



Substance. Responsibility. Future.
The EUROPIPE Sustainability Report

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Forword by the Management Board

Sustainable business practices are a core priority for the EUROPIPE Group. Sustainability ensures long-term stability and competitiveness, even in an industrial environment characterized by high technical requirements, complex supply chains, and intense international competition.

Sustainability is therefore an integral component of responsible corporate governance. Against this backdrop, EUROPIPE has developed a sustainability strategy that is consistently aligned with the challenges and opportunities of our company.

This sustainability report shows where EUROPIPE stands today. Although our company is not subject to any reporting obligation, we aim—out of corporate responsibility—to increase transparency in the areas of environment, social matters, and governance, and to continue developing over the long term. The report provides a sound basis for assessing our key impacts and evaluating our progress. This report is not a conclusion, but a milestone.

We highlight both areas in which EUROPIPE is already making positive contributions and those in which we aim to improve. For us, sustainability means acknowledging this reality and taking responsibility.

The Management Board of the EUROPIPE Group

Roger Menneking

Carsten Schmickler



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Approach and Structure of the 2024 Sustainability Report

In order to document our sustainability performance in a transparent and structured manner, we are guided by the European “Voluntary Sustainability Reporting Standard for SMEs” (VSME). The standard provides a clear framework, which we supplement with company-specific content.

The report is structured as follows:

Section A: General Information

This section outlines the organizational and temporal framework of the report, along with the structure of our value chain. It establishes the foundation for understanding our company and the defined reporting entity.

Section B: Sustainability Strategy

We outline the priorities of our sustainability strategy and how we leverage them to develop sustainably and remain competitive in the long term.

Section C: CO₂e Inventory

Our CO₂e inventory, prepared in accordance with the Greenhouse Gas Protocol, presents climate-relevant emissions along the value chain. It is a key instrument for us to identify reduction potentials and transparently document progress.

Section D: VSME Disclosures

In this section, we disclose our performance and activities in the areas of environment, social matters, and corporate governance in accordance with VSME. It complements the strategic content and the CO₂e inventory and enables a structured presentation of the sustainability topics relevant to us.

Preparation of the Sustainability Report

The development of the sustainability strategy, the calculation of CO₂e emissions, and the preparation of this document were supported by Fraunhofer IAIS. All analysis steps, as well as the collection and evaluation of company data, are fully documented. This approach ensures the reliability and auditability of the information presented here.

For reasons of readability, this document uses the generic masculine form. It is intended to refer to individuals of all genders.



Scope

This report applies to the EUROPIPE Group, comprising EUROPIPE GmbH (EUROPIPE) and MÜLHEIM PIPECOATINGS GmbH (MPC) in Germany. It covers business activities in the 2024 financial year (01 January – 31 December 2024).

Who we are

<p>Pipe Production</p> <p>since 1918</p>	<p>Founded</p> <p>1991</p> <p>A merger of</p> <ul style="list-style-type: none"> Dillinger Hüttenwerke AG, GTS Industires und Mannesmannröhren-Werke AG 	<p>Shareholders</p> <ul style="list-style-type: none"> → 50% AG der Dillinger Hütte → 50% Salzgitter Mannesmann GmbH → Subsidiaries Mülheim Pipecoatings GmbH 	<p>Employees</p> <p>~ 512</p> <p>Permanent staff EP/MPC</p>
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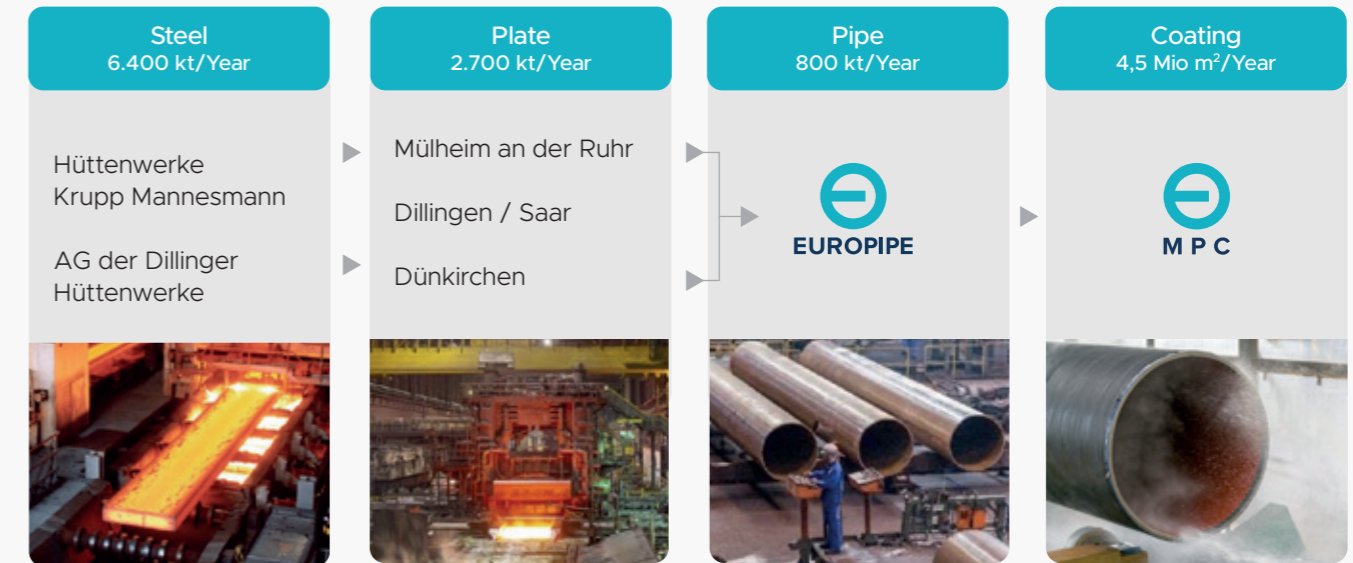
Founded in 1991, the history of our company and its shareholders dates back to the 17th century. The shareholders of EUROPIPE GmbH are Salzgitter Mannesmann GmbH and AG der Dillinger Hüttenwerke, each holding a 50% stake.

EUROPIPE is a leading manufacturer of large-diameter welded steel pipes, with its headquarters and production site located in Mülheim an der Ruhr, Germany. Our product range includes longitudinally welded pipes with an outside diameter of

between 610 and 1,524 mm (24" to 60") and wall thicknesses of up to 52 mm (2"). Our pipes are supplied in lengths of up to 18.3 m (60 feet).

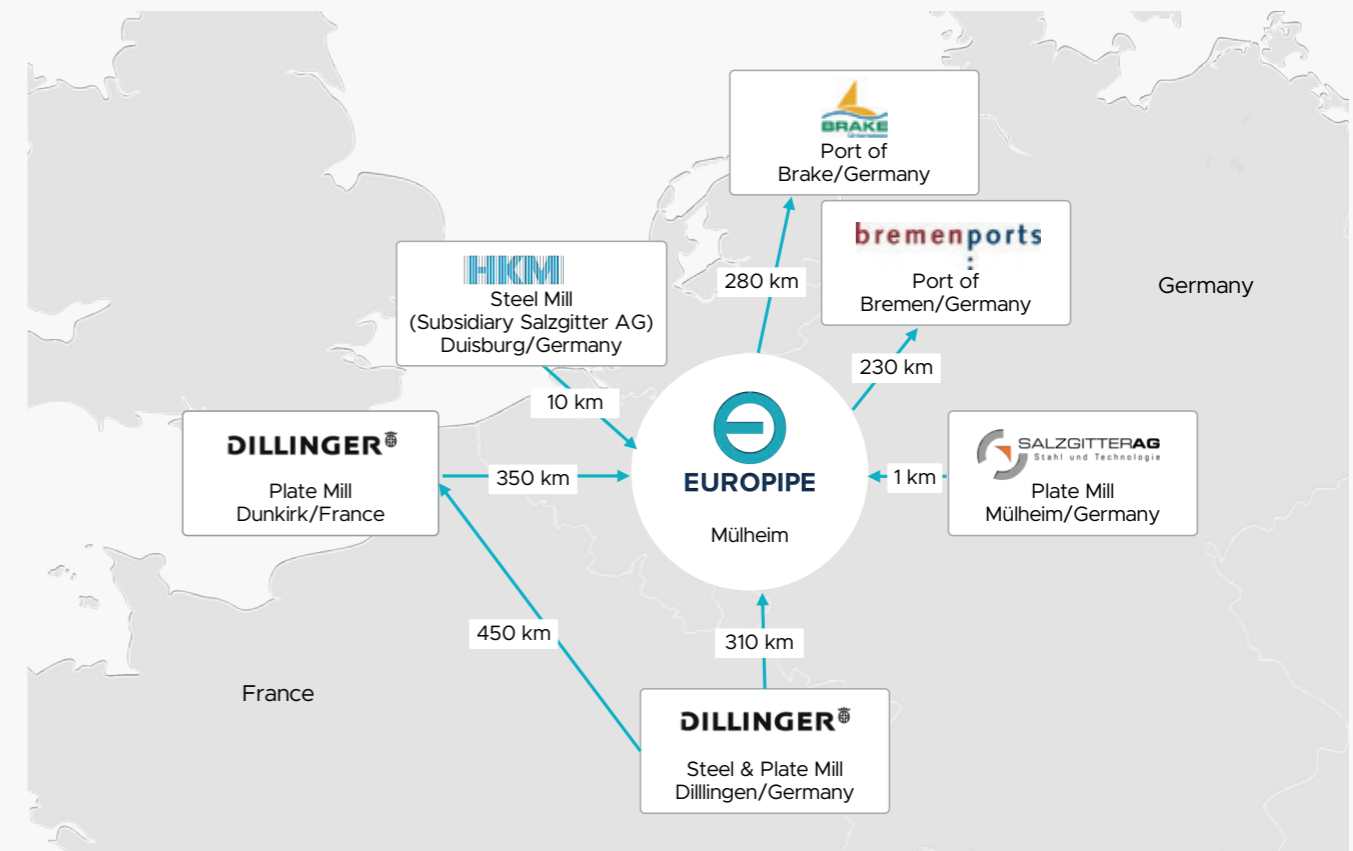
To protect steel pipes against physical damage and corrosion, EUROPIPE offers highly effective coating solutions. Our subsidiary Mülheim Pipecoatings (MPC) operates state-of-the-art facilities for the external and internal coating of our pipes in close proximity to our production site.

Integrated Pipe Production



The upstream value chain primarily includes heavy plate and welding consumables. The production process of the pipes and their coating form the core value chain. In the downstream value chain, particular consideration is given to the transportation and use of the pipes.

Short distances in integrated pipe production



Sustainability Strategy

Sustainability is an integral part of our corporate strategy.

Based on a double materiality assessment conducted in collaboration with Fraunhofer IAIS, the ESG topics that are material to EUROPIPE have been identified from both an impact perspective and a financial perspective.

On this basis, we define clear priorities and derive measurable targets. These are ambitious, verifiable, and long-term oriented.

EUROPIPE considers the following ESG topics to be strategically relevant and manages them through specific targets and measures.

Strategically Relevant ESG Topics

Pipes for Sustainable Energy Supply and Climate Protection

Global energy supply is currently undergoing a profound transformation, driven by two parallel developments.

Internationally—particularly outside Europe—the transition from coal and oil to natural gas as the primary energy source is currently underway. In many regions, natural gas is considered a bridging technology on the path toward a lower-emission energy supply. This transition requires high-performance pipeline infrastructure capable of safely transporting gas over long distances, creating significant market opportunities for the EUROPIPE Group.

At the same time, Europe is advancing the energy transition toward new energy carriers such as hydrogen. EUROPIPE offers pipes for the reliable and safe transport of hydrogen, which can also potentially be used for other energy carriers such as ammonia. The development of a hydrogen network in Europe partly involves repurposing existing pipelines but also requires the construction of substantial new pipeline infrastructure. The use of pipes for new energy carriers requires

additional certifications and testing, for example in accordance with ASME B31.12. The EUROPIPE Group has already successfully met these requirements in several projects. Our technological expertise thus forms a key foundation for participation in future energy infrastructure and new hydrogen networks.

In the context of climate protection efforts and increasing CO₂ pricing, the use of CCS and CCU technologies (Carbon Capture and Storage / Carbon Capture and Utilization) is also gaining importance. The EUROPIPE Group produces pipes for safe transport and sees significant market potential in this area. Here too, pipes must meet stringent technical requirements, which EUROPIPE is able to fulfill.

Already today, a large share of the EUROPIPE Group's sales is generated from projects related to the energy transition. Further growth in these markets is expected in the coming years, although its extent will depend significantly on appropriate political and regulatory frameworks.

Rising Costs of Steel Production in Europe

Steel is an energy-intensive input material with a high CO₂e footprint and represents a key cost factor in the EUROPIPE Group's value creation. European steel production is currently undergoing a fundamental transformation process and is increasingly being electrified through significant investments. High energy costs represent a particular challenge, as they further increase the cost of steel production. The additional costs currently discussed for CO₂-reduced steel compared to conventionally produced steel amount to approximately 15%.

Since EUROPIPE sources its input materials exclusively from the production facilities of its parent companies, these cost increases pose a risk to EUROPIPE's competitiveness outside the EU. The Carbon Border Adjustment Mechanism (CBAM) provides a certain level of protection for projects within the EU. For projects outside Europe, it is therefore essential that producers receive support to compensate for transformation-related cost disadvantages in order to maintain international competitiveness.

Greenhouse Gas (GHG)-Reduced Pipe

With increasing ESG requirements from customers and the pricing of greenhouse gas emissions, demand for GHG-reduced products is growing, particularly in Northwestern Europe. As part of a pilot project, the EUROPIPE Group has already produced pipes with a 70% reduced CO₂ footprint (Carbonlite®). This was achieved through the use of steel produced via the electric arc furnace route rather than the conventional blast furnace route.



Through the transparently calculated Product Carbon Footprint, the achieved emission reductions can be demonstrated to customers. This will become increasingly important in tenders and in emerging green lead markets in the future. EUROPIPE is therefore well positioned as a pioneer in the transition toward low-emission pipeline solutions.

Skilled Workforce

The shortage of skilled labor in Germany is also becoming an increasing challenge for the EUROPIPE Group. In certain areas, filling apprenticeship and graduate positions is becoming progressively more difficult. Technically specialized professions such as electricians, metallurgists, ultrasonic testers, and mechatronics technicians are particularly affected. Due to its location in the densely populated and industrially shaped Ruhr region, EUROPIPE has so far been less affected by the shortage of skilled labor than companies in other regions. In the past, open positions have been successfully filled. At the same time, however, a continuous decline in the number of applicants can be observed.

The EUROPIPE Group promotes the qualifications of its employees, among other things through external training and development measures. This entails the risk that more highly qualified employees may move to other companies if adequate internal deployment and development opportunities cannot be offered. The long-term retention of qualified specialists therefore remains a key area of focus.

Increasing ESG Requirements

The EUROPIPE Group observes a significant increase in ESG data requirements from various stakeholders at both company and product level. Sustainability criteria are becoming increasingly important for customers, financing partners, and parent companies alike.

The ESG data requested include, among other things, CO₂e emissions, environmental indicators, energy consumption data, and information on working conditions. These data are required in the context of certifications, ratings, and rankings. The requirements are often extensive and not standardized, resulting in a significantly increased organiza-

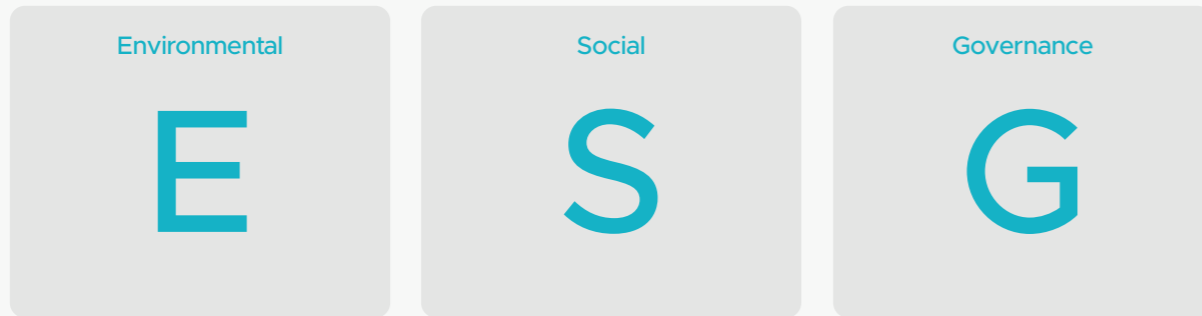
tional and personnel effort for processing requests, participating in rankings, and conducting certifications. In addition, the provision of reliable ESG data requires appropriately qualified personnel.

To meet the increasing requirements, further technical and organizational measures are necessary. These include, among other things, improving data collection and management systems as well as the development of ESG related expertise within the organization.



Sustainability Targets

The EUROPIPE Group has set itself ambitious targets:



→ By 2030, the EUROPIPE Group will reduce its energy-related emissions per tonne of steel pipe produced by 50% compared to 2021.

→ From 2028 onwards, the EUROPIPE Group's sickness rate will remain permanently below 6%.

→ The EUROPIPE Group maintains an accident rate per 1 million working hours permanently below 5%.

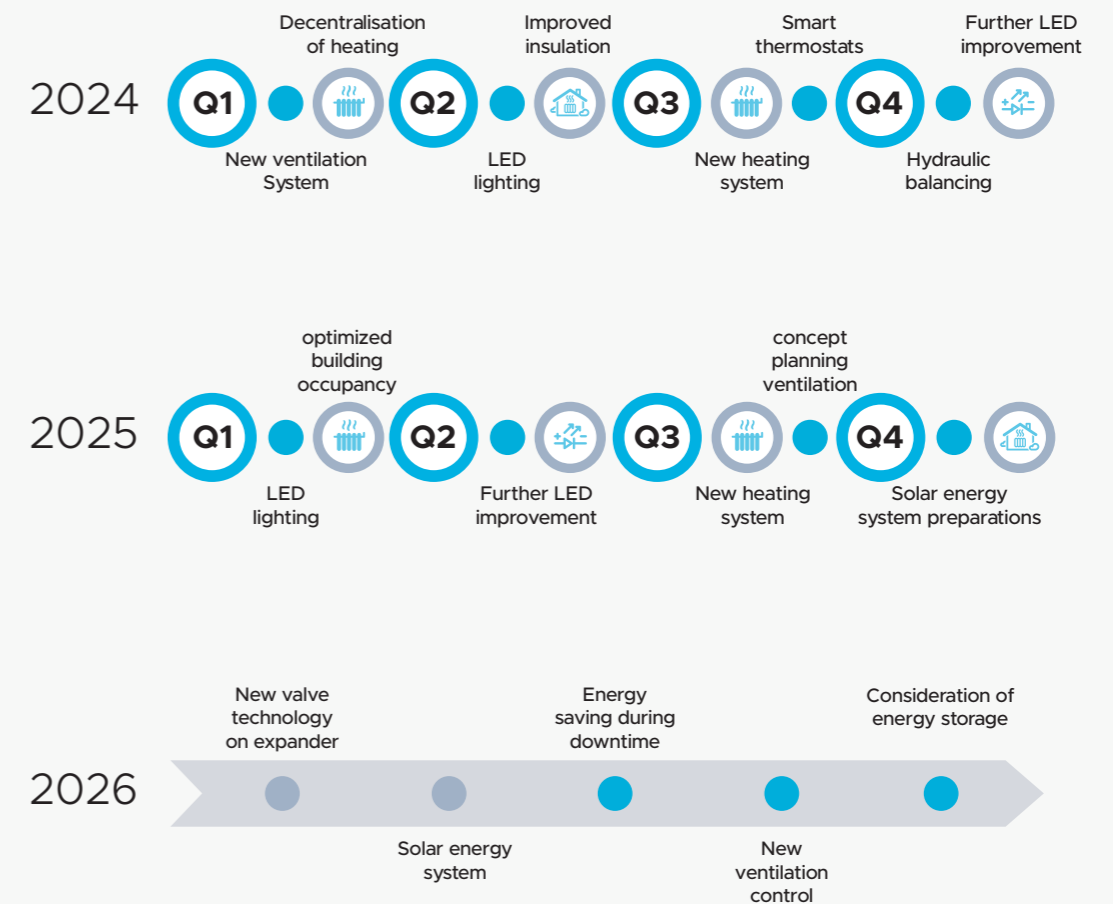
→ From 2026 onwards, the EUROPIPE Group will publish a sustainability report at least every three years in accordance with European standards.

With these targets, we create transparency regarding our ambitions and make progress measurable.

Measures

Measures within the Energy Management Framework

EUROPIPE prepares an annual energy balance. This includes the determination and evaluation of current energy consumption as well as an estimate of future energy demand. It provides the basis for planning further energy-saving measures and for monitoring ongoing initiatives. All measurement points for electrical energy can be tracked in detail using the "ECON" data acquisition system. In 2024, a series of energy-related measures were implemented (see graphic). Of particular note are the measures for the modernization and decentralization of the building heating system, which resulted in a 50% reduction in natural gas consumption.



Further measures to increase energy efficiency are planned and, in some cases, already being implemented for the coming years. Energy indicators are summarized on a quarterly basis in the energy report.

The implementation of planned energy measures is tracked through an action plan, and the resulting savings are monitored using the ECON energy management software.



Enhancing Circularity

We pursue the goal of consistently closing material loops and keeping valuable resources in circulation. Metal waste such as chips and cut offs is generated during our pipe production. We fully return these materials to the material cycle. The overall recycling rate at EUROPIPE exceeds 92%. By-products such as water, oils, and other waste are also systematically treated or recycled. Blasting abrasives used in surface treatment—such as for rust removal—are collected and reprocessed. Plastic waste is likewise recycled. Our subsidiary MPC achieves a recycling rate of over 70% in this area.



Use of Renewable Energy

Increasing the Share of Green Electricity
We are gradually increasing the share of electricity sourced from renewable energy. The EUROPIPE Group procures green electricity via contracts of Salzgitter AG. In 2024, 37% of the electricity used by the EUROPIPE Group already originates from renewable sources.

The objective is to further increase this share. This is driven by voluntary alignment with the sustainability strategy of the parent company, which aims to achieve 100% green electricity by 2030. Integration into this strategy is reviewed on a regular basis.

Reduction of GHG Emissions in Logistics

In logistics, we specifically focus on lower-emission transport solutions. The transportation of our pipes to customers is primarily carried out by rail and, where possible, using green electricity. For maritime transport, we require that heavy fuel oil is largely replaced by diesel. This significantly reduces the use of the most emission-intensive fuels.

