



ESG Roadshow

Investor presentation

November 2023

Agenda

- 1 Overview
- 2 Environment
- 3 Social
- 4 Governance
- 5 Q&A
- 6 Appendix

Overview



Sustainability strategy

Sustainability leadership in the refractory industry

- ◆ RHI Magnesita seeks to be a sustainability leader in the global refractory industry with a strategy based on:
 1. Excellent health and safety performance
 2. Climate change action
 3. Sustainable procurement practices
 4. Upholding diversity in the workplace
 5. Minimizing environmental impacts
 6. Building strong relationships with all relevant stakeholders including communities, employees and governments
 7. Debt interest rates and management compensation linked to sustainability performance

“We continue to take pride in our leadership position in sustainability. Positioning the Group’s products and services ahead of sustainability driven technological change in our customer industries will be essential for long-term success. Meanwhile, we are also working hard to improve the sustainability profile of our own business.”

Herbert Cordt, Chairman



“We are leading the industry on these issues because of the wider benefits for all stakeholders but we are also increasing the value of RHI Magnesita’s products and services to our customers.

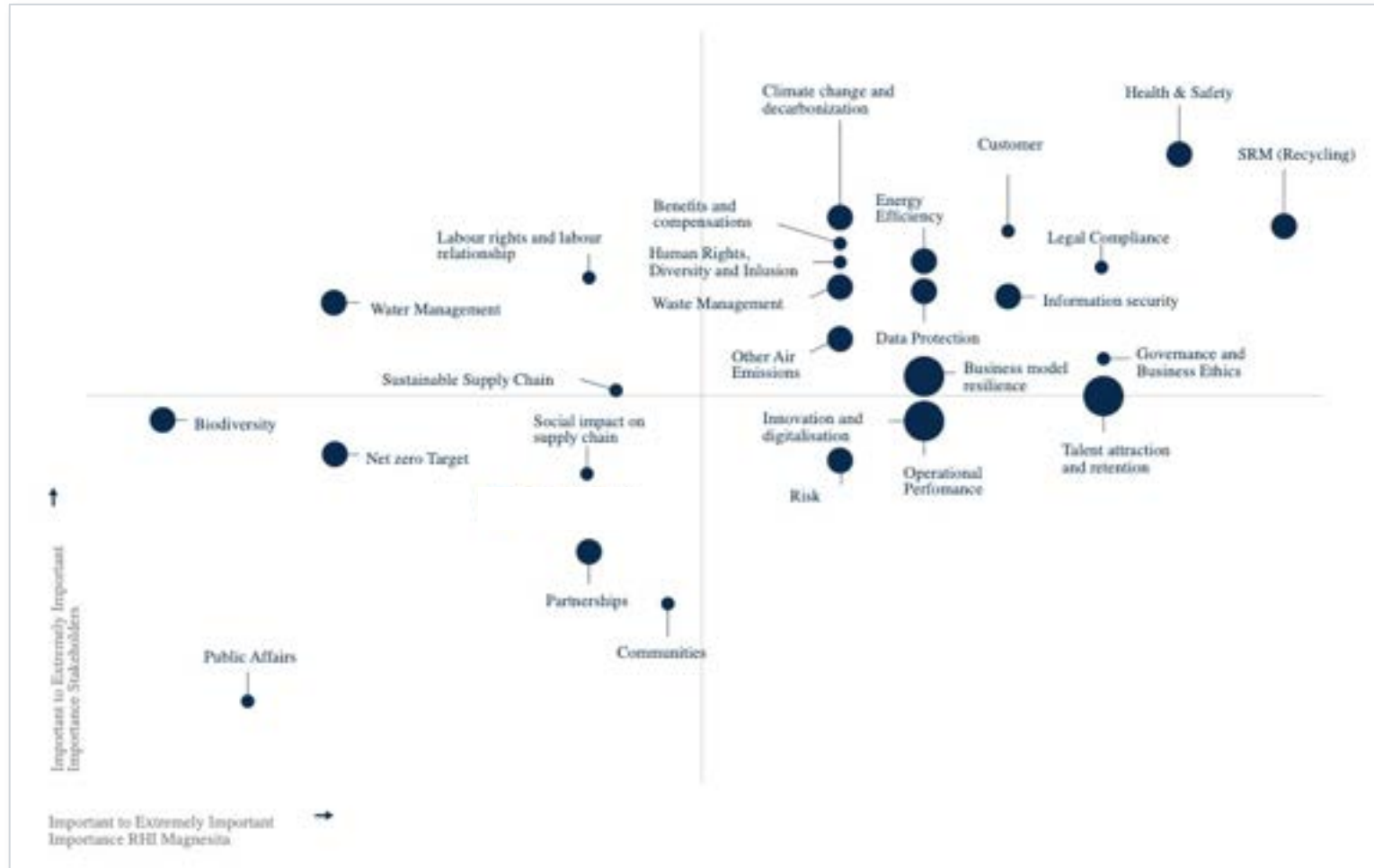
We believe the value attached to sustainable business practices will translate into market share opportunities or pricing advantages in the future, as we extend our leadership position relative to our competitors.”

Stefan Borgas, CEO



Materiality based approach

RHI Magnesita reports key sustainability metrics based on a regular materiality assessment



ESG reporting

Stakeholders can access information through the Group’s annual reporting and online



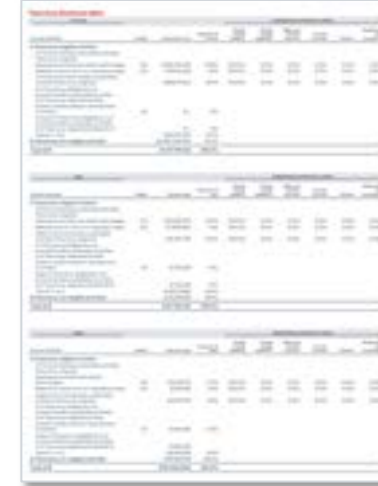
Sustainability Report 2022

The Group reports annually in accordance with Global Reporting Initiative standards (“GRI”)



TCFD Report 2022

Full TCFD disclosure since 2021



EU Taxonomy disclosure since 2021



GRI Index 2022

GRI Index available in Sustainability Report and online



Data assurance report

Sustainability data assurance since 2022 (Deloitte)



Wide range of information available at rhimagnesia.com/our-sustainability

UN Sustainable Development Goals

RHI Magnesita actively supports the UN Sustainable Development Goals



External sustainability ratings

RHI Magnesita engages with each of the major independent ESG rating agencies

AA

MSCI 

2022: AA

Gold
72

2022:
Gold, 69



RHIM's Ecovadis rating performance is linked to the interest rate payable on c.€2 billion of debt facilities

25 risk rating

Rated 

MORNINGSTAR | SUSTAINALYTICS

2022: 25 (risk rating)

A-

 **CDP**
DISCLOSURE INSIGHT ACTION

2022: B

Prime C+

ISS ESG 

2022: Prime C+

2025 sustainability targets

RHI Magnesita set 2025 targets against a 2018 baseline

		2018 Base year	2023 YTD	2025 Target
CO ₂ emissions	Reduce Scope 1, 2 and 3 (raw materials) emissions intensity by 15% CO ₂ per tonne of product by 2025	1.90	1.68	1.62
Energy efficiency	Reduce by 5% per tonne of product by 2025	2.00	2.07	1.70
Recycling	Increase use of secondary raw materials to 10% by 2025	3.8%	13.0%	10.0%
Diversity	Increase women on Board and in senior leadership to 33% by 2025	7% / 12%	33% / 29%	33% ¹
Health and Safety	Maintain LTIF at <0.50 (goal: zero accidents)	0.43	0.21	<0.50
NO _x and SO _x	Reduce by 30% by 2027 (vs 2018), starting with China by 2021	Regional equipment installation proceeding on schedule		

1. The strategic goal set in 2018 was for 33% female representation across the Board and senior management. The Board exceeded this target in 2021, reaching 38%, although this has since fluctuated. In compliance with Dutch law and in line with external expectations, the Board's defined target in the longer term is 45% female representation on the Board within the group that the Board can appoint, i.e. excluding employee representatives.



RHI MAGNESITA

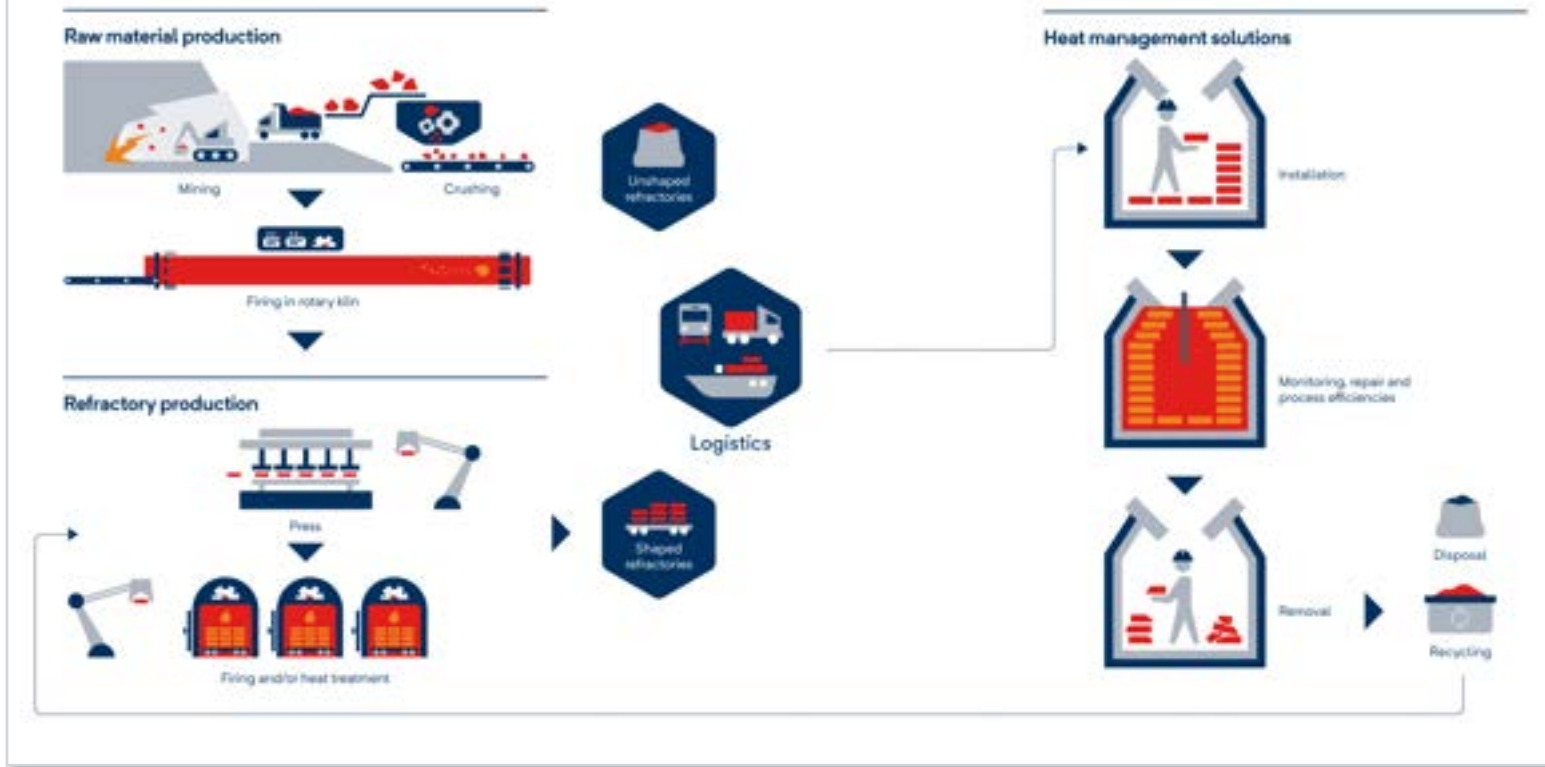
Environment



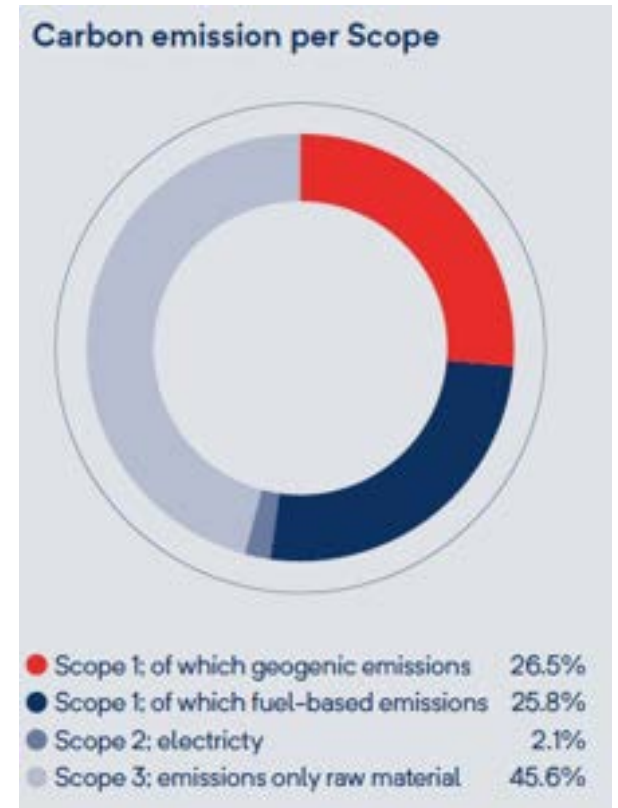
CO₂ emissions

Raw material processing and refractory production are CO₂ emissions intensive

Raw material and refractory production process overview



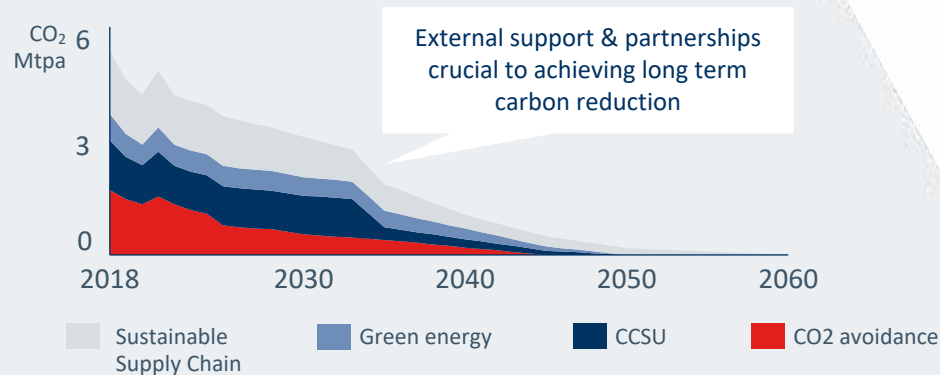
Majority of emissions are from raw material processing (in-house or purchased)



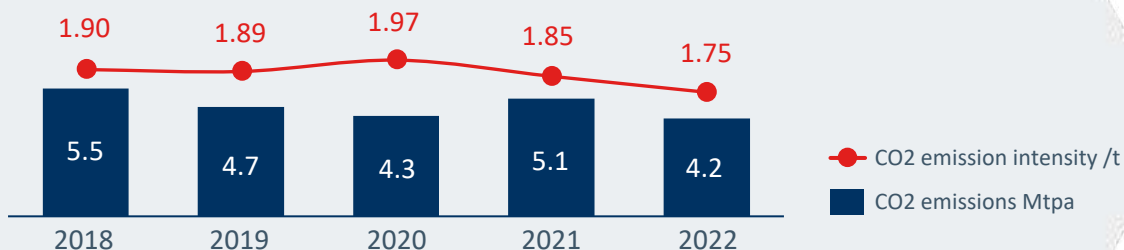
Decarbonisation pathway

RHI Magnesita is committed to leading the refractory industry in decarbonisation

Theoretical decarbonisation plan



RHIM has successfully reduced CO₂ emissions intensity by 8.2%



Our commitment:

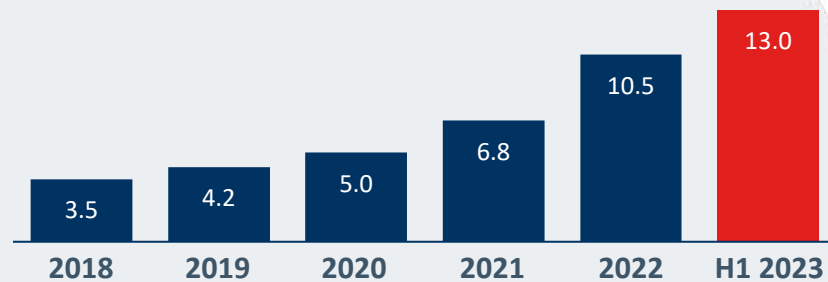
- To lead the refractory industry by decarbonising our operations as fast as sustainably possible
- To continue to invest in the development of new technologies to avoid CO₂ emissions
 - Examples include proprietary recycling technology, MCI Carbon process for remineralization, Calix kilns for CO₂ capture
- To offer our customers enabling technologies with full carbon footprint transparency to enable them to measure and reduce their Scope 3 CO₂ emissions from the purchase of refractories
- To lobby governments to invest in the necessary infrastructure to decarbonize the refractory industry and develop a global level playing field
- To work with industry partners sector to develop new renewable energy solutions and hydrogen energy networks
- Annual decarbonization pathway updates based on technology, infrastructure and capex developments

Recycling

Recycling of reclaimed refractories is making a major contribution to reducing CO₂ emissions

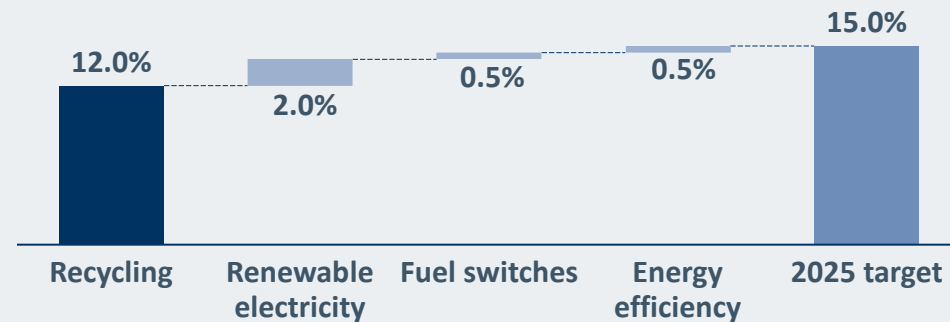
Use of secondary raw material

% of total raw material used



CO₂ emissions intensity savings target

% savings versus 2019 baseline, 2025 target 15% reduction



- Proportion of secondary raw materials increased to 13.0% in H1 2023 (FY 2022: 10.5%)
- Our recycling activities since 2018 have avoided the emission of 1.1 million tonnes of CO₂
- Recycling has already delivered 12% of the 15% CO₂ intensity reduction targeted by 2025, with remainder to be achieved through further recycling, fuel switches, renewable electricity and energy efficiency



Untreated refractory containing Secondary Raw Material



Autoclave treated refractory

Recycling technology

RHI Magnesita's proprietary technology enables the manufacturing of high-performance refractories from secondary raw material

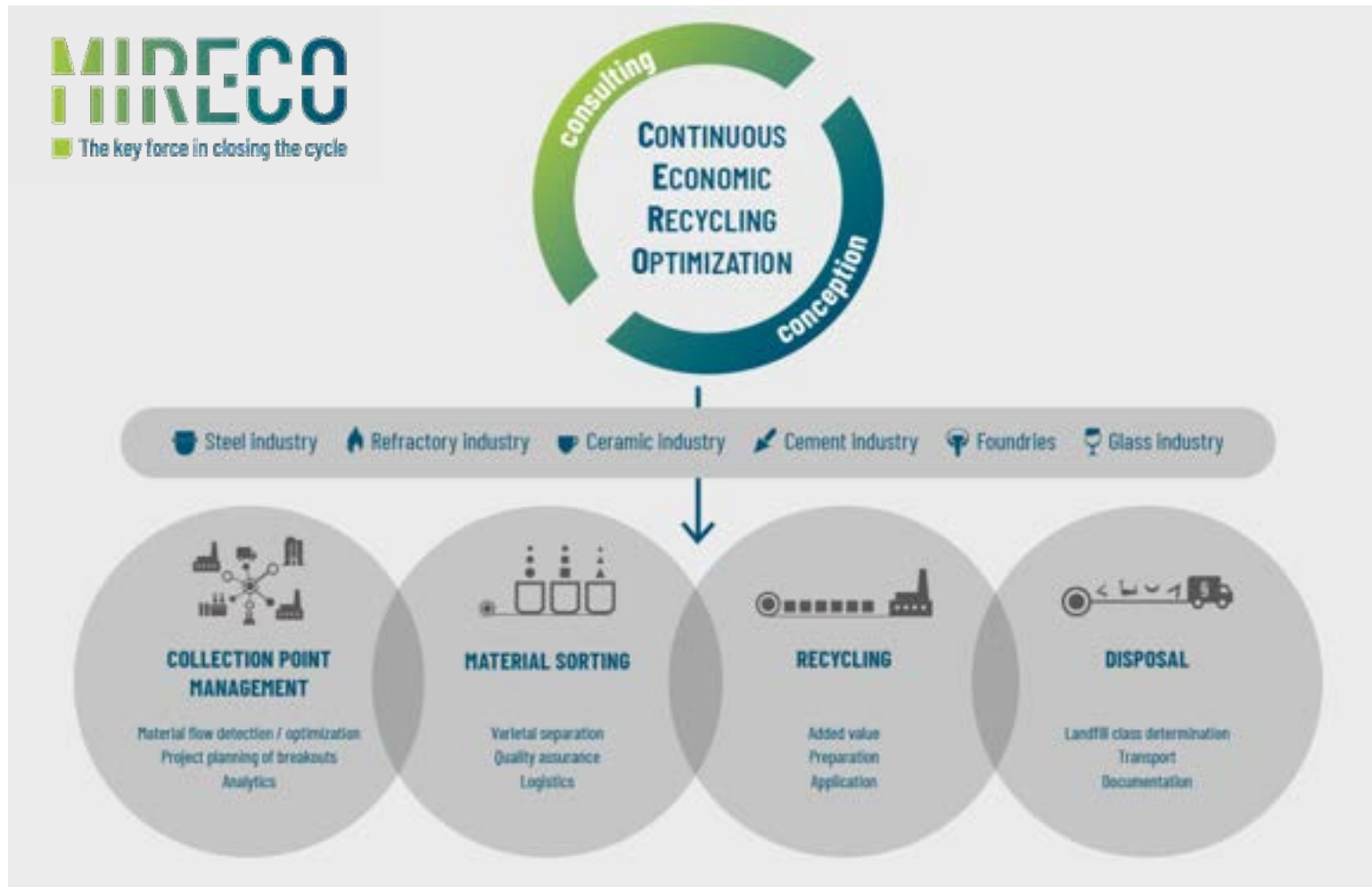


Mitterdorf, Austria

Austrian Vice Chancellor Werner Kogler inaugurates new RHI Magnesita Recycling Center, April 2022

Secondary raw material source for the refractory industry

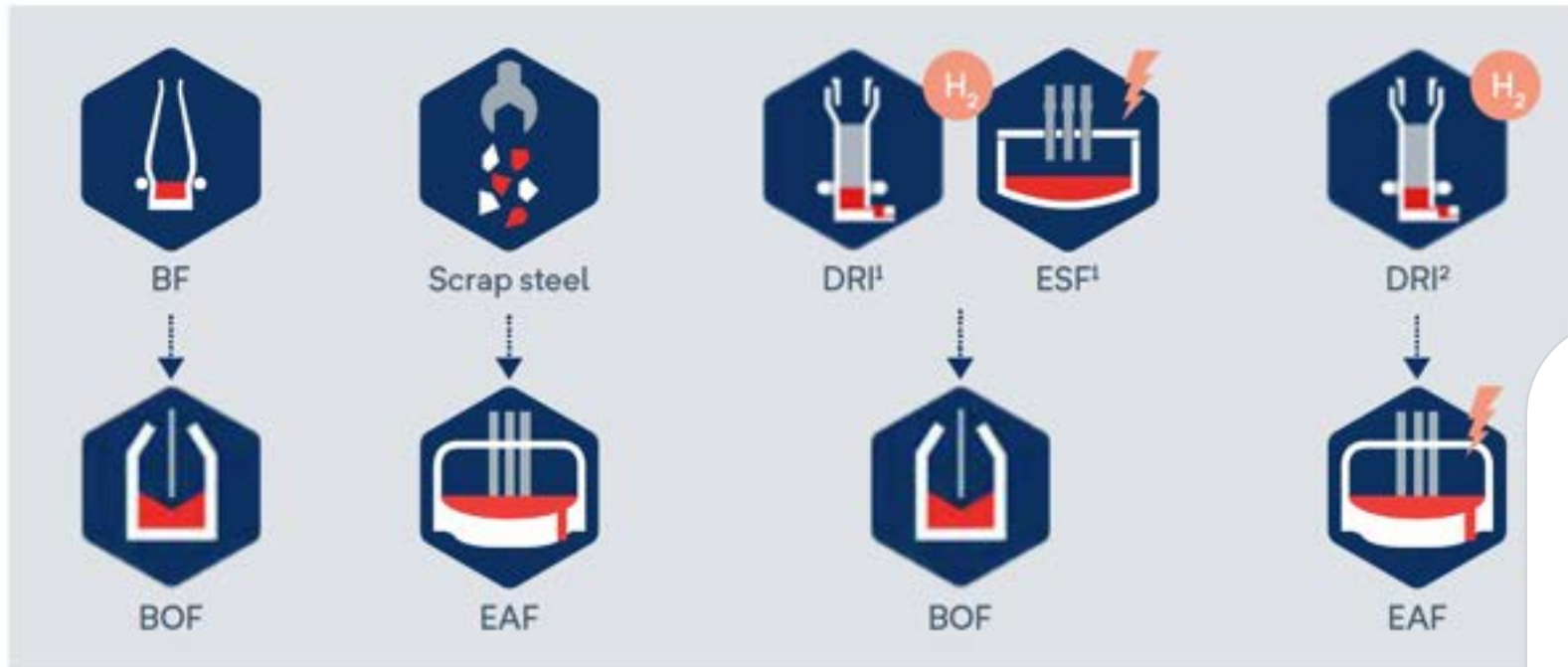
MIRECO is a JV formed by RHI Magnesita and Horn & Co in 2021 to advance the recycling of refractories



- Combining expertise, leadership and over 100 years of refractory history, MIRECO is addressing the major social and industrial challenges of both climate change and resource conservation
- Extensive customer and supplier network with secured material sources and reliable material flows
- Know-how in end-to-end material processing and material usage
- Superior material qualities through circular customer relationships and high testing standards

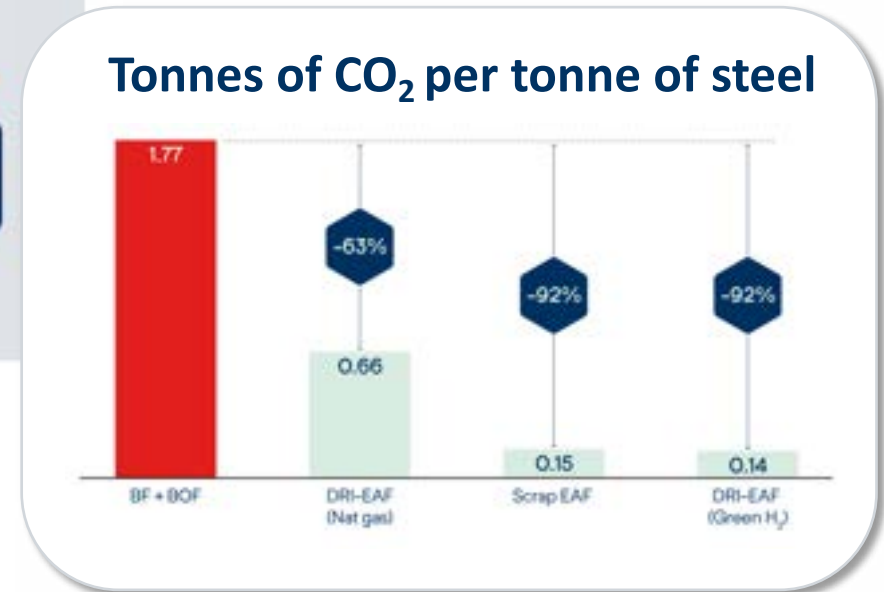
Low carbon steel production

Transition to EAF, DRI and ESF is a strong positive growth driver for RHI Magnesita



BF: Blast furnace
 BOF: Basic oxygen furnace
 DRI: Direct reduced iron
 EAF: Electric arc furnace

1. Electric smelting furnace (“ESF”) is required to be paired with a Direct Reduced Iron (“DRI”) furnace for 97% of global iron ore supply that does not meet high quality threshold for DRI-EAF route. ESF also melts sponge iron pellets which therefore makes use of a BOF possible for the refining stage
2. DRI-EAF route for sponge iron pellets is being developed but will be limited to using the highest 3% of iron ore grades



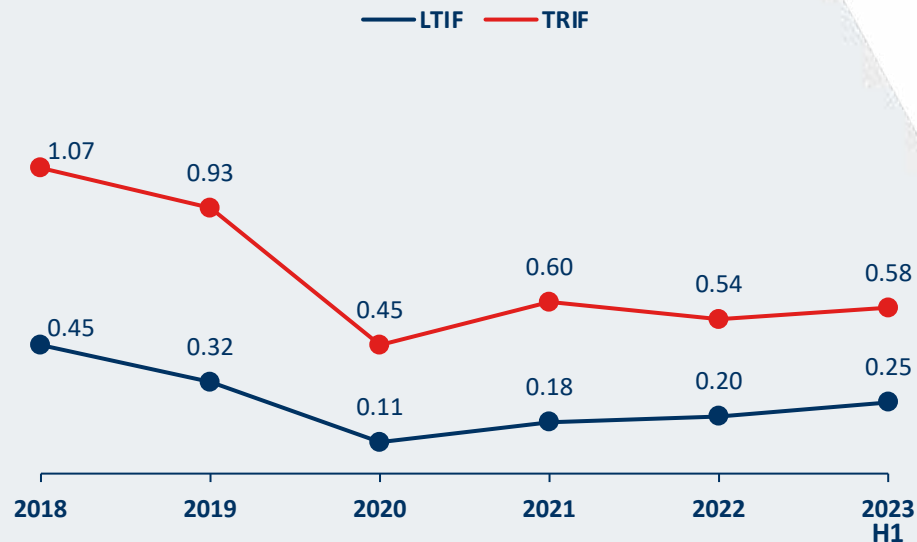
Social



Health and safety

A core value at RHI Magnesita

Improvement in injury rates since 2018



1. Total recordable injury frequency rate per 200,000 hours
2. Lost time injury frequency rate per 200,000 hours

- ◆ Our employees and contractors are entitled to a safe and healthy workplace
- ◆ Safety indicators remained at a low level in H1 2023:
 - LTIF1 0.25 (H1 2022: 0.22)
 - TRIF2 0.58 (H1 2022: 0.62)
- ◆ The rate of lost time injuries increased slightly in H1 2023, mainly due to hand and finger injuries in Q1
- ◆ Ongoing initiatives to improve performance:
 - Workplace inductions and safety training for new hires
 - “Safety Minutes” and further integration of safety-topics into shift-start meetings
 - H&S initiatives launched on World Safety Day, 28 April to accelerate a “Zero harm, no injuries” culture

Community relations

Targeted investments in community projects aligned with our UN SDG priorities

Social investment pillars

Education and Youth Development



RHI Magnesita recognizes the importance of empowering individuals through education and skill development initiatives

Health and Medical care



RHI Magnesita is committed to improving the health and medical care of communities close to its operations

Environment

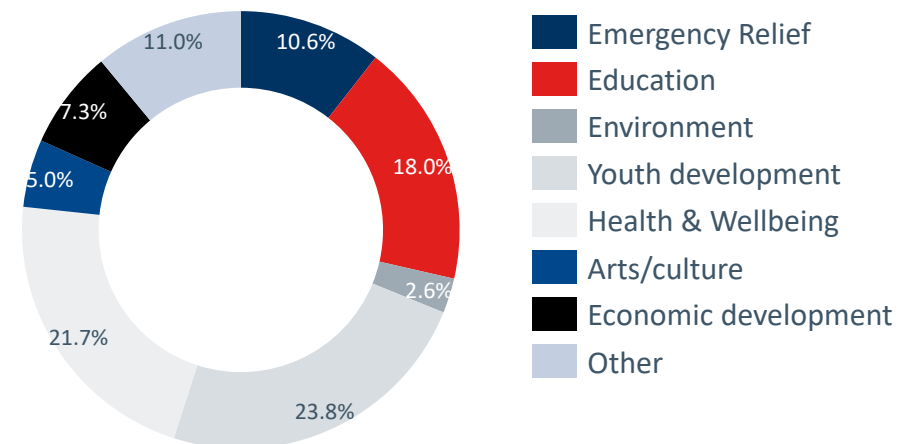


RHI Magnesita is committed to addressing climate change and protection of the environment

Community investment programme

- RHI Magnesita makes targeted investments in social projects to build strong relationships with local communities
- The size and scale of community investments is increasing as the Group grows through M&A and with increasing legal obligations, such as in India where minimum CSR spending is mandated as a proportion of profits

2022 community spending by focus area



Community project case studies

Broad range of projects addressing social investment pillars and local priorities

Sustainable bonds

Brumado, Brazil



- ✓ Economic development
- ✓ Environment

Identid'Art

Brumado, Brazil



- ✓ Youth development
- ✓ Culture

Dual Education Programme

Ramos Arizpe, Mexico



- ✓ Youth development
- ✓ Economic development

Teach for Austria

Vienna, Austria



- ✓ Youth development
- ✓ Education

Vienna Volunteering Programme

Vienna, Austria



- ✓ Volunteering
- ✓ Emergency relief

Vocational Training Programme

India



- ✓ Youth development
- ✓ Economic development



Diversity

Our goal is to provide a culture of inclusion and wellbeing for all employees

Gender diversity as at September 2023:

33%

Female representation at Board level

29%

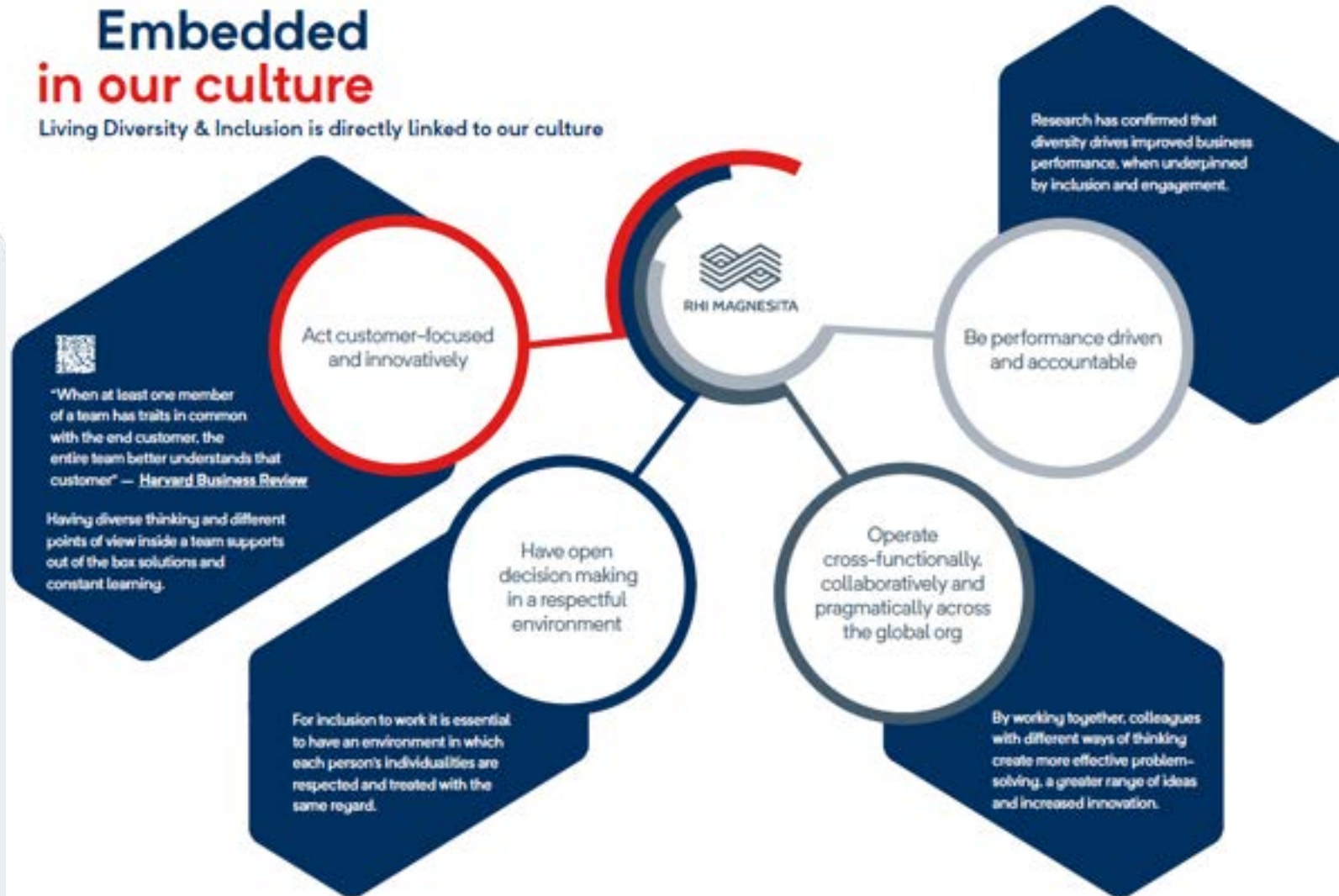
Female representation in senior leadership

14%

Worldwide female representation in workforce

Embedded in our culture

Living Diversity & Inclusion is directly linked to our culture



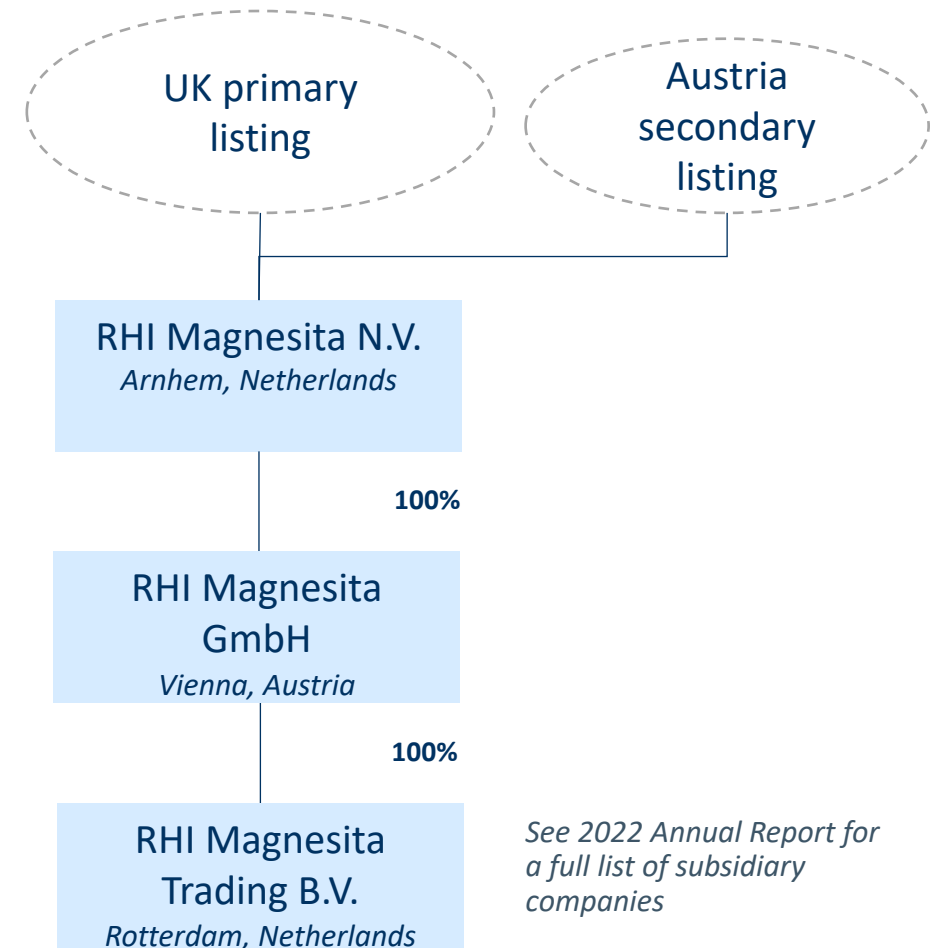
Governance



Corporate structure and listings

Incorporated in the Netherlands with primary listing in the UK

- The holding company is RHI Magnesita N.V. and is incorporated in the Netherlands
- The Group's primary listing is in London where it maintains a premium listing and is a constituent of the FTSE 250 index
 - Secondary listing on the Vienna stock exchange, upgraded to prime listing in 2022 (small share of trading liquidity)
 - The UK Listing Rules, Disclosure and Transparency Rules, UK Corporate Governance Code and Dutch Corporate Governance Code apply
- The Dutch financial markets regulator has jurisdiction in the event of any public takeover bid. Austrian public takeover rules also partially apply and the Austrian Takeover Commission is partially competent to approve an offer document along with the Dutch AFM











See 2022 Annual Report for a full list of subsidiary companies

Board of Directors

Majority of independent directors excluding employee representatives

- The Company has a one-tier board structure with a Board consisting of two Executive Directors, 10 Non-Executive Directors and three Employee Representatives
- Seven of the 10 NEDs are independent according to either the UK or Dutch Corporate Governance Code

 <p>Herbert Cordt <i>Chairman</i></p> <p>N</p>	 <p>John Ramsay <i>Deputy Chair and SID</i></p> <p>A N</p>	 <p>Wolfgang Rutenstorfer <i>NED</i></p> <p>A</p>
 <p>Stefan Borgas <i>CEO</i></p>	 <p>Marie-Hélène Ametsreiter <i>NED</i></p> <p>S</p>	 <p>Karl Sevelda <i>NED</i></p> <p>R N</p>
 <p>Ian Botha <i>CFO</i></p>	 <p>Janet Ashdown <i>NED</i></p> <p>R S</p>	 <p>Martin Kowatsch <i>Employee representative</i></p>
 <p>David Schlaff <i>NED¹</i></p>	 <p>Jann Brown <i>NED</i></p> <p>A R</p>	 <p>Michael Schwarz <i>Employee representative</i></p>
 <p>Prinz Stanislaus zu Sayn-Wittgenstein <i>NED²</i></p> <p>S</p>	 <p>Katarina Lindström <i>(Observer, NED³)</i></p>	 <p>Karin Garcia <i>Employee representative</i></p>

1. Shareholder representative
2. Shareholder representative
3. Appointment subject to confirmation at 2024 AGM

Non-independent
 Independent
 Employee representative

Committees: **A** Audit **N** Nomination **R** Remuneration **S** Sustainability

Board Committees

Membership of each committee comprises three non-executive directors

- The Board has established four Board Committees:
 - Audit & Compliance Committee
 - Remuneration Committee
 - Corporate Sustainability Committee
 - Nomination & Governance Committee
- Audit, Remuneration and Nomination are required committees under Dutch law and UK governance and were established on listing in October 2017
- The Corporate Sustainability Committee was established in July 2019 as committed to in the Company's listing prospectus
- The Audit, Remuneration and Corporate Sustainability committees are chaired by independent Non-Executives. Nomination is chaired by the Chairman of the Board
- The Board considers that the membership of all the committees is compliant with the Dutch & UK Corporate Governance Code



Risk summary FY 2022

Principal risks are those the Board considers may have a significant impact on the results of the Group and on its ability to achieve its strategic objectives

- Top-down risk assessment is performed by the Executive Management Team and is then reviewed by the Audit Committee and the Board of Directors
- We define risk appetite as ‘the nature and extent of risk RHI Magnesita is willing to accept in relation to the pursuit of its objectives’

Group risk chart 2022



Principal risk changes 2021-22

1 Macroeconomic environment	→	1 Macroeconomic and geopolitical environment
2 Supplier dependency risk	→	— Deprioritised
3 Inability to execute key strategic initiatives	→	2 Inability to execute key strategic initiatives
4 Significant changes in the competitive environment or speed of disruptive innovation	→	3 Significant changes in the competitive environment or speed of disruptive innovation
5 Reliability of the end-to-end value chain	→	4 Reliability of the end-to-end supply chain
6 Sustainability — environmental and climate risks	→	5 Sustainability — environmental and climate risks
7 Sustainability — Health and Safety risks	→	6 Sustainability — Health and Safety risks
8 Regulatory and compliance risks	→	7 Regulatory and compliance risks
9 Cyber and information security risks	→	8 Cyber and information security risks
10 Ability to predict and pass cost increases to customers	→	9 Ability to strategically price and deliver price increases
11 Organisational capacity to execute strategy, including demonstrating Company cultural values	→	10 Organisational capacity to execute strategy, including demonstrating Company cultural values

→ Unchanged → Scope broadened → Deprioritised

Remuneration

Remuneration Policy is closely aligned with our strategy, culture and operational priorities

- Bonus structures and targets throughout the Group are aligned to those of the executive and senior management
- 2023 bonus targets are based on EBITA (45%), EBITDA from M&A (10%), Inventory Coverage (25%) and strategic targets including Recycling and PIFOT (20%)
- A new LTIP proposal for 2024 has recently been communicated to major shareholders for consultation, with weightings as follows:
 - EPS 50%
 - ROIC 25%
 - CO₂ emissions intensity reduction 25%
- For the 2024 bonus scheme the Remuneration Policy consultation proposes the inclusion of a 25% weighting of Operating Cash Flow in place of the existing inventory coverage ratio

CEO remuneration summary

	2017	2018	2019	2020	2021	2022
Single figure of total remuneration ¹						
Stefan Borgas	€476,981	€2,073,350	€1,490,427	€1,892,862	€1,584,758	€3,015,013
Annual bonus payout as % of maximum ²						
Stefan Borgas	83.56%	88.04%	38.9%	50%	24%	42%
Long-term incentive vesting rates as % of maximum ⁴						
Stefan Borgas	N/A	N/A	N/A	0%	0%	50%

2022 LTIP awards

Performance measure	Weighting	Threshold (25% vesting) ¹	Intermediate (75% of vesting) ¹	Maximum (100% vesting) ¹	Performance period ²
Absolute TSR	25%	15%	22%	27% and above	8 March 2022 to 7 March 2025
Adjusted EPS (cumulative for the three-year performance period)	50%	€14.25	€16.50	€19.25	1 January 2022 to 31 December 2024
Reduce CO ₂ emissions against 2018	25%	-11.5%	-12.5%	-13.0%	

2023 LTIP awards

Performance measure	Weighting	Threshold (25% vesting) ¹	Intermediate (75% of vesting) ¹	Maximum (100% vesting) ¹	Performance period
TSR ¹	25%	15%	22%	27%	2023 to 2025 (+2 year holding period post vesting)
Adjusted EPS (cumulative for the three-year performance period) ²	50%	11.90/ps	12.65/ps	13.40/ps	
Reduce CO ₂ emissions per tonne against 2018 ³	25%	-11%	-11.5%	-12%	

2023 AGM voting

24 May 2023

Resolutions ¹	Votes for	% of votes cast	Votes against	% of votes cast
Resolution 3 To adopt the annual accounts for the financial year ended 31 December 2022	36,135,258	100.0	7,021	0.0
Resolution 4 To declare a final dividend of €1.10 per share for the financial year ended 31 December 2022	36,261,949	100.0	500	0.0
Resolution 5 To release the directors from liability for the exercise of their respective duties during the financial year 2022	36,194,375	100.0	7,021	0.0
Resolution 6. a. To re-elect S. Borgas	35,260,175	97.2	1,001,874	2.8
Resolution 6. b. To re-elect I. Botha	35,967,999	99.2	294,050	0.8
Resolution 7. a. To re-elect H. Cordt	31,107,981	85.8	5,133,725	14.2
Resolution 7. b. To re-elect J. Ramsay	35,681,549	98.4	580,500	1.6
Resolution 7. c. To re-elect J.E. Ashdown	36,028,965	99.5	166,242	0.5
Resolution 7. d. To re-elect D.A. Schlaff	34,964,196	96.4	1,297,853	3.6
Resolution 7. e. To re-elect S.O.L.B Prinz zu Sayn-Wittgenstein- Berleburg	34,964,196	96.4	1,297,853	3.6
Resolution 7. f. To re-elect J. Brown	36,215,056	99.9	46,993	0.1
Resolution 7. g. To re-elect K. Sevelda	35,898,979	99.0	35,070	1.0
Resolution 7. h. To re-elect M-H. Ametsreiter	36,216,266	99.9	45,783	0.1
Resolution 7. i. To re-elect W. Ruttendorfer	32,847,071	90.6	3,414,978	9.4
Resolution 8 To re-appoint PricewaterhouseCoopers Accountants N.V. as the Company's auditor for the financial year 2023	36,194,561	100.0	746	0.0
Resolution 9 To approve, as an advisory vote, the Directors' Remuneration Report (excluding the Directors' Remuneration Policy)	35,339,783	97.6	881,190	2.4
Resolution 10 To establish the proposed remuneration of the Non-Executive Directors	36,261,485	100.0	964	0.0
Resolution 11 To amend the Articles of Association of the Company	31,827,589	87.8	4,434,860	12.2
Resolution 12 To approve the adoption and operation of the RHI Magnesita Long Term Incentive Plan	35,935,686	99.1	326,763	0.9
Resolution 13 Authority to issue ordinary shares or grant rights to acquire ordinary shares	35,966,064	99.2	296,385	0.8
Resolution 14 Limited disapplication of pre-emption rights	34,865,250	96.1	1,394,409	3.9
Resolution 15 Authority to limit or exclude pre-emptive rights	34,702,541	95.7	1,557,208	4.3
Resolution 16 Authority to acquire shares in the Company or depositary receipts of such shares	36,187,197	99.8	67,588	0.2
Resolution 17 Authority to cancel any or all shares held in treasury or to be acquired	36,261,803	100.0	646	0.0

Global Sustainability Team

Chris Bucknall
Head of Investor Relations and Sustainability

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