

Limited Assurance Report of the Independent Auditor regarding the Non-financial Report¹

To Salzgitter Aktiengesellschaft, Salzgitter

We have performed an independent limited assurance engagement on the separate non-financial report of Salzgitter Aktiengesellschaft (further “Salzgitter” or “Company”) according to §§ 315c in conjunction with 289c to 289e German Commercial Code (HGB) for the business year from January 1, 2021 to December 31, 2021.

Management’s Responsibility

The legal representatives of the Company are responsible for the preparation of the non-financial report in accordance with §§315c in conjunction with 289c to 289e HGB and with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (further „EU Taxonomy Regulation“) and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the Company as disclosed in Section “EU-Taxonomie” of the non-financial report.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the non-financial report and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, the legal representatives are responsible for the internal controls they deem necessary for the preparation of the non-financial report that is free of – intended or unintended – material misstatements.

The EU Taxonomy Regulation and the supplementing Delegated Acts contain wordings and terms that are still subject to substantial uncertainties regarding their interpretation and for which not all clarifications have been published yet. Therefore, the legal representatives have included a description of their interpretation in Section “EU-Taxonomie” of the non-financial report. They are responsible for its tenability. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations is subject to uncertainty.

¹ Our engagement applied to the German version of the non-financial report 2021. This text is a translation of the Independent Assurance Report issued in German, whereas the German text is authoritative.

Practitioner's Responsibility

It is our responsibility to express a conclusion on the non-financial report based on our work performed within a limited assurance engagement.

We conducted our work in the form of a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information", published by IAASB.

Accordingly, we have to plan and perform the assurance engagement in such a way that we obtain limited assurance as to whether any matters have come to our attention that cause us to believe that the non-financial report of Salzgitter Aktiengesellschaft for the business year from January 1 to December 31, 2021 has not been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the legal representatives as disclosed in Section "EU-Taxonomie" of the non-financial report. We do not, however, issue a separate conclusion for each disclosure. As the assurance procedures performed in a limited assurance engagement are less comprehensive than in a reasonable assurance engagement, the level of assurance obtained is substantially lower. The choice of assurance procedures is subject to the auditor's own judgement.

Within the scope of our engagement we performed, amongst others, the following procedures:

- Inquiries of group-level personnel who are responsible for the materiality analysis in order to understand the processes for determining material topics and respective reporting boundaries for Salzgitter Aktiengesellschaft
- A risk analysis, including media research, to identify relevant information on Salzgitter Aktiengesellschaft's sustainability performance in the reporting period
- Reviewing the suitability of internally developed Reporting Criteria
- Evaluation of the design and the implementation of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights and combating corruption and bribery
- Inquiries of group-level personnel who are responsible for determining disclosures on concepts, due diligence processes, results and risks, performing internal control functions and consolidating disclosures
- Inspection of selected internal and external documents
- Analytical procedures for the evaluation of data and of the trends of quantitative disclosures as reported at group level by all sites
- Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample of the sites at the Ilsenburger Grobblech GmbH, Ilsenburg
- Assessment of the overall presentation of the disclosures
- Evaluation of the process for the identification of taxonomy-eligible economic activities and the corresponding disclosures in the non-financial report

The legal representatives have to interpret vague legal concepts in order to be able to compile the relevant disclosures according to Article 8 of the EU Taxonomy Regulation. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations and, correspondingly, our assurance thereof are subject to uncertainty.

In our opinion, we obtained sufficient and appropriate evidence for reaching a conclusion for the assurance engagement.

Independence and Quality Assurance on the Part of the Auditing Firm

In performing this engagement, we applied the legal provisions and professional pronouncements regarding independence and quality assurance, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the non-financial report of Salzgitter Aktiengesellschaft for the period from January 1 to December 31, 2021 has not been prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation disclosed in Section “EU-Taxonomie” of the non-financial report.

Restriction of Use/General Engagement Terms

This assurance report is issued for purposes of the Supervisory Board of Salzgitter Aktiengesellschaft, Salzgitter only. We assume no responsibility with regard to any third parties.

Our assignment for the Supervisory Board of Salzgitter Aktiengesellschaft, Salzgitter, and professional liability as described above was governed by the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms notice of the provisions contained therein

including the limitation of our liability as stipulated in No. 9 and accepts the validity of the General Engagement Terms with respect to us.

Hannover, 11 March 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Dr. Tonne
Wirtschaftsprüfer
[German Public Auditor]

ppa. Mathias

Attachment

General Engagement Terms