
- / **Carbon leakage protection assured** by the end of 2030, confirmation of the necessity for the accelerated decarbonization by 2030/33
- / **Strategy:** 30% of the current production volume to be produced via the SALCOS® route (as from 2026)



Visualization: SALCOS® process chain

CIRCULAR ECONOMY – PARTNERING FOR TRANSFORMATION

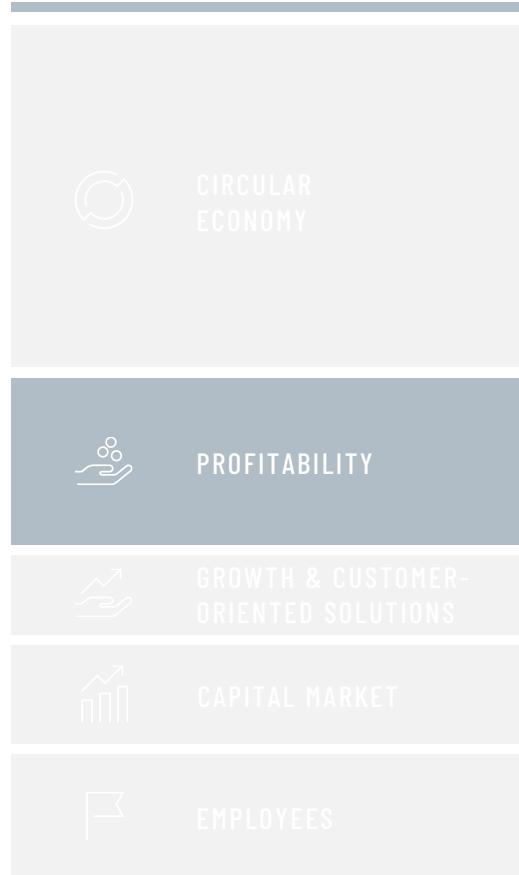
Annual General Meeting of Shareholders on May 25, 2023



PROFITABILITY – STATUS QUO TARGETS

Annual General Meeting of Shareholders on May 25, 2023

Strategic direction



- / 2022: Second-best operating result in the history of the company
 - / EBITDA of € 1,6 billion and EBT of € 1,2 billion
- / Net financial position kept stable despite high level of capex and strong rise of working capital
- / Performance 2026 program of measures with around € 200 million by now in earnings improvement potential until 2026



PROFITABILITY – KEY DATA ON THE FIRST QUARTER OF 2023

Annual General Meeting of Shareholders on May 25, 2023

		Q1 2023	Q1 2022	Δ
Crude steel production	kt	1,585	1,713	-128
External sales ¹	€ million	2,983	3,350	-367
EBITDA	€ million	290	548	-258
Earnings before tax	€ million	184	465	-282
Earnings after tax	€ million	140	369	-228
Earnings per share (undiluted)	€	2.6	6.8	-4.2
ROCE	%	12.6	35.2	-22.6
Core workforce ²		22,705	22,492	213

¹ only from entities within the Group of Consolidated Companies of Salzgitter Group

² per reporting date



Promising start into the financial year 2023

PROFITABILITY – MANAGEMENT GUIDANCE

Annual General Meeting of Shareholders on May 25, 2023

Following the pleasing start to the year, we affirm our earnings guidance and, taking account of the ongoing considerable uncertainty from the political and economic framework conditions, anticipate the following for the financial year 2023

/ sales of between € 11.5 billion and € 12.0 billion,

/ EBITDA of between € 750 million and € 850 million,

/ a pre-tax profit of between € 300 million and € 400 million, and

/ a return on capital employed (ROCE) notably below the previous year's level.

Legal Note and other remarks

As in recent years, please note that opportunities and risks from currently unforeseeable trends in selling prices, input material prices and capacity level developments, as well as exchange rate fluctuations, may considerably affect business performance in the course of the financial year 2023. The resulting impact on performance may be within a considerable range, either to the positive or to the negative.

To the extent that this presentation contains statements oriented towards or related to the future, such statements are based on our current state of knowledge and the estimates based on such knowledge made by the management of Salzgitter AG.

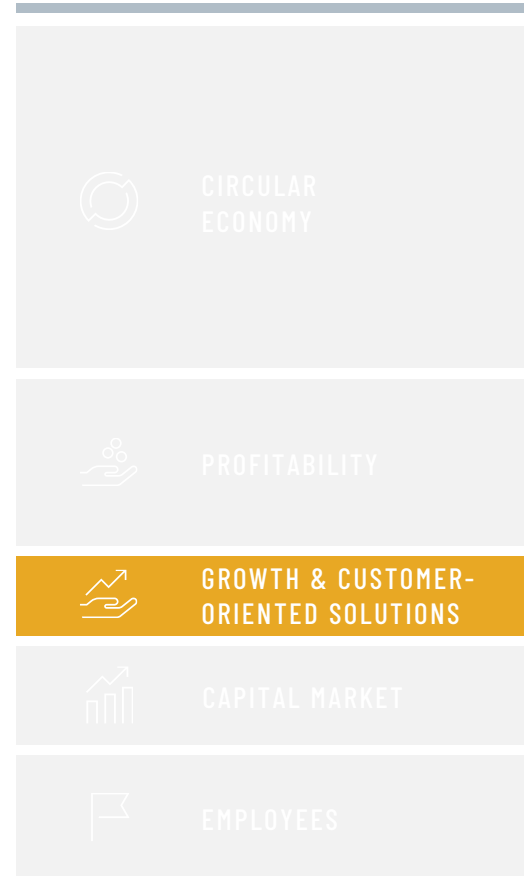
However, as is the case with any forecasts or prognosis, such statements are also subject to uncertainties and risks. Notwithstanding prevailing statutory provisions and capital market law in particular, we are not obligated to update this data. In particular, we shall not assume liability of any kind for knowledge and statements, as well as any acts resulting on the basis of such knowledge or statements that emanate directly or indirectly from the analysis of the data, content and correlations of this document. The information and data made available do not represent an encouragement or invitation to buy, sell or conduct any other type of trade in securities. Salzgitter AG shall neither assume liability for direct nor indirect damages, including lost profits, arising as a result of the utilization of the information or data contained in this document.

For computational reasons, rounding-off differences of +/- one unit (€, % etc.) may occur in the tables. This document is also available in German language. In the event of any discrepancy, the German version shall prevail.

GROWTH & CUSTOMER-ORIENTED SOLUTIONS – STATUS QUO

Annual General Meeting of Shareholders on May 25, 2023

Strategic direction



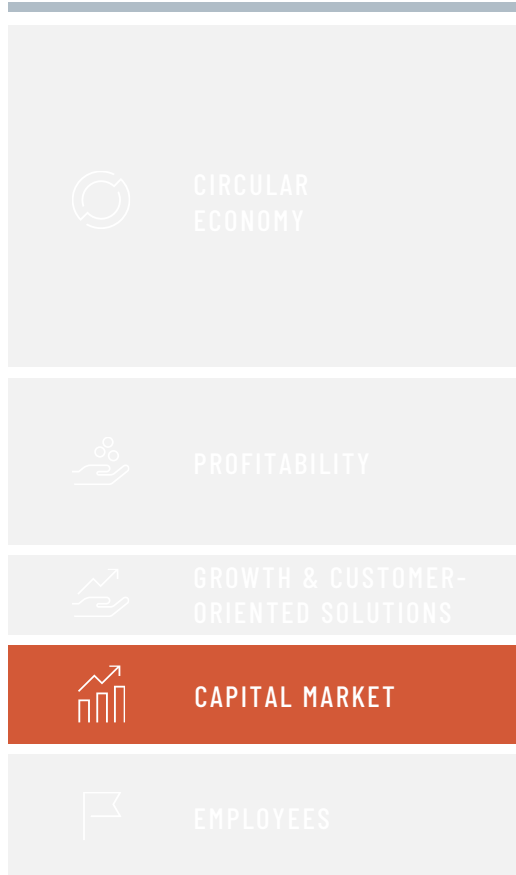
- / Alignment of the portfolio of participations to the new Group strategy initiated
- / New hot-dip galvanizing line supports qualitative growth
- / Successful marketing of the innovative packaging solution FreshSafe-PET® of KHS GmbH
- / Ilseburger Grobblech GmbH is the first producer of CO2-reduced plate qualified for the GreenerTower of wind power mill producer Siemens Gamesa



CAPITAL MARKET – STATUS QUO TARGETS

Annual General Meeting of Shareholders on May 25, 2023

Strategic direction

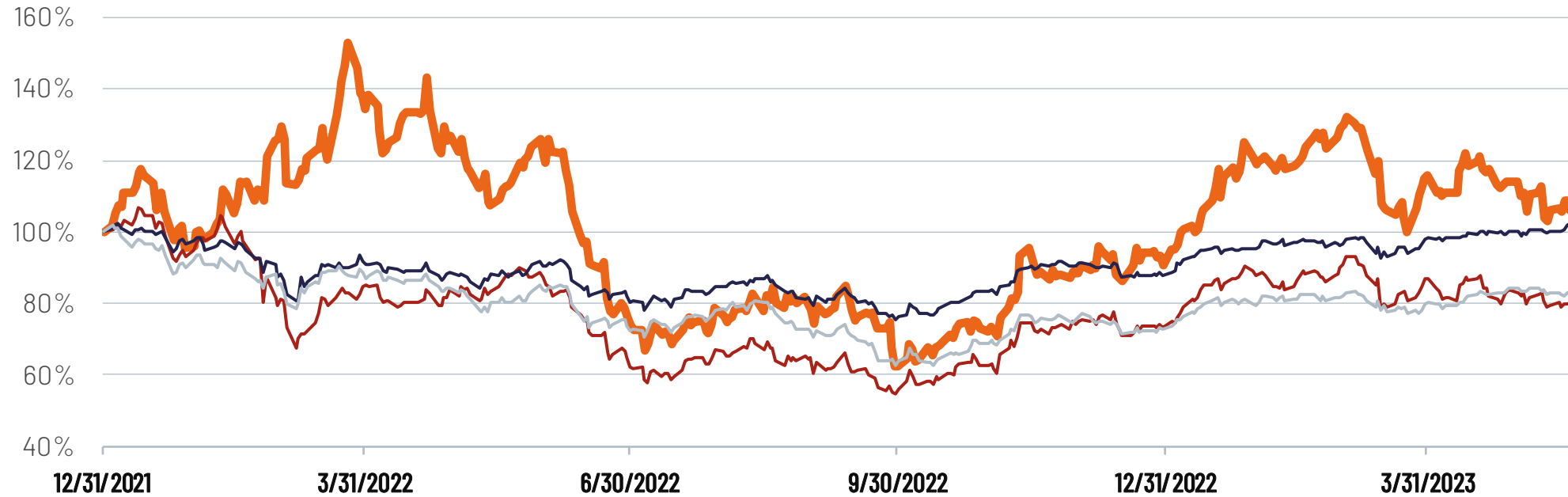


- / Dividend proposal of € 1.00 per share
- / Improved evaluations in ESG ratings
- / Certification of Salzgitter Group by EcoVadis started in April of 2023



CAPITAL MARKET – SHARE PRICE DEVELOPMENT

Annual General Meeting of Shareholders on May 25, 2023



per May 19, 2023

Salzgitter AG	Steel index	DAX	SDAX
+6%	-20%	2%	-17%



25 YEARS ON THE STOCK EXCHANGE

A new way of thinking – for a new kind of industry.

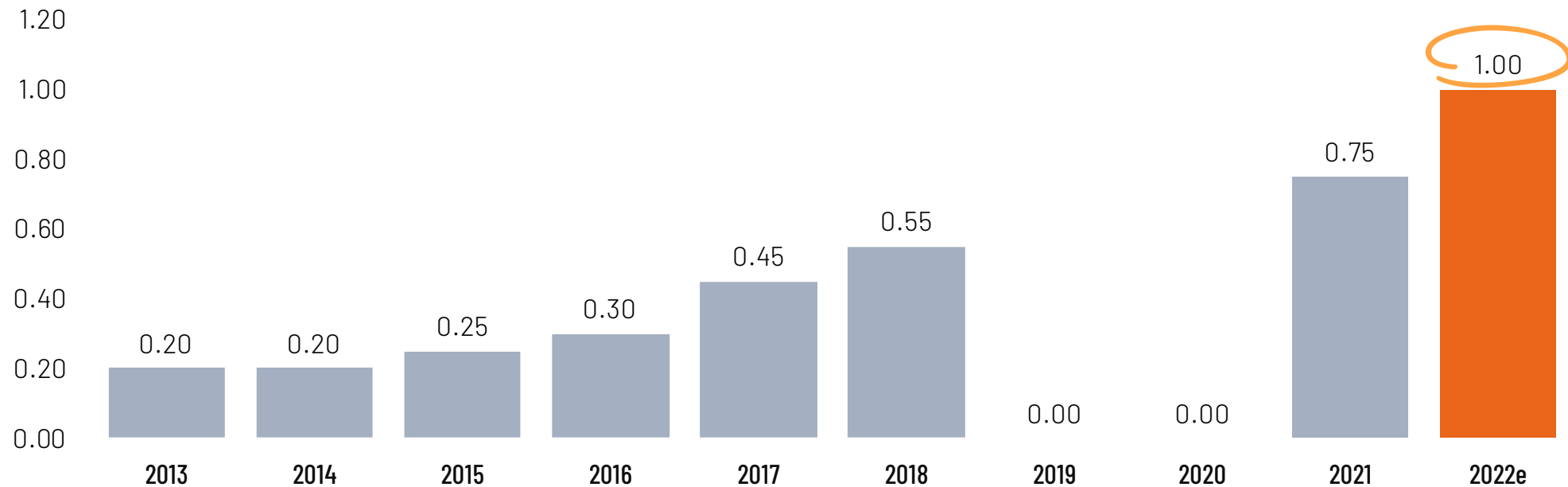


SALZGITTERAG
People, Steel and Technology

CAPITAL MARKET – HIGHEST PROPOSED DIVIDEND SINCE 2008

Annual General Meeting of Shareholders on May 25, 2023

Dividend (€/share)



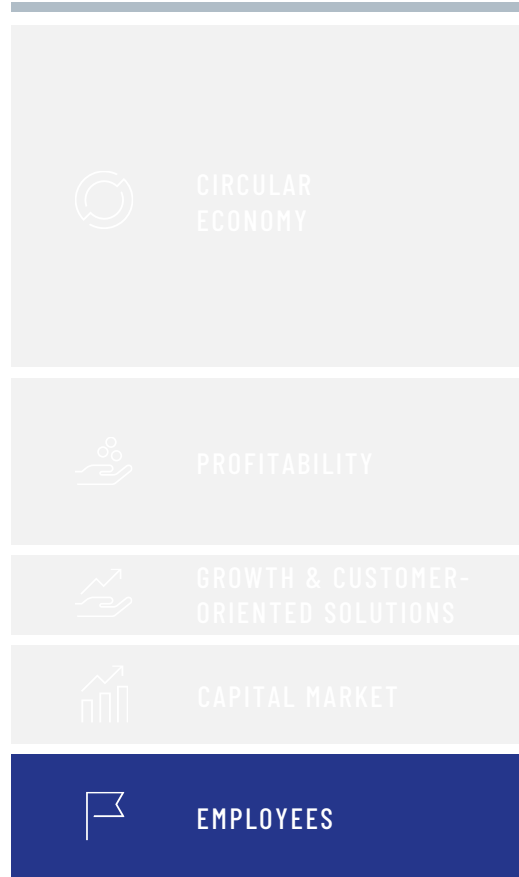
¹ Based on the year-end closing price of 2022

Highest proposed dividend since 2008 corresponds to a dividend yield of 3.5%¹

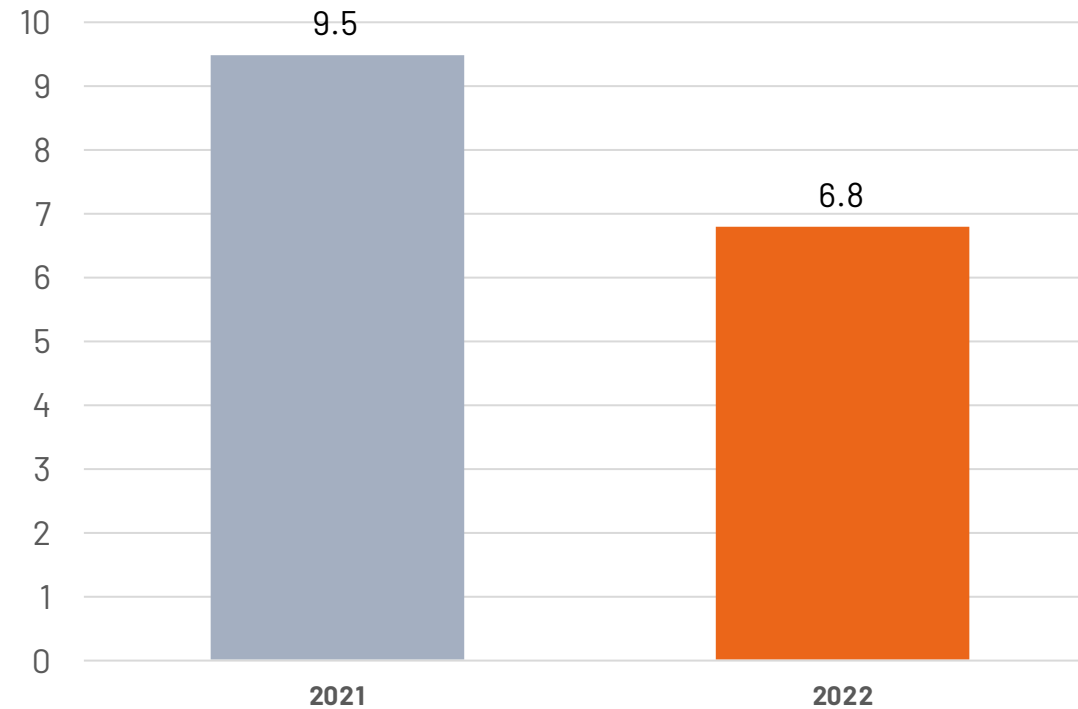
EMPLOYEES – OCCUPATIONAL SAFETY

Annual General Meeting of Shareholders on May 25, 2023

Strategic direction



LOST TIME INJURY FREQUENCY (Work-related accidents per 1m work hours from the first day off work)¹



¹ Data for Salzgitter Group, core workforce and training contracts, 2021 recording domestic only; as from 2022, recording domestic and international

We are on the right track – and aspire further improvement

EMPLOYEES

Annual General Meeting of Shareholders on May 25, 2023



La-Toya Müller
Manager SALCOS® Project
Salzgitter Flachstahl GmbH



Veronika Wodke
Executive Assistant to the CEO
Salzgitter AG



Sandra Unterschwaiger
Director Department Europe,
Central- and East Asia
Salzgitter Mannesmann International





circular economy section 301

russia

fragile supply chain

market control

PPA

inflation reduction act

india

green steel

inflation

taiwan

green deal

USA

made in usa

european union

GSSA

IRA

war

europa

cbam

block building

china

resilience

ukraine war

section 232

industrial plan

high energy costs

made in india

carbon border adjustment

common grounds



SALZGITTERAG
People, Steel and Technology