More Sustainable Coating

Use of Low-Solvent Coatings
We use liquid coatings for the internal coating of our pipes. As significant amounts of solvents are released during the heating of pipes and the use of conventional coatings, MPC now exclusively uses significantly reduced-solvent coatings. This has enabled us to substantially lower emissions and significantly reduce employee exposure to solvents. In industry comparison, MPC holds a leading position in this area.

Avoidance of Acid Use in Pre-Treatment

For pipe pre-treatment, MPC uses a high-pressure cleaning process. This process replaces conventional acid treatment and significantly reduces environmental impact.



Employee-Focused

Prevention of Workplace Accidents

EUROPIPE operates a proactive, behavior-based occupational safety system to promote awareness and reduce accident rates. For prevention, we rely on comprehensive occupational safety measures. These include mandatory training, regular safety inspections, weekly five-minute safety briefings under the motto “Take Time for Safety,” and internal audits. Through these measures, we strengthen safety awareness and reduce risks at an early stage.

The reporting and registration of near misses and unsafe operating conditions is another key instrument for identifying potential causes of unsafe behavior and implementing appropriate improvement measures.

Investment in Occupational Health and Benefits

EUROPIPE invests specifically in the health and social protection of its employees.

The occupational health concept includes, among other things, preventive medical check-ups, access to a company social worker, occupational reintegration management, measures to reduce psychological stress in the workplace, assistance with scheduling medical appointments, flu vaccinations, and supplementary daily sickness allowance insurance.

In addition, we offer further targeted health promotion measures, such as a smoking cessation program. Close cooperation with an on-site occupational physician, as well as a large number of trained first aiders and paramedics, ensures a very high standard of medical care.

Furthermore, EUROPIPE provides a company pension scheme. Additional benefits include, among others, sports programs, a company bike scheme, canteen services, and other site-specific offerings.

These benefits go far beyond statutory requirements and are actively utilized by the workforce.

Fair Compensation of Overtime

Overtime worked is recorded digitally via individual working time accounts.

Overtime can either be paid out or compensated with time off. This regulation applies to employees in the industrial and collectively agreed sectors. For administrative employees, up to two days of remote work per week are possible. This option is widely used.



Maintaining High Working Conditions in the Industrial Sector

Our production employees work in a rotating two-shift system on a weekly basis for up to six days per week. Night shifts do not take place. Employees are familiar with and well adapted to this shift model.

At fewer than 5% of workplaces, physical strain is elevated. This particularly affects activities in confined working environments, for example during internal pipe inspection or weld seam repair. EUROPIPE continuously implements measures to further reduce these physical demands.

Noise levels in production are reduced through the use of personalized hearing protection. Employees working outdoors are in some cases exposed to climatic conditions such as heat or cold throughout their entire shift. Accordingly, we provide appropriate workwear as well as personal protective equipment (PPE).

In addition to the collective agreements, internal company regulations apply, including, among others, top-up payments for short-time work benefits and bonuses for long-serving employees.

Unique Co-Determination

Since EUROPIPE was founded in 1991, the supervisory bodies have been composed on a parity basis of shareholder and employee representatives, exceeding the requirements of the German co-determination framework for the steel industry. As a result, employee representatives have an exceptional level of influence on the company's strategic direction. Through active cooperation with the works council, employee interests are consistently represented.



Ensuring Fair Working Hours and Compensation

Around three quarters of EUROPIPE employees are covered by collective bargaining agreements, while the remaining employees are paid above collectively agreed levels. MPC has a company-specific collective agreement.

Compensation and working hours—with a 35- or 40-hour work week—are governed by the applicable collective agreements. The level of remuneration is above average compared to other industries.

To stabilize employment, employment protection accounts have been agreed jointly with the trade union IG Metall. These enable the balancing of both peak workloads through targeted overtime and the bridging of potential short-term gaps in employment, thereby helping to avoid short-time work wherever possible.



Strengthening a Positive Corporate Culture

EUROPIPE employs temporary workers in production depending on mill. In addition to the collective agreement provisions for temporary workers, supplementary arrangements apply at EUROPIPE, such as equal pay from the first day of assignment and participation in training programs. Temporary workers benefit from the same working conditions as the core workforce, thereby reinforcing fair employment conditions

within the company. The temporary employment agencies engaged comply with German legal standards.

Our workforce is diverse, particularly with regard to nationalities and religious affiliations. This diversity shapes our corporate culture. The proportion of women in industrial roles is low, in line with the structure of the steel industry. In preparation for future increases, sanitary facilities for female employees have recently been expanded. We have exceeded the statutory quotas for severely disabled employees for many years. Inclusion is actively promoted. Discrimination is addressed through both preventive and situational measures. In accordance with legal requirements, a whistleblower system has been established enabling confidential reporting of concerns.

We develop the qualifications of our employees in a structured and needs-based manner. In the industrial sector, qualification requirements are recorded using qualification matrices, and development plans are established on a four-year cycle. In addition, we conduct intensive training programs for specific professional qualifications, including for non-destructive testing (NDT) personnel and welding specialists. Structured annual employee reviews are conducted to assess individual status and plan further qualification steps. External qualifications—such as master craftsman training or academic studies—are supported in selected cases.

Furthermore, we offer training programs on specific topics, particularly regulatory matters, with certain courses being mandatory.

Protection Employment for Our Core Workforce

EUROPIPE's project-based business model is subject to significant fluctuations in order volumes. To manage these fluctuations, we have maintained a well-functioning system of employment protection accounts for many years. Where necessary, EUROPIPE uses temporary employment to flexibly adjust capacity. This ensures a high level of job protection for the core workforce. Transparent and timely communication with our employees is a key priority, ensuring that the workforce remains well informed at all times.



Intensive Advocacy for the Energy Transition and Fair Competition

Active Membership in Industry Associations

We represent our interests through relevant industry associations. In Europe, this is the European Steel Tube Association (ESTA), and in Germany the Wirtschaftsvereinigung Stahlrohre e.V. On selected topics, the EUROPIPE Group takes an active role within these associations.

We advocate for appropriate political framework conditions to support the implementation of the energy transition. Another key focus is promoting fair competitive conditions, in particular the protection of the European market against dumped imports. In these activities, we always closely coordinate with our shareholders and other industry associations.

Ensuring ESG in the Supply Chain

Establishment of the Supplier Code of Conduct

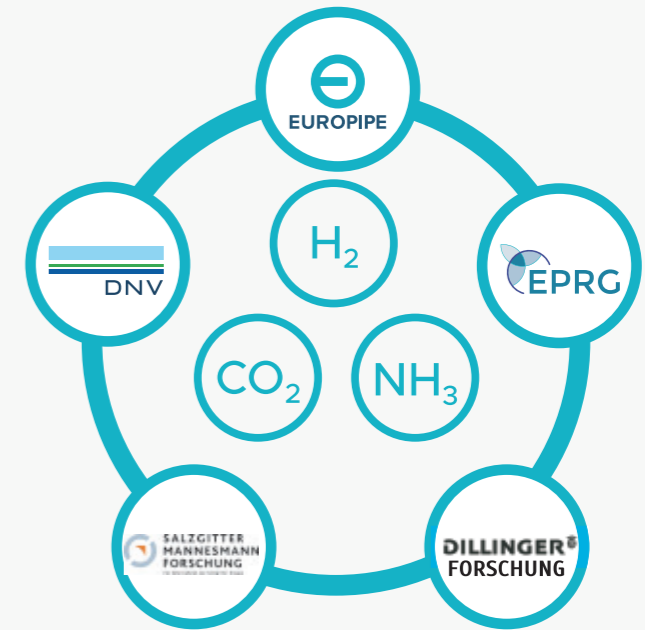
For us, sustainability does not end at the factory gate. We are committed to embedding our ESG principles throughout the supply chain, thereby ensuring environmental, social, and corporate governance standards along the entire value chain.

A key instrument is the EUROPIPE Supplier Code of Conduct. In addition to our own Code of Conduct, it defines binding requirements for our business partners. These include, among others, provisions on environmental and climate protection, labor and human rights, occupational safety, integrity, and compliance with applicable laws and regulations.

The EUROPIPE Supplier Code of Conduct has already been implemented across nearly the entire supply chain and forms the basis for transparent and responsible collaboration with our suppliers.

Participation in the Definition of Technical Standards

EUROPIPE actively contributes to the development of standards for energy transition infrastructure. Together with the research institutes its shareholders, the company conducts its own research projects for both conventional pipeline applications—particularly sour gas—as well as for new media such as hydrogen and CCS/CCU. In addition, EUROPIPE participates in international research groups such as the European Pipeline Research Group (EPRG) and the DNV Joint Industry Projects.



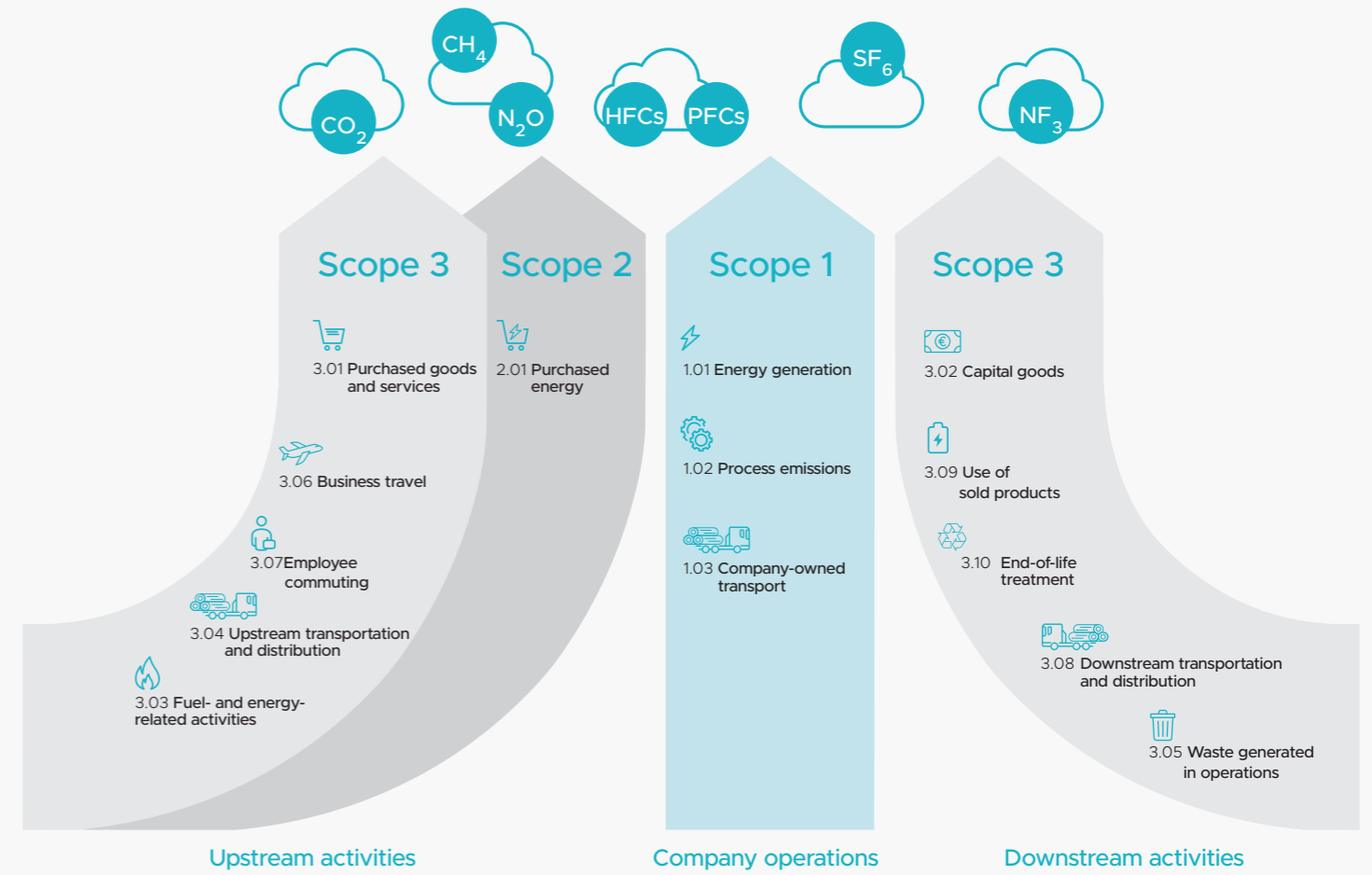
CO₂e Inventory

Greenhouse Gas Inventory for the 2024 Financial Year

By preparing a CO₂e inventory, EUROPIPE creates transparency regarding its own greenhouse gas emissions and their development over time.

The CO₂e inventory serves as a central basis for managing our climate protection activities. Based on the data collected, we identify reduction potentials, prioritize measures, and track their effectiveness. The objective is a continuous reduction of CO₂e emissions.

EUROPIPE prepares its greenhouse gas inventory in accordance with the recognized standards of the Greenhouse Gas Protocol (GHG Protocol), thereby ensuring comparability, consistency, and transparency in reporting



Emissions in 2024 by scope

Scope 1 2.91 kt CO₂e

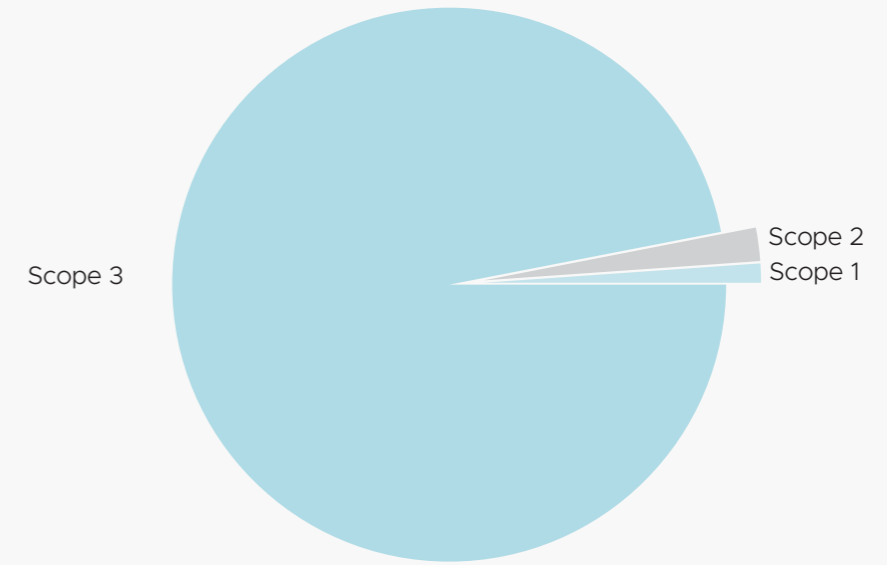
1.01	Generation of electricity, heat, or steam	1.37 kt CO ₂ e
1.02	Process emissions	0.96 kt CO ₂ e
1.03	Transportation of materials, goods, waste, animals, and personnel by company-owned or controlled vehicles	0.58 kt CO ₂ e

Scope 2 7.63 kt CO₂e

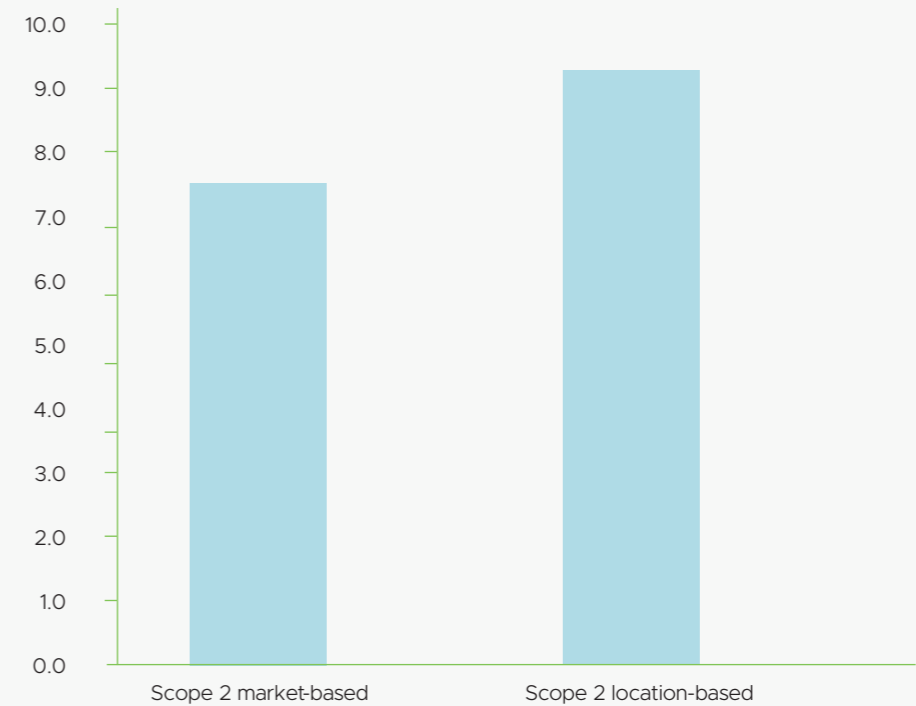
2.	Purchase of electricity, heat, or steam from external facilities (market-based)	7.56 kt CO ₂ e
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Scope 3 421.17 kt CO₂e

3.01	Purchased goods and services	374.14 kt CO ₂ e
3.02	Capital goods	1.06 kt CO ₂ e
3.03	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	1.95 kt CO ₂ e
3.04	Upstream transportation and distribution	2.32 kt CO ₂ e
3.05	Waste generated in operations	0.01 kt CO ₂ e
3.06	Business travel	0.19 kt CO ₂ e
3.07	Employee commuting	0.64 kt CO ₂ e
3.09	Downstream transportation and distribution	4.94 kt CO ₂ e
3.10	Processing of sold products	2.31 kt CO ₂ e
3.11	Use of sold products	33.16 kt CO ₂ e
3.12	End-of-life treatment of sold products	0.45 kt CO ₂ e



The chart illustrates that the vast majority of our CO₂ emissions—97%—are attributable to Scope 3 emissions, particularly resulting from the input material heavy plate, while Scope 1 (1%) and Scope 2 (2%) contribute only a comparatively small share to total emissions. Our direct influence on Scope 3 emissions is extremely limited and is largely determined by the input material.



The bar chart presents Scope 2 emissions on both a location-based and a market-based approach, highlighting the difference between the two calculation methods: while the location-based approach shows emissions of 9.29 kt CO₂, the market-based emissions amount to 7.63 kt CO₂. This deviation illustrates the impact of the electricity procurement strategy, as the market-based figures reflect the actual electricity products purchased, whereas the location-based method is based on average emission factors of the German electricity grid.

Greenhouse Gas Inventory 2024

EUROPIPE's greenhouse gas inventory for the reporting period from 1 January 2024 to 31 December 2024 forms the basis for future progress measurement and will serve as a reference for subsequent reporting periods.

In 2024, total emissions amount to 0.43 MtCO₂e. This corresponds to a GHG intensity of 1.49 kgCO₂e per Euro of revenue. This metric illustrates the development of emissions in relation to our economic performance. The primary source of emissions is the input material heavy plate.

Outlook

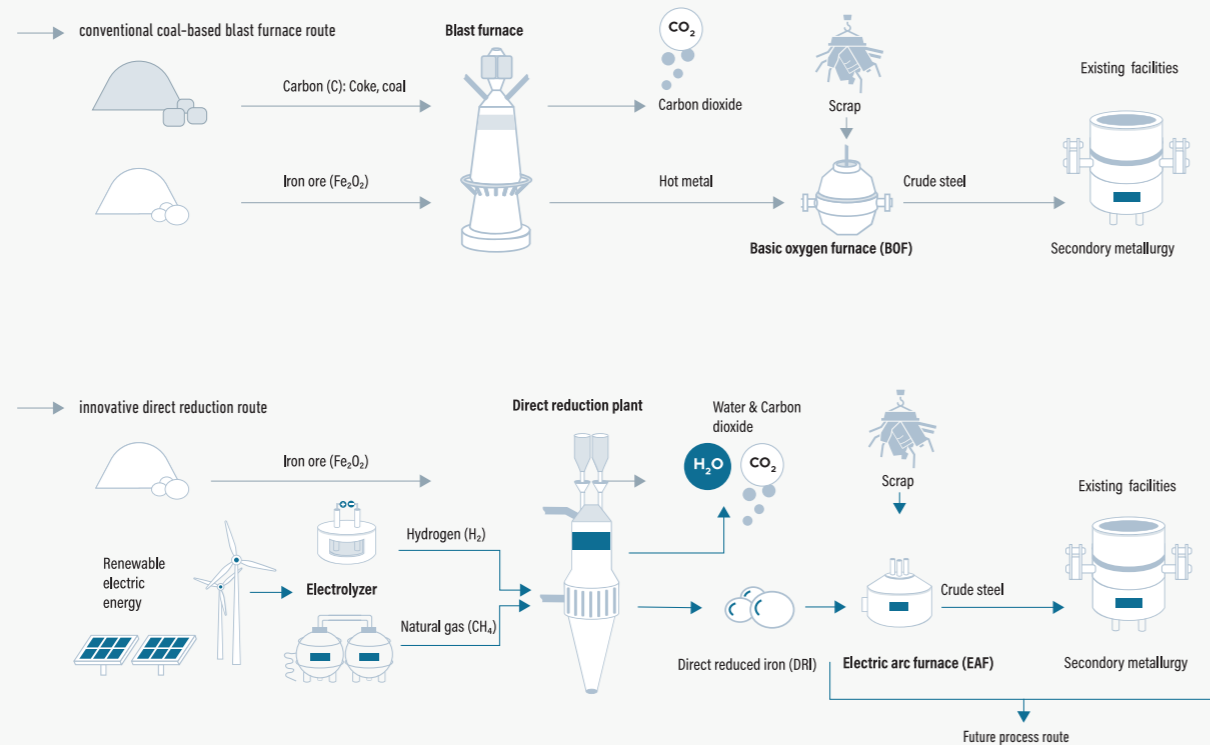
The further reduction of our greenhouse gas emissions is closely linked to the transformation of the steel industry and, consequently, to the

availability and use of CO₂-reduced plate. In this context, steel producers—and thus our shareholders as exclusive suppliers of input materials—play a central role. The transition to more climate-friendly production processes and the expansion of renewable energy along the value chain will make a significant contribution to reducing our Scope 3 emissions.

To date, both shareholders produce crude steel via the so-called blast furnace route. In this process, coking coal is used as a reducing agent for iron ore; the resulting chemical reaction generates CO₂.

In the future, reduction will take place via so-called direct reduction, in which either natural gas—with approximately 60% lower CO₂ emissions—or green hydrogen—with approximately 95% lower CO₂ emissions—is used as the reducing agent.

EUROPIPE actively supports this transformation process and consistently aligns its strategy toward a lower-emission future.



Transformation in steel production: conventional blast furnace production vs. scrap-based production via the electric arc furnace route.

EUROPIPE EPD, Calculation of CO₂ emissions and further EPD information

Product	EPD-number	GWP-total CO ₂ eq per ton
Conventional blast furnace route		
Heavy Plate Salzgitter	EPD-SMM-20210289-IBB1-EN	2.405*
Heavy Plate Dillingen	EPD-BFS-20230270-IBG1-EN	2.405*
Production-related Emission	EPD-EUP-20250241-IBA1-EN	0.155
LSAW pipe incl. corrosion coating EUROPIPE	EPD-EUP-20250241-IBA1-EN	2.56

Carbonlite®-70 CO ₂ -reduced plate electric arc furnace route		
CO ₂ -reduced Heavy Plate	EPD-SAL-20230562-IBD1-EN	0.5909
Production-related Emission	EPD-EUP-20250241-IBA1-EN	0.155
CO ₂ -reduced LSAW pipe incl. corrosion coating EUROPIPE	Calculation using multiple EPD's	0.7459

*Average of the two mills, as EUROPIPE's plate supply is sourced 50:50 from both mills

VSME Disclosures

The reporting follows the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME). This is a European reporting standard for non-listed small and medium-sized enterprises, providing a structured yet proportionate framework for the transparent disclosure of sustainability information.

The VSME standard is divided into several sections. It includes general company information (Info) as well as specific disclosures on environmental indicators (Environmental), social aspects (Social), and corporate governance (Governance).

VSME-Info

B1 / Reporting Framework and Company Profile

For the VSME report, the EUROPIPE Group applies the Basic and Comprehensive modules. This report has been prepared on a consolidated basis, including EUROPIPE GmbH and its subsidiary MÜLHEIM PIPECOATINGS GmbH (both located at Sandstraße 140, 45473 Mülheim). The company's NACE code is 24.20.1 (Manufacture of steel tubes, pipes, hollow profiles and related fittings). In the 2024 reporting year, total assets amounted to €287,993,000 (IFRS), and revenue totaled €290,689,000. The average number of employees was 523. The company's key business activities and significant assets are located in Germany. The main site is geolocated at latitude: 51.44791 | longitude: 6.873118. EUROPIPE also holds the sustainability-related EcoVadis Bronze rating.

C1 / Strategy: Business Model and Sustainability-Related Initiatives

The EUROPIPE Group develops, manufactures, and coats longitudinally welded steel pipes for demanding energy infrastructure projects. Key applications include pipelines for gas, hydrogen, and other media. The business model is project-based. Value creation and key assets are located in Germany. Sustainability is an integral component of the business model. We continuously work on reducing emissions, increasing energy efficiency, further developing sustainable coating solutions, and strengthening social and governance standards—including along the supply chain. A detailed description of our business model as well as our sustainability-related initiatives and objectives can be found in Section A of this sustainability report.

B2/C2 / Policies, Practices, and Future Initiatives for the Transition to a More Sustainable Economy

As part of developing its sustainability strategy, the EUROPIPE Group has identified relevant ESG topics through a structured assessment process. Based on these findings, specific targets and corresponding measures have been defined. The underlying methodology and the resulting fields of action are described in detail in Section B of this report. The prioritized ESG topics, as well as the corresponding targets and measures, are explained there. These measures are discussed in detail in that section and summarized in the following table.

	Planned	Planned	Planned	Planned	Planned
Return of Metal Waste to the Circular Economy	○	○	●	○	●
Recycling and Reprocessing of By-Products and Waste	○	○	○	○	●
Reduction of GHG Emissions in Pipe Transportation	○	○	●	○	●
Use of Low-Solvent Coatings	○	○	●	○	●
Avoidance of Acids in Pipe Pre-Treatment	○	○	○	○	○
Modernization of the Heating System	○	○	○	○	●
Prevention of Workplace Accidents	○	○	○	●	●
Investment in Occupational Health and Additional Benefits	○	○	○	●	●
Fair Compensation of Overtime	○	○	○	●	●
Enabling Remote Work for Administrative Staff	○	○	●	○	●
Maintaining High Working Standards in the Industrial Sector	○	○	○	●	○
Ensuring Fair Working Hours and Compensation	○	○	○	●	●
Improvement of Leadership Culture and Decision-Making Processes	○	○	○	●	○
Strengthening Equal Treatment of Temporary Workers within the Company	○	○	○	●	○
Ensuring Workforce Diversity and Protection Against Discrimination	○	○	○	●	●
Enhancing Employee Qualifications	○	○	○	●	●
Safeguarding Employment for the Core Workforce	○	○	○	●	○
Active Membership in Industry Associations	●	●	○	○	○
Participation in the Definition of Standards	●	○	○	○	○
Establishment of a Supplier Code of Conduct	○	○	○	○	●
	Planned				
Increase in the Share of Green Electricity	○	○	○	○	●

▲ Pipes for Sustainable Energy Supply and Climate Protection
 ▲ Rising Steel Prices in Europe
 ▲ GHG-Reduced Pipe
 ▲ Qualification-Appropriate Workforce
 ▲ Increasing ESG Requirements

Environmental Indicators (Environmental)

B3 / Energy and Greenhouse Gas Emissions Energy:

In the reporting year, the EUROPIPE Group consumed a total of 24,966.35 MWh of electricity, of which 9,237.55 MWh originated from renewable sources and 15,728.80 MWh from non-renewable sources.

Fuel consumption totaled 14,608 MWh and was derived entirely from fossil sources. Of the total energy consumption of 39,574.35 MWh, 23.34% is attributable to renewable sources and 76.66% to non-renewable sources.

Greenhouse Gas Emissions:

The EUROPIPE Group reports its Corporate Carbon Footprint, including Scope 1, Scope 2, and Scope 3 emissions, along with corresponding analyses, in Section C of this report (CO₂e Inventory).

B4 / Air, Water, and Soil Pollution

The EUROPIPE Group is not legally required, nor obligated under other national regulations, to report pollutant emissions to the relevant authorities. Accordingly, no disclosures are made in this section.

B5 / Biodiversity

The EUROPIPE Group operates a production site in Mülheim an der Ruhr. This site includes both the administrative buildings and the production lines for both pipe manufacturing and coating. In addition, the site comprises storage areas for the produced steel pipes.

The areas used by the EUROPIPE Group are partly leased and partly rented. Green spaces are not part of the operational site. The site is a traditional industrial area and is neither located within nor near a biodiversity-sensitive area.

The total area of the site amounts to 29.96 hectares, of which 21.73 hectares are sealed surfaces. EUROPIPE does not own any land with significant ecological value.

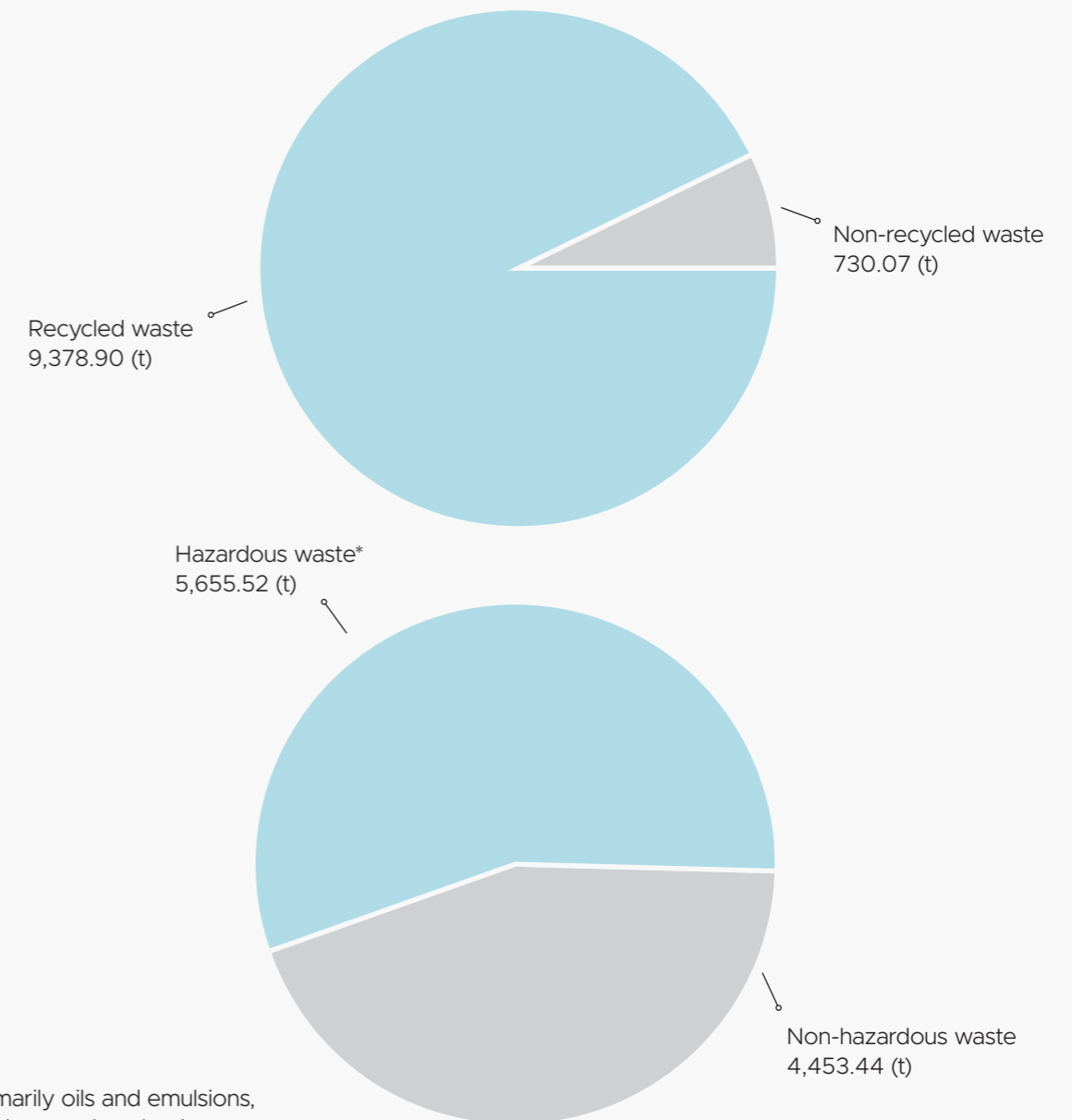
B6 / Water

The EUROPIPE Group withdraws a total of 45,835 m³ of water from the public supply network. The companies are not located in an area of high-water stress. The production processes do not involve significant water consumption.

B7 / Resource Use, Circular Economy, and Waste Management

The EUROPIPE Group follows the principles of the circular economy: Both companies in the Group comply with applicable legal requirements for monitoring waste streams, reducing waste volumes wherever possible, and implementing separate collection systems that enable maximum reuse of materials. Unavoidable waste is separated and recycled wherever possible. As a result, the EUROPIPE Group achieves a recycling rate of over 92%.

Reprocessing: The process water used remains within a closed loop and is treated accordingly. Metal scrap generated during production—such as weld ends, residual materials, and test coupons—is recycled 100%; welding slag is also recycled. Used blasting material is transferred to recycling via waste management providers. The pipe as a final product consists of more than 95% recyclable steel.



*here primarily oils and emulsions, paint residues, and packaging.

EUROPIPE operates in a sector with significant material flows. Of particular relevance is heavy plate produced via the blast furnace route (steel), with a material flow of 153,152 t in the reporting year.

C3 / Targets for the Reduction of Greenhouse Gases and Climate Change

The targets defined within the sustainability strategy are described in detail in Section B. In addition, Section C (CO₂e Inventory) provides an outlook on emission reduction targets

C4 / Climate Risks

As a basis for developing its sustainability strategy, the EUROPIPE Group conducted a double materiality assessment in collaboration with Fraunhofer IAIS. The materiality matrix identifies and evaluates relevant IROs (Impacts, Risks, Opportunities) in accordance with the ESRS IRO framework.

Key climate risks identified include transition risks for German and European steel during the transformation process. GHG-reduced or green steel is expected to have reduced international competitiveness.

VSME-S Social Aspects

B8 / Workforce – General Characteristics

In the reporting year, the EUROPIPE Group employed 46 female and 482 male employees. All production employees are based in Germany. The employee turnover rate was 4.36%.



B9 / Workforce – Health and Safety

The number of reportable workplace accidents within the EUROPIPE Group was 6 in the reporting year. This corresponds to a rate of 1.36%. There were no fatalities related to work-related injuries or illnesses.

B10 / Workforce – Compensation, Collective Agreements, Training

All employees of the EUROPIPE Group were remunerated above the minimum wage level. Training and development measures are provided irrespective of gender.

Gender pay gap between male and female employees	7,9 %
Share of employees covered by collective agreements	64,0 %
Annual training hours per employee:	3.35 h

C5 / Additional (General) Workforce Characteristics

This calculation includes management personnel, including department heads and plant management levels.

Ratio of female to male managers:	11 %
Self-employed individuals working exclusively for the EUROPIPE Group	0 %
Number of temporary workers from staffing agencies	86

C6 / Additional Information on Own Workforce – Policies and Procedures for Compliance with Human Rights

The EUROPIPE Group has established a Code of Conduct that incorporates International Labour Organization (ILO) and UN Global Compact standards. This framework rejects child labor, forced labor, human trafficking, and all forms of discrimination.

Our Code of Conduct defines occupational health and safety as fundamental components of all operational processes. It also covers the following topics: freedom of association and recognition of the right to collective bargaining, responsible environmental practices, promotion of environmentally friendly technologies, and a strict prohibition of all forms of corruption, extortion, and bribery. Furthermore, the EUROPIPE Group is committed to free and fair competition. Ethical business practices are also set out in the Supplier Code of Conduct.

The EUROPIPE Group has established a whistleblower policy, including the option for anonymous reporting

C7 / Severe Negative Human Rights Incidents

In the reporting year, there were no severe negative human rights incidents within the EUROPIPE Group. There is no knowledge of such incidents within the value chain.

VSME – G Corporate Governance

B11 / Convictions and Fines for Corruption and Money Laundering

There were no violations of anti-corruption or anti-bribery regulations during the reporting period.

C8 / Revenue from Certain Sectors and Exclusion from EU Benchmarks

The EUROPIPE Group is not engaged in the area of controversial weapons, in the cultivation and production of tobacco, in the fossil fuels sector, or in the manufacture of chemicals (including pesticides, crop protection products, and disinfectants). The company is not excluded from the EU benchmark indices under the Paris Climate Agreement. ...

C9 / Gender Diversity Ratio in the Management and/or Supervisory Body

The gender diversity ratio within the Supervisory Board of the EUROPIPE Group is 9%.



EUROPIPE Sustainability Report

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Our pipes supply the future