

Annual Report 2024

VULCAN.

Positioned for growth

Our culture is founded on teamwork and a shared commitment to continuous improvement. It is this collective ambition for growth that propels us forward. Focusing on what we can control, creating momentum with each coordinated effort ensures we navigate challenges with purpose, and turn them into progress.

WE INVITE YOU TO JOIN US ON THIS JOURNEY ►

Inside...

Welcome to Vulcan’s 2024 Annual Report covering the financial year ended 30 June 2024.

This report covers our performance in the financial year ended 30 June 2024, an update on our growth initiatives, and non-financial matters including environment, social and governance (ESG) topics relating to Vulcan.

This report should be read in conjunction with all materials released by Vulcan relating to the company’s 2024 financial year result.

A digital version of this report is available at <https://investors.vulcan.co/investor-centre/>

The report has been approved and released by the Board on 27 August 2024 and is signed on behalf of Vulcan Steel Limited by Russell Chenu – Board Chair, and Rhys Jones – Managing Director and Chief Executive Officer.

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01

THE BUSINESS YEAR

Dedication to continuous improvement



Performance highlights

REVENUE NZ\$

\$1,064m¹

-15% on \$1,245m in FY23

ADJUSTED EBITDA² NZ\$
(EXCLUDING SIGNIFICANT ITEMS³)

\$148m

-33% on \$219m in FY23
(\$106m pre-NZ IFRS 16^{4,5} basis)

SALES VOLUME

228,515t

-9% on 251,429 tonnes in FY23

CUSTOMERS TRANSACTED WITH VULCAN IN 2H FY24⁹

12,540

-106 or -0.8% on 1H FY24
+432 or +3.6% on 2H FY23

ADJUSTED NPAT⁶ NZ\$
(EXCLUDING SIGNIFICANT ITEMS)

\$40m

-58% on \$95m in FY23
(\$44m pre-NZ IFRS 16 basis)

ADJUSTED EPS⁷ NZ\$
(EXCLUDING SIGNIFICANT ITEMS)

30.4c

-58% on 72.3 cents in FY23
(33.6c pre-IFRS 16 basis)

GROSS MARGIN

35.2%

-0.5% on 35.7% in FY23

GROSS PROFIT DOLLAR PER TONNE NZ\$

\$1,641

-7.0% on \$1,765 in FY23

OPERATING CASH FLOW NZ\$

\$169m

+16% on \$145m in FY23

FINAL DIVIDEND NZ\$
(TOTALLING \$31.5m)

12.0c

Record date 27 Sep 2024
Payable on 10 Oct 2024

100% franked, 30% imputed⁸

NET DEBT NZ\$

\$276m

vs \$340m as at 30 June 2023

GHG¹⁰ INVENTORY SCOPE 1 AND 2 TOTAL CO₂

13,865t

-1% vs 13,963t in FY23

1. m - millions. 2. Earnings before interest, tax, depreciation and amortisation. 3. Integration costs in FY23. 4. New Zealand accounting standard on recognition of right of use assets and corresponding liabilities on leases, adopted in FY20. 5. Pre- NZ IFRS 16 the standard applicable was NZ International Accounting Standard 17. 6. Net profit after tax. 7. Earnings per share. 8. The levels of franking and imputation on dividends in future financial years will be subject to the tax credits available for use.

9. Based on customers that transacted with Vulcan at least once in the relevant period (excludes aluminium customers). 10. Greenhouse Gas.

Report from the Chair

Navigating difficult market conditions whilst positioning the company for future growth.

The financial year ended 30 June 2024 (FY24) has been particularly challenging, with a significant deterioration in market conditions on both sides of the Tasman. Despite the tough economic conditions, our company remained focused on the key operating drivers of future market improvements which will ensure we are able to take full advantage and create value going forward.

Our aluminium business is now fully integrated into our metals segment with key team leaders now in place to drive the business forward.

In FY24, the growth in additional greenfield and brownfield hybrid sites continued to accelerate, putting the company in a good position to take advantage of future economic improvements as well as stimulating strong organic growth. Further opportunities are being pursued.

Market conditions have been challenging in FY24

Vulcan, along with many of its suppliers and customers, had to navigate tough economic conditions in FY24. Both the New Zealand and Australian Reserve Banks maintained high interest rates to combat continued high inflation. The high interest rates had a significant impact on the economy, and directly impacted our operations and results. With these challenging external factors our company and team have focused on what we as a business can control, maintaining strong operational and financial disciplines.

Dividend for FY24

Based on our earnings, cashflows and financial position, the Board has declared a final dividend of 12.0 NZ cents per share, bringing the total dividend for the financial year to 24.0 NZ cents per share. This represents an 80% payout ratio of Vulcan's net profit after tax before significant items and is in-line with the Board's policy for a 60% to 80% distribution range. Dividends declared totalled NZ\$32 million for FY24, of which NZ\$16 million was paid as interim dividend.

Building on our environmental initiatives and support for our community

We continued our ongoing support for the Halberg Youth Council in New Zealand, the New Zealand Dance Company and the Arts Centre Melbourne in Australia. The company also provides support for members of our community in times of need.

During FY24, we progressed our implementation of solar panels at three sites. We also continued to explore installing solar panels into our aluminium extrusion sites which will bring significant savings and reduction of carbon emissions. This is planned for completion in 2025.

Improved distribution models and the introduction of additional hybrid sites has also led to reduced fuel usage. As we continue to grow our business, this should also deliver a better emissions outcome than our historical more conventional approach.

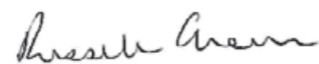
Board update

Nicola Greer joined the board in September 2023 and has become a member of the Audit and Risk Committee, and the People and Remuneration Committee. Nicola brings valuable additional insights to the Board with her experience in the property and financial service industries. We welcome her contribution.

Thank you

The company continues to build good foundations to support our future growth. Your Board remains committed to supporting Vulcan's growth aspirations.

We thank our employees for their dedication and customers for their ongoing support, especially during the difficult period over FY24.



Russell Chenu
CHAIR AND ON BEHALF OF THE BOARD

► In FY24, the growth in additional greenfield and brownfield hybrid sites continued to accelerate putting the company into a good position to take advantage of future economic improvements as well as stimulating strong organic growth.

Russell Chenu - Chair

Report from the MD and CEO

Another challenging year, however, we continue to develop a strong foundation for future success.

FY24, compared to FY23, was a particularly challenging year for Vulcan, with significant downturn in economic conditions in both New Zealand and Australia. Interest rates remain high which continues to impact on consumption and investment appetite. This combined with high inflation also negatively impacted costs and margins.

Demand across most sectors that we serve fell, with destocking activity continuing across the industry adding to pressure on selling prices and industry margins in some product and service categories.

Vulcan's overall operating performance has reduced in line with the current difficult operating environment. However, our customer service has been maintained at high levels with 97.9% DIFOT in FY24 (compared with 97.4% in FY23). Our customer engagement effort continues to drive our FY24 active trading accounts to all time high levels which is key to our future growth aspirations.

Under difficult operating conditions, continued strong operational and financial discipline has enabled Vulcan to continue to deliver a sustainable return of 13.5% on capital employed post-NZ IFRS 16 basis (equivalent to 17.3% on pre-NZ IFRS 16 basis) in FY24.

The aluminium business is now fully integrated into our metals division. We have key operational team leads in place to help identify and drive further improvements. We have exited seven aluminium sites of which six were integrated into existing locations creating hybrid offerings. The aluminium procurement has now been consolidated into the Vulcan process, further driving improvements. There are significant further synergies and opportunities that our team continue to explore.

We also opened one new site and expanded three existing sites as part of our hybrid site strategy.

Our focus on the key drivers of shareholder value ensures that Vulcan will emerge stronger when market conditions improve, and our initiatives deliver further benefits in the coming years.

Statutory basis

- Revenue of NZ\$1,064.4 million was down by 14.5% from NZ\$1,244.8 million in FY23
- EBITDA of NZ\$147.6 million was down 29.3% from NZ\$208.7 million in FY23
- NPAT of NZ\$40.0 million declined by 54.5% from NZ\$87.9 million in FY23
- EPS of 30.4 NZ cents was down 54.5% from 66.9 NZ cents in FY23

Adjusted basis

- EBITDA of NZ\$147.6 million was down 32.6% from NZ\$218.9 million in FY23
- NPAT of NZ\$40.0 million was down by 57.9% from NZ\$95.1 million in FY23
- EPS of 30.4 NZ cents was down by 57.9% from 72.3 NZ cents in FY23

Industry demand weakened across Australasia during FY24, particularly in New Zealand throughout the year and Australia in 2H FY24. Vulcan recorded sales volume of 228,515 tonnes, down 8.8% yoy (from 251,429 tonnes in FY23). The yoy decline in New Zealand sales volume was more material than in Australia.

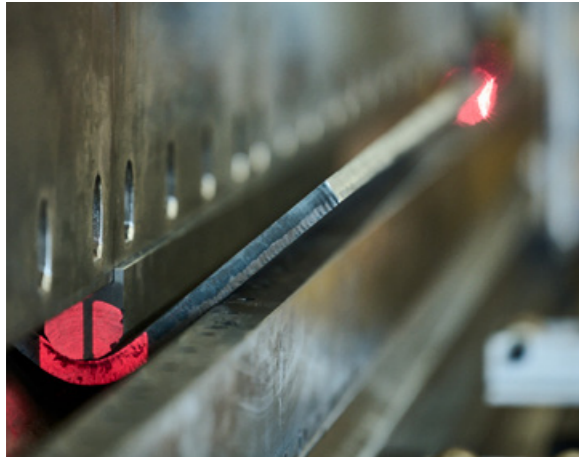
Following a 5.9% yoy decline in our average tonne per trading day (**TPD**) in 1H FY24, TPD in 2H FY24 declined by 10.1% yoy mainly due to further weakness in New Zealand's market conditions.

Overall, the Vulcan Group gross profit per tonne decreased NZ\$124 to NZ\$1,641 in FY24 (from NZ\$1,765 in FY23), mainly due to a significant drop in steel margins. In addition, gross margin declined by 0.5% to 35.2% in FY24 (compared with 35.7% in FY23) due to the change in product mix to the lower margin metals division. Gross profit per tonne in 2H FY24 continued to decline falling to NZ\$1,607, from NZ\$1,677 achieved in 1H FY24. Gross margin in 2H FY24 was 35.2% compared with 35.4% 1H FY24. Underlying EBITDA margin declined by 3.1% to 14.5% in FY24 from 17.6% in FY23.

Vulcan also made adjustments in FY24 to increase the base remuneration and to pay an employee performance bonus, to eligible employees.

► **Our focus on the key drivers of shareholder value ensures that Vulcan will emerge stronger when market conditions improve, and our initiatives deliver further benefits in the coming years.**

Rhys Jones – MD and CEO



Steel segment

Our Steel segment revenue declined NZ\$125.0 million (-21.0%) to NZ\$471.3 million in FY24 (from NZ\$596.3 million in FY23). Sales volume declined to 161,974 tonnes in FY24 (down 10.8% from the 182,819 tonnes achieved in FY23). Average revenue per tonne fell NZ\$352 (-11%) to NZ\$2,910 in FY24 (from NZ\$3,262 in FY23).

Steel segment gross profit per tonne declined 13% in FY24 compared to FY23. EBITDA margin fell 3.7% in FY24 compared to FY23. As a result, our Steel segment EBITDA declined NZ\$40.1 million to NZ\$68.8 million in FY24 (from NZ\$108.9 million in FY23).



Metals segment

Our Metals segment revenue fell NZ\$55.6 million (-8.6%) to NZ\$593.0 million in FY24 (from NZ\$648.6 million in FY23) despite an additional month contribution from our aluminium business. Sales tonnes decreased to 66,541 tonnes in FY24 (down 3.0% from the 68,610 tonnes achieved in FY23). Average revenue per tonne fell NZ\$541 (-5.7%) to NZ\$8,912 in FY24 (from NZ\$9,453 in FY23) due to a lower yoy selling price for our Metal segment products, driven by a change in product mix within the segment.

The Metals segment gross profit per tonne declined 7.5% in FY24 due in part to a change of product mix. This decline translated to 39.0% gross margin in FY24 (compared with 39.7% in FY23). Metals EBITDA margin fell 3.4% to 16.8% in FY24 from 20.2% in FY23. Metals segment EBITDA decreased NZ\$31.5 million to NZ\$99.5 million in FY24 (from NZ\$131.0 million in FY23).



Operating expenditure (OPEX)

Excluding significant items, OPEX (before depreciation and amortisation) increased approximately NZ\$2.0 million (0.9%) to NZ\$227.4 million in FY24 (from NZ\$225.4 million in FY23). The full 12 months of ownership of our aluminium operation added approximately \$6.0 million to OPEX in FY24 compared with eleven months in FY23. Annualising for this, like-for-like OPEX declined by approximately \$4.0m (1.8%) in FY24 compared with FY23. This reflects the company's focus on cost controls and efficiencies to offset the effect of inflation on underlying costs.

Due to inflation and the change in our business mix, OPEX per tonne (excluding integration costs, depreciation and amortisation) increased to NZ\$995 in FY24 (from NZ\$897 in FY23) reflecting the reduced tonnes sold by the company.

Vulcan's total employees fell to 1,326 at the end of June 2024. This is compared to 1,361 employees as at the end of June 2023. Total employee benefits (including defined contribution plans) which accounted for approximately 62% of total OPEX in FY24 (excluding integration costs, depreciation and amortisation) decreased approximately NZ\$2.9 million (-2%) to NZ\$139.3 million in FY24 (from NZ\$142.2 million in FY23) reflecting lower employee numbers partially off-set by salary and wage increases.



Cash flow

OPERATING CASH FLOWS

Net cash flow from operating activities improved to NZ\$168.7 million in FY24 (from NZ\$145.4 million in FY23). The increase in operating cash flow reflects an improved working capital position in FY24 compared with FY23 (which is discussed in the "Balance Sheet" section at page 16 below).

CAPITAL EXPENDITURE

Capital expenditure was NZ\$24.2 million in FY24 (compared with NZ\$22.7 million in FY23). We expect to spend between NZ\$30 million and NZ\$35 million on capital expenditure in FY25.

DISTRIBUTION

Vulcan paid NZ\$55.9 million (excluding supplementary dividends paid) in dividends in FY24, which comprised NZ\$40.1 million final dividend from FY23 and NZ\$15.8 million interim dividend for FY24. The NZ\$81.5 million dividend paid in FY23 was a combination of NZ\$49 million final distribution, and NZ\$32 million interim dividend paid in April 2023.

Steel, NZ\$m	FY24	FY23	% change
Revenue	471.3	596.3	-21.0%
EBITDA ^{1,2}	68.8	108.9	-36.8%
Sales (000 tonnes)	162.0	182.8	-11.4%
Revenue/tonne (\$)	2,910	3,262	-10.8%
EBITDA margin ^{1,2}	14.6%	18.3%	-3.7%

1. Post-NZ IFRS 16 basis.
2. Before significant items.

Metals, NZ\$m	FY24	FY23	% change
Revenue	593.0	648.6	-8.6%
EBITDA ^{1,2}	99.5	127.3	-21.8%
Sales (000 tonnes)	66.5	68.6	-3.0%
Revenue/tonne (\$)	8,912	9,453	-5.7%
EBITDA margin ^{1,2}	16.8%	19.6%	-2.8%

1. Post-NZ IFRS 16 basis.
2. Before significant items.

Opex, NZ\$m	FY24	FY23	% change
Employee benefits	139.3	142.2	-2.1%
Selling & distribution (S&D)	27.5	26.7	3.1%
Occupancy costs	12.8	11.0	15.9%
General & admin. (G&A)	49.6	45.5	5.1%
Operating expenses ^{1,2}	229.2	225.4	0.9%
Employee numbers (at period end)	1,326	1,361	-2.6%
Sales volume (000 tonnes)	228.5	251.4	-9.1%
Total opex/tonne (\$000)	995.1	896.6	11.0%

1. Excludes depreciation & amortisation.
2. Before significant items (integration costs in FY23).

Cash flow extract, NZm	FY24	FY23	% change
Receipts from customers	1,088.7	1,273.8	-14.5%
Payments to suppliers & employees	-865.4	-1,021.4	-15.3%
Interest paid	-17.2	-21.2	-18.9%
Tax paid	-20.3	-69.4	-70.7%
Lease interest paid	-17.0	-16.4	3.9%
Net cash flows from operating activities	168.7	145.4	16.2%
Capital expenditure	-24.2	-22.7	6.6%
Acquisition (incl debt)	-	-169.2	n.m.
Lease liability payments	-23.5	-21.4	10.0%
Dividends	-57.4	-85.2	-32.6%

Vulcan's Network

Opportunity to drive more operating leverage from our footprint and scale

66

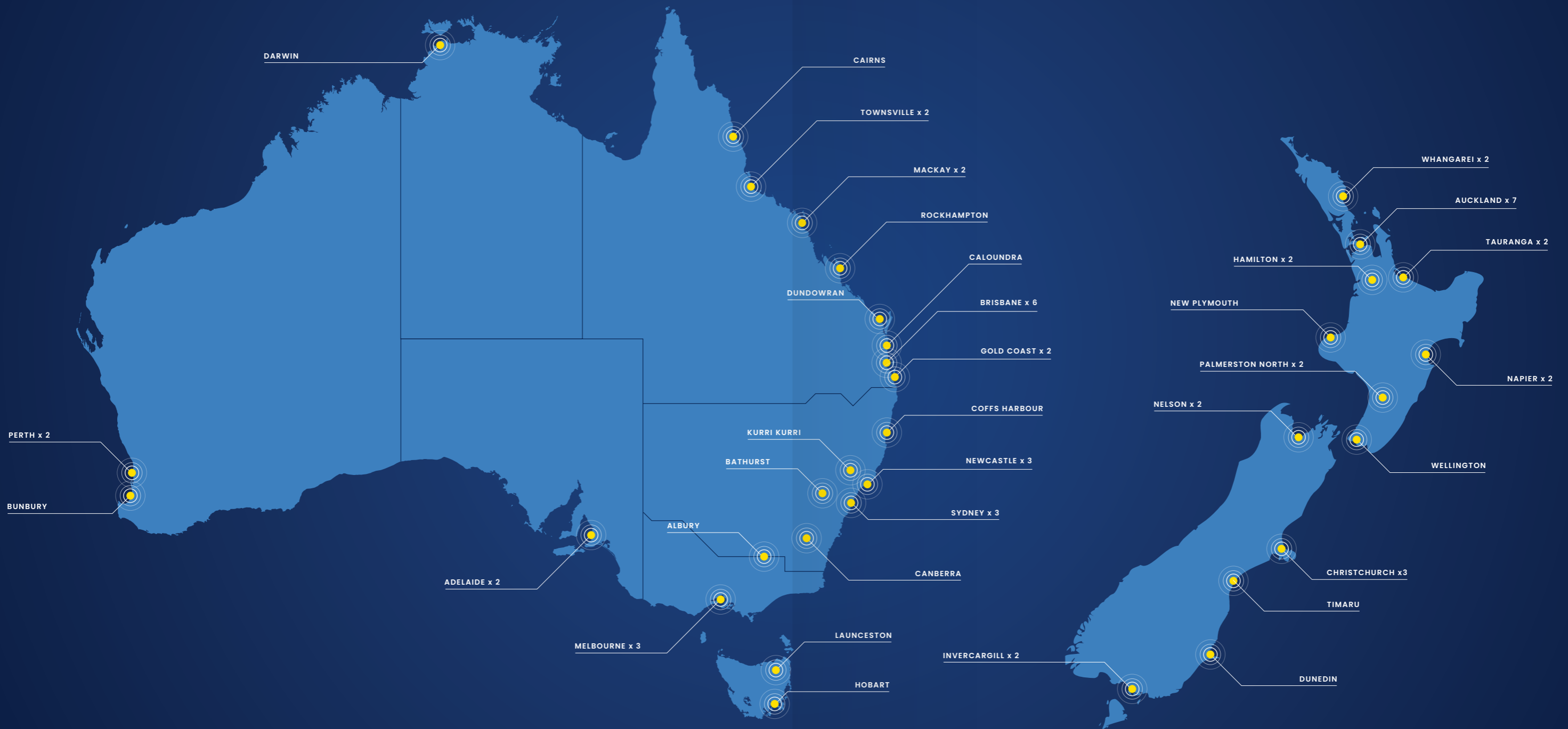
STRATEGICALLY LOCATED SITES

1,326

COMPANY EMPLOYEES

22.5k

ACTIVE CUSTOMERS¹



1. Including aluminium customers.

Balance Sheet

WORKING CAPITAL

Net working capital (excluding cash and tax receivable) decreased to NZ\$361.3 million on 30 June 2024 (compared with NZ\$441.5 million on 30 June 2023), reflecting continued active management of stock relative to our sales levels. Inventory was at \$360.6 million on 30 June 2024, compared with NZ\$437.7 million at 30 June 2023 a reduction of \$77.1 million.

DEBT

Excluding lease liabilities of NZ\$290.3 million, Vulcan completed the 2024 financial year with a net debt position of NZ\$275.8 million. This represented a NZ\$63.9 million decrease on the NZ\$339.7 million net debt position at the end of FY23. The decrease in net debt reflects the company's positive cash flows driven through both positive cash flow from operations and reduced net working capital. Vulcan currently has a combined NZ\$400 million of debt facilities.

At 2.58 times net debt to EBITDA cover as at the end of FY24 and 3.8 times EBIT to net interest cover for 12 months to 30 June 2024 on pre NZ IFRS 16 basis, Vulcan remains within its banking covenants of less than 3 times net debt to EBITDA and more than 3 times EBIT to net interest cover. Vulcan will continue to respond and manage its working capital appropriately to support the company's growth plans as well as expectations for market conditions in the coming 6-12 months, noting that changes in debt level typically lag working capital management decisions by up to six months.

FUNDS EMPLOYED

Including NZ\$172.1 million shareholders' funds and NZ\$290.3 million lease liabilities, Vulcan's funds employed were NZ\$738.2 million on 30 June 2024 (compared with NZ\$815.3 million on 30 June 2023).

NZ\$m	30 Jun 24	30 Jun 23	% change
Trade and other receivables	144.8	170.7	-15%
Inventories	360.6	437.7	-18%
Less trade and other payables	-144.1	-166.9	-14%
Working capital excluding tax items	361.3	441.5	-18%
Property, plant and equipment	95.7	86.8	10%
Intangibles	13.4	15.0	-11%
Right-of-use assets	254.8	260.4	-2%
Other assets and liabilities	13.0	11.6	12%
Lease liabilities	-290.3	-289.7	0%
Net banking debt	-275.8	-339.7	-19%
Net assets/Shareholders funds	172.1	185.9	-7%

Ongoing site hybridisation and new operating locations

Our programme to develop sites continues to pick up speed, we are planning to expand the coverage of our hybrid sites through existing, replacement and new locations.

Economic landscape

The New Zealand and Australian steel and metal products industry continues to be negatively impacted by high interest rates which have stifled investment spending throughout FY24. This has been further exacerbated by high inflation and substantially higher borrowing costs in both Australia and New Zealand.

The Reserve Bank of New Zealand's recent decision to bring forward the easing of its restrictive interest rate policy stance should provide some relief for the economy. We anticipate an improvement in activity level in 2025.

The presently restrictive monetary policy settings in Australia will continue to constrain the economy for a period.

Our sales activity in 1H FY25 in Australia and New Zealand are expected to remain similar to 2H FY24 at low levels.

As a diverse business, Vulcan is well positioned to benefit from structural growth opportunities in the infrastructure sector and an eventual economic recovery in Australia and New Zealand.

Vulcan will continue to focus on our sales discipline by maintaining a high service level and strong value proposition for customers, lifting our customer engagement efforts, and carefully managing our cost base. This will continue to build a strong foundation to take us forward as the economy improves.

Thank you

As always, our employees are the critical element for our company's success, which is even more so in difficult times. Therefore, I want to thank our employees for their personal commitment and great teamwork, as well as our customers for their ongoing support over the past year. Our culture, and our employee work ethic and teamwork continue to shine through despite a difficult market environment.



Rhys Jones
MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER



► **Vulcan will continue to focus on our sales discipline by maintaining a high service level and strong value proposition for customers, lifting our customer engagement efforts, and carefully managing our cost base.**

Rhys Jones - MD and CEO

02 / ENVIRONMENTAL,
SOCIAL AND GOVERNANCE

Building a sustainable future

Ensuring a safe, supportive and fulfilling environment for everybody

At Vulcan, we prioritise our customers and our team. As we grow and continue to focus on ESG issues and the development of our employees, our priority will always be towards nurturing an ethical and rewarding culture across all aspects of our business.

This reflects a continuous improvement approach to build a better, more prosperous and sustainable future for all our stakeholders. Because when trust is high, businesses and communities grow and thrive together. Thank you for your continued support of our sustainability journey.



^ We believe that by creating the right environment we inspire the delivery of amazing results. ^

^ At Vulcan we hold ourselves to the highest standards in our work, how we do it and how we treat one another. ^

Our principles

Provide an enjoyable workspace

We want our employees to genuinely enjoy the work they do. Aside from having well resourced, high standard facilities, we aim to create a workplace where everyone feels listened to, valued and supported in reaching their full potential.

Promote a safe working environment

By nature, working with steel has inherent risks, therefore ensuring our employees' safety is our primary, ongoing priority. Not only do we want our employees to get home safely to their families every night, we also want them to feel psychologically safe and supported while at work.

Be financially prosperous

This enables us the freedom to invest in our business and people to ensure we're thriving, not just surviving. It gives us the ability to determine our future success from which everyone can prosper.

Remain ambitious

Ambition is about being courageous enough to try, knowing that while we may not always succeed, we will learn, grow, adapt and ultimately find a better way. Innovation isn't without risk, and we're here to support our employees in stepping outside of the box and striving for greatness.

Balance the above

We know that balancing the above is critical to our success.

Our ethos

Team first, with respect for the individual

We've got an "everyone supports the team, and the team supports everyone" culture. No one person is more important than another, therefore we value and respect everyone's individual perspectives and ensure that all decision making reflects what's best for the team.

Each person responsible with minimum misunderstanding

We trust everyone to have complete responsibility and autonomy within their role. Our employees don't have someone looking over their shoulder and should feel empowered and enabled to do their job to the best of their ability, in a way that works best for them.

Relaxed, professional and committed

Work should be somewhere our employees enjoy going every day. We don't take ourselves too seriously and our relaxed, yet committed environment ensures everyone feels comfortable asking questions, receiving feedback and supporting one another.

Support our local communities

Our people's health and happiness directly depends on the health and happiness of those around them. These extended networks of friends and families across New Zealand and Australia, are our local communities. Through understanding their difficulties and helping support, uplift and improve the lives of these people, we hope to foster meaningful and lasting change.

Clear profit centre goals

Everyone has a clear understanding of their responsibilities and goals and has the resources and decision-making authority to achieve them.

Framing our sustainability focus

Vulcan’s ESG (environmental, social and governance) journey is tightly linked to our company’s purpose: **To empower and inspire change and continuous improvement.**

In FY24, we completed our first sustainability materiality assessment, enabling us to formalise our ongoing journey into a sustainability framework.

Material Issues

Materiality is a key consideration for evaluating ESG priorities and risks, and further advancing Vulcan’s sustainability ambitions. We initially completed a materiality assessment to identify the issues and risks that are important to our key stakeholders. This process helps us to prioritise the actions we can take that will likely have the greatest impact from an ESG perspective.



We recently identified our material issues based on the following factors:

- Significance to stakeholders – including our employees, our customers, investors and the communities where we operate.
- Importance to Vulcan’s business.
- Our ability to control and/or influence the identified issue.

Our material issues for FY24 are organised into the following areas:

- Our people
- Our business
- Our environment
- Our growth

These four areas form the basis of our sustainability framework that we will use to guide us into the future and provide further impetus for our ongoing improvement.



Our sustainability framework

A framework that supports continuous improvement and sustainable growth over time.



Our people

We commit to ensuring a safe, supportive and fulfilling environment for everybody across our immediate and extended stakeholder community.

OUR FOCUS AREAS

- Employees
- Supply chain
- Community



Our growth

We strive for sustainable and resilient business growth.

OUR FOCUS AREAS

- Communication
- Governance
- Climate change



Our business

We will continue our focus on customer service as a dependable distributor and value-added processor of metal products.

OUR FOCUS AREAS

- Customer fulfilment
- Product integrity
- Operational efficiency



Our environment

We will continue to improve our practices to reduce the impact our business has on the environment.

OUR FOCUS AREA

- GHG emissions



Our people

We commit to ensuring a safe, supportive and fulfilling environment for everybody across our immediate and extended stakeholder community.

Focus areas

- Employees
- Supply chain
- Community



Employees

Helping everyone to achieve their full potential in a healthy, safe and enjoyable workplace.

Here we focus on the broader societal impacts of sustainability over time. Vulcan is fundamentally a people-first company. People matter. They are at the heart of Vulcan's Principles and Ethos, which is why we are steadfast in our pursuit of a work environment grounded in trust, transparency, collaboration and well-being.

Health and wellness

Vulcan recognises balancing work, personal development and staying active can be a challenge for many. Hence Vulcan's commitment to wellness is simple and holistic: ensure it is accessible to all our employees and their families across New Zealand and Australia.

Engagement rates in our Health and Wellness Programme have been encouraging thanks to the introduction of several wellness initiatives specifically designed to cater to the diverse health and wellness needs of our staff. Five of our Australian sites and one site in New Zealand have on-site gyms where fitness classes are held each week. Employees who are part of the Wellness Programme also have access to virtual classes ranging from boxing, yoga, mindfulness and outdoor rock climbing.

This holistic approach underpins Vulcan's commitment to its employees' health and overall job satisfaction, as well as reinforcing a culture that balances wellness and productivity.

DEVELOPMENTS

- Employees at our QLD, NSW, SA and WA sites have participated in at least one aspect of the Health and Wellness Programme in the past year. Those participants received information on nutrition, mindset, fitness, and/or lifestyle programmes.
- New on-site gym completed in the past 12 months at Dandenong, VIC.
- The total number of employees and family in Australia participating in at least one aspect of the Health and Wellness Programme is 413 participants.



► **Since coming to the gym, I feel healthier, happy and more positive.**

Justeen Cheng

Diversity, equity and inclusion

At Vulcan, we believe people are our strongest asset and that a focus on diversity, equity and inclusion is essential for developing and sustaining our workplace.

Vulcan is committed to cultivating a diverse, equitable and inclusive environment where all employees are treated fairly with dignity and respect, and individuality is celebrated, thus contributing to Vulcan's collective success. Vulcan endeavours to foster a workplace where all employees feel understood, valued and empowered to execute their work responsibilities. Vulcan believes that positive outcomes and better overall performance can be achieved through a diverse workplace, including the ability to attract, retain, motivate and develop our team from the widest possible pool of available talent.

At Vulcan, diversity, equity and inclusion (DEI) is:

DIVERSITY

The differences between us

EQUITY

Levelling the playing field

INCLUSION

Activity creating a welcoming workplace

In addition, Vulcan understands that actively embracing diversity and inclusion means working towards a workplace of equity, not just equality, where everyone is encouraged to bring their unique perspectives to work.

In May/June 2024 we conducted our third annual DEI survey to understand the diversity of our team and enable us to consider how Vulcan can best understand and nurture our employees.

82% of Vulcan employees completed the survey this year, which was a higher proportion than for our first two DEI surveys.

As we deepen and expand our DEI strategy, we will look to share more Vulcan stories internally with all our employees as well as externally with suppliers.

Diversity, equity and inclusion survey results summary 2024

EMPLOYEES

1,325

RESPONDERS

1,091

RESPONSE RATE

82%



DEI SURVEY PARTICIPATION

Participants as a percentage of total workforce

82%

+14%

▲ 14 percent increase in DEI survey participation. Notably, 20 of 66 sites achieved 100% participation.

68%



FY23

FY24

Nation diversity

At Vulcan, we are proudly diverse, with employees from 92 ethnicities and 79 different birth countries. One third of our employees are multi-lingual covering a total of 78 different languages spoken.

Age diversity

More than a third (37.6%) of Vulcan employees are aged 50 years and above. We have 15 employees aged 19 and under, while at the more senior end, 12 employees are above 70 years old.

Gender diversity

The metals sector has traditionally exhibited a significant gender imbalance, with a predominantly male workforce. At Vulcan, we do not believe in mandated gender-based recruitment, focusing instead on fostering genuine and sustainable change. Notwithstanding this context, Vulcan views this as an opportunity to add to the diversity in our team over time, while continuing to be a merit-based employer.

The overall gender proportions in FY24 saw limited change from FY23 due to several factors:

- **Challenging market conditions:** The challenging economic environment impacted recruitment and retention efforts.
- **Acquisition of aluminium business:** The acquisition of Ullrich Aluminium in FY23 skewed the proportionality of gender.
- **Low workforce turnover:** A lower number of employees leaving Vulcan in FY24 (compared to FY23) restricted the opportunities to enhance gender diversity through new employees.

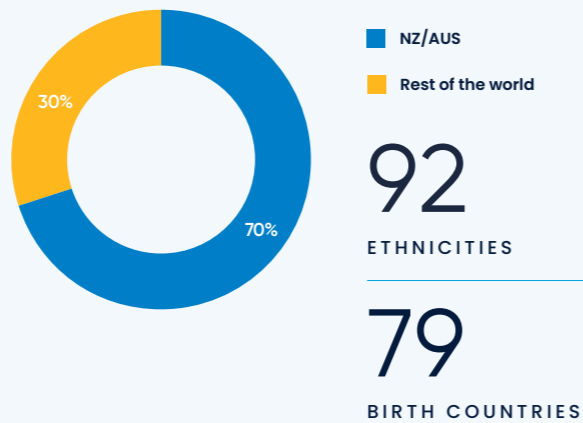
In FY24, 21% of all new employees hired by Vulcan were female. Given that currently only 15% of Vulcan's workforce is female, increased numbers of females being recruited and retained will hopefully have a positive impact on Vulcan's gender diversity.

Growth in the medium to long term is also expected to create new roles and jobs, creating opportunities to attract a more diverse and inclusive workforce.

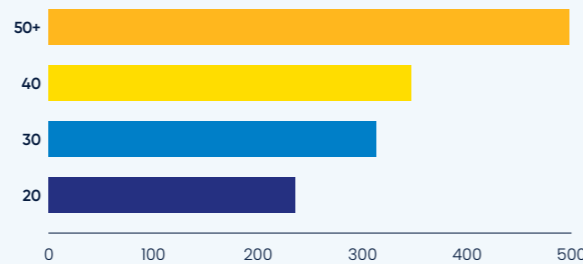
Promoting inclusivity

At Vulcan, inclusivity is part of the company's Principles and Ethos which shapes the culture and contributes to the success of the business. The outcome being higher employee engagement, improved performance, greater talent retention and appeal, as well as enhanced well-being. Being inclusive means an individual feels safe, valued and empowered to perform their best work. Inclusivity also encompasses encouraging diversity of thought, as well as effective and respectful communication across our organisation.

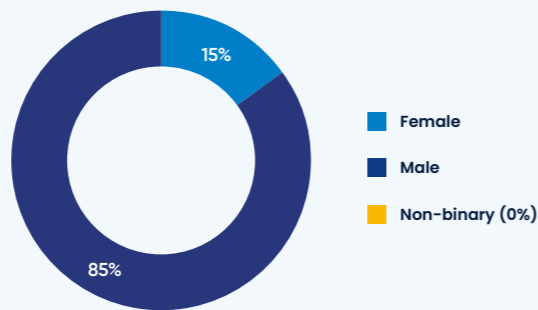
EMPLOYEE COUNTRY OF ORIGIN



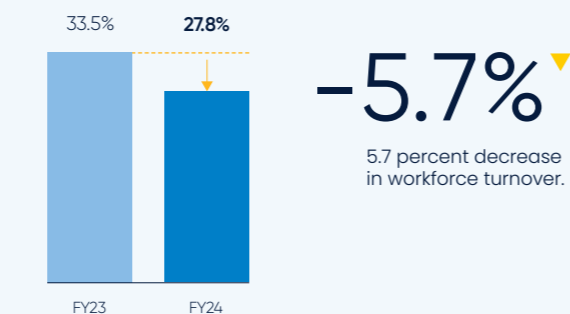
EMPLOYEE AGE MIX



EMPLOYEE GENDER MIX



WORKFORCE TURNOVER



PARENTAL LEAVE POLICY HIGHLIGHTS

10 DAYS paid leave for pregnant employees before expected delivery date.

6 SESSIONS back to work coaching before, during and after parental leave.

Access to Financial Baby Prep Programme for primary and secondary carers (New Zealand employees only).

SUPPORT DURING PARENTAL LEAVE

Up to **26 WEEKS** topped up to full pay for primary carers.

Continued contributions to superannuation in Australia and KiwiSaver in New Zealand.

SUPPORT RETURNING TO WORK

Up to **4 WEEKS** paid leave at 100% of base pay for primary and secondary carers – can be taken any time within the first two years of their child's arrival.

Request for flexible work arrangements on return, including graduated return to full-time or part-time work and flexible hours.

► **The Financial Baby Prep Programme helped us with all the information we needed to structure our annual and parental leaves. Going through baby expenses, costs and planning gave us a lot of confidence in making our money work best for us and our family.**

Steve

Key initiatives

We continue to focus on establishing the fundamentals that make Vulcan an attractive company for young people and women, as well as put in place supports for job retention. Aligned to this, Vulcan's three DEI working groups together implemented the following changes across the business in FY24:

INCLUSIVE WORKPLACE FACILITIES

We established a "site improvement plan" template that can be used to identify whether there are any gaps in available facilities at a site. Further to this, we undertook site improvements at one New Zealand site (in Auckland) and one Australian site (in Mackay). Both sites now have a private space that can be used for multiple purposes, including as a mother's room, wellness space (for example, for meditation) and for religious purposes (for example, for praying). A unisex and accessible bathroom facility has also been installed at two Vulcan sites in Australia.

WORKPLACE EDUCATION PROGRAMME

A 15 week part-time education programme (covering literacy, numeracy, communication, health and safety, and leadership skills) was completed by a total of 30 employees across three sites in Australia and 11 employees across two sites in New Zealand. In addition, a refresher course was completed by all six of the employees in New Zealand who completed the original course in FY23.

PRINCIPLES AND ETHOS SESSIONS

Leaders at Vulcan hold in-person Principles and Ethos forums at each site approximately three times every year to discuss Vulcan's Principles and Ethos and provide an update on our business. These sessions also provide opportunities for our employees to raise any concerns and offer up suggestions for improvement in our work environment and the business.

STANDARDISED RECRUITMENT ADVERTISING

In the last year Vulcan has focused on making its job descriptions and requirements more inclusive and equitable. For example, advertisements for jobs at Vulcan have been standardised and are also peer reviewed to ensure they appeal to a diverse candidate pool. In addition, all jobs at Vulcan are advertised on the career page of Vulcan's website and on internal digital noticeboards to ensure that all employees are also aware of new jobs.

PAID PARENTAL LEAVE

We introduced our Parental Leave Policy, with the aim of attracting a younger workforce and provide retention support to stay with Vulcan. One of the new initiatives for this year was the "Financial Baby Prep" Programme.

FY25 INITIATIVES

For FY25 the following initiatives are already underway or are planned to be implemented:

Already underway

- Five employees across two sites in New Zealand are currently undertaking an online workplace communication course. These employees are due to complete their course in September 2024.
- Creation of a “Vulcan culture” employee induction and on-boarding handbook.

Planned

- Creating standardised hiring procedures which include DEI practices and inclusive hiring guidelines.
- Establishing minimum facility standards for sites.
- Continually updating the inclusive facilities guidelines to ensure the guidelines reflect best practice.
- Establishing a “women in Vulcan” employee led network.
- Developing a toolkit to enable sites to regularly celebrate and/or promote important events and causes that focus on DEI.
- Second half of 2024 – unconscious bias training facilitated by a third party with over 100 leaders across New Zealand and Australia invited to attend. The training will be conducted over two sessions, with the first session being a formal online meeting with all leaders participating together, followed by another online session with leaders sharing and reflecting upon any informal discussions with their teams and their resulting action plans.
- First half of 2025 – “Workplace communication” education programme for employees at three sites in Australia and two sites New Zealand.

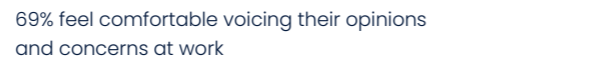
Workplace engagement and satisfaction

At Vulcan, our goal is to enhance the quality of life for our staff. We believe that work should be enjoyable and rewarding, creating an environment where our team looks forward to coming in every day.

Our streamlined and flat organisational structure fosters team members to feel psychologically safe and empowered to take initiatives and make decisions. There are no rigid hierarchies and teams collaborate easily.

We expanded our DEI survey in FY24 to measure and understand our employee engagement – it’s a key measure of the strength of our commitment to ensuring everyone feels supported and valued at Vulcan, and able to bring their whole self to work.

EMPLOYEE ENGAGEMENT SURVEY KEY HIGHLIGHTS



Communication – culture and belonging

Effective communication is a cornerstone of Vulcan’s Principles and Ethos, and our culture. To ensure accessibility and transparency in our business, management commits to having at least one member of our Lead Team visiting each Vulcan site at least three times each year. These visits are designed to provide updates on the company’s strategy, progress, and values, with topics rotating to address current issues and perspectives from leadership. All employees participate in these sessions, followed by an opportunity for open discussion with the Lead Team.

A new initiative for FY24 is the launch of a company-wide monthly internal newsletter focusing on company culture and belonging. This supplements the internal communications in between the Lead Team on-site visits.

► **I enjoy working for Vulcan. There is plenty of opportunity to grow my skills and the people here are all wonderful to work with. I’m honoured to be part of the team.**

Richard Sutherland, Melbourne



Supporting career growth and development

Through continued investment in employees’ learning and development, Vulcan provides team members with the resources and opportunities they need to keep up-to-date, develop their careers and contribute to the company’s success.

Vulcan offers several categories of leadership programmes and learning opportunities:

Kellogg Executive Education Sales Programme – USA

In FY24, Vulcan sent 14 employees to the Kellogg Executive Education Campus at Northwestern University in Chicago to attend a sales/management development course. This industry-leading course exposes senior leaders to best practice strategies for sales performance effectiveness while simultaneously helping to build closer working relationships between our business leaders. It was the second year Vulcan attendees have participated in this international residential programme.

Leadership development programme

Vulcan is piloting the new LEAD programme from the NeuroLeadership Institute with over 37 participants from across the business. It is a six month online synchronous leadership course, supplemented by regular social engagement. The programme is grounded in the latest neuroscience and covers the fundamentals of effective leadership. Vulcan is the pilot site in Australasia for the NeuroLeadership Institute.

Leadership Hubs

Each month Vulcan holds online leadership development sessions which are attended by over 60 Vulcan leaders from across New Zealand and Australia. These sessions, internally called “Leadership Hubs” have become an essential part of our growing business, promoting good leadership practices and fostering internal networking. Each session covers a specific leadership topic and leaders throughout the business share their experiences, followed by best practice examples and insights from certified Leadership Coach, Helene Deschamps, and external experts in their fields. These sessions have been especially valuable for integrating our aluminium business leaders after the recent acquisition.

Talent development coaching for employees

Talent development coaching has been incredibly successful, with FY24 seeing a 20% increase in candidates proactively seeking support to further their careers at Vulcan. This personalised one-on-one coaching enables employees to feel more rounded and prepared for a new role they may have their eye on. Employees know they have equal opportunities to grow either within or outside the business.

Return-to-work coaching for working primary carers

With the launch of Vulcan’s new Parental Leave Policy, mentoring is available for primary carers looking to transition back into work. This includes sessions prior to starting parental leave and then again upon return to work to build engagement and resilience in both the workplace and home.

► **In the steel industry there’s a lot that can go wrong quickly. We are constantly looking at improving the well-being and the quality of working life of our employees, suppliers and customers driven by an ethos and belief that all accidents are preventable.**

Wayne Bowler, Financial Controller

Keeping everyone safe

Health and safety is held at the forefront of Vulcan’s positive workplace culture. A healthy workplace starts with everyone feeling and being safe. This includes employees, contractors, visitors, and the public who share the roads with our trucks.

Safety is key for management and involves direct Board reporting and oversight, at every scheduled board meeting.

Inviol

In the past year, we have made significant investments to reduce workplace risks and dangers by implementing Inviol, a proprietary AI-driven health and safety platform. This advanced system coaches our teams on proper health and safety practices.

Utilising a comprehensive AI surveillance system, Inviol’s technology detects and alerts us to high-risk events, such as dangerous forklift driving, walking under a crane or behind a truck. Inviol has proven invaluable for both our contractors and customers, allowing us to provide timely and appropriate feedback that enhances safety awareness on-site.

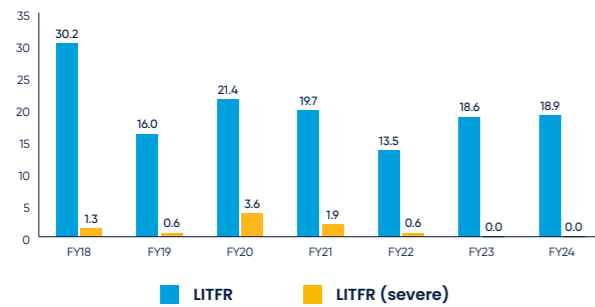
Noggin

New in FY24, Vulcan has implemented a company-wide software platform, Noggin, that aims to enhance our programmes in accident and reporting. The intention is that this will enable Vulcan employees to better record all accidents and near misses across all our operations. To ensure greater success and adoption of the system we have introduced three new initiatives:

