

voestalpine unveils further expansion plans for greentec steel at its Donawitz location

As planned, voestalpine will commission an electric arc furnace (EAF) at its Donawitz location in just under a year, thereby combining electric steel production powered by green electricity with its conventional blast furnace process as of 2027. This will mean that one blast furnace can be shut down as early as 2029. Subject to outstanding funding issues being resolved, approximately EUR 100 million will be invested in the further expansion of the new EAF plant by 2030. This would allow the Group to fully transition to electrified steel production at its Donawitz location starting in 2030.

The next phase of expansion will enable the steel and technology group—which is seen worldwide as the environmental benchmark for its industry—to achieve a further reduction in CO₂ emissions in Donawitz by over 90% from 2030 onwards, compared with the base year of 2019. “With Austria’s largest climate action program greentec steel, we are setting new global standards in the next generation of steel production. We are on schedule and within budget, and will complete the next phase of expansion at our Donawitz location by 2030. We plan to produce steel with significantly lower CO₂ emissions starting in 2030,” says Herbert Eibensteiner, CEO of voestalpine AG. voestalpine is already seeing an increasing demand from customers in the international rail industry for its CO₂-reduced steel products.

Expansion in production capacity to 1.5 million tons of CO₂-reduced steel

The EAF plant currently under construction will be capable of producing around 850,000 tons of CO₂-reduced steel annually as of 2027. With the expansion, production capacity will increase to up to 1.5 million tons of CO₂-reduced steel per year by 2030. The investment budget for the capacity expansion, which has already been approved by the Supervisory Board of voestalpine AG, amounts to approximately EUR 100 million, and is among other things intended to be used for a further upgrade to the power supply, the construction of a third secondary metallurgy line, and an expansion in scrap logistics. There are still some outstanding funding issues that need to be resolved before construction can begin.

The technological conversion will mean that the two blast furnaces and the sinter plant can be decommissioned. Jobs will be created at the new steel plant over the next three years. Training and professional development programs are already underway for employees. Further internal or Group-wide job opportunities will also become available. “This transformation is indirectly securing the more than 5,000 jobs at the Metal Engineering Division’s Styrian locations,” says Eibensteiner.

Key Project Milestones in 2026

The construction and technical work is proceeding according to schedule, with some key project milestones reached in Donawitz last year: The EAF facility was built, and the required construction-related infrastructure was put in place for electricity and new raw materials supplies. Key milestones in

the current year include the installation of the core facilities in the fall of 2026 and the commissioning of the power and scrap supply systems.

“We are successfully building a new steel plant in the middle of a production plant operating at full capacity, which involves some major logistical challenges. I would like to thank all the employees who have been working on greentec steel since the construction began, especially the project team of around 100 experts,” says Franz Kainersdorfer, member of the Management Board at voestalpine AG and Head of the Metal Engineering Division.

greentec steel is Austria's largest climate protection program

voestalpine has a clear strategy with greentec steel. Integrating the electric arc furnaces powered by green electricity into steel production will, as a first step, enable the electrification of CO₂-intensive processes, thereby reducing the Group's CO₂ emissions by up to 30% by 2029 compared to 2019 levels. This amounts to a saving of almost 4 million tons of CO₂ each year, or nearly 5% of Austria's CO₂ emissions, making greentec steel the country's largest climate action program. The investment volume for the first phase remains unchanged at approximately EUR 1.5 billion.

Metal Engineering Division

With its Railway Systems business unit, the Metal Engineering Division of the voestalpine Group is the global market leader for railway infrastructure systems, diagnostics and monitoring solutions for infrastructure and rolling material as well as software solutions for maintenance management. With its Industrial Systems business unit, the division is also the European market leader for quality wire and global provider of full welding solutions. And it supplies seamless tubes all over the world from the Kindberg location in Austria. Customers come from the railway infrastructure industry, the energy industry, the mechanical engineering, automotive and construction industries, as well as the renewable energy sector. As part of the greentec steel program, the Metal Engineering Division is already intensively working on and researching various innovative, climate-friendly technologies and production processes. In the business year 2025/26, the division generated about EUR 4.1 billion in revenue with its Railway Systems and Industrial Systems business units; over 43% of this revenue was generated outside Europe. The division recorded an operating profit (EBITDA) of EUR 375 million and employed around 14,900 people worldwide.

The voestalpine Group

voestalpine is a globally leading steel and technology group with a unique combination of materials and processing expertise. voestalpine, which operates globally, has around 500 Group companies and locations in more than 50 countries on all five continents. The voestalpine Group has been listed on the Vienna Stock Exchange since 1995. With its premium products and system solutions, voestalpine is a leading partner to the automotive and machinery industries, as well as to the aerospace and energy industries. The company is also the global market leader in railway systems and special sections. voestalpine is committed to the global climate goals and has a clear plan for transforming steel production with its greentec steel program. In the business year 2025/26, the Group generated

voestalpine AG

revenue of EUR 15.1 billion, with an operating result (EBITDA) of EUR 1.5 billion; it has around 48,800 employees worldwide.

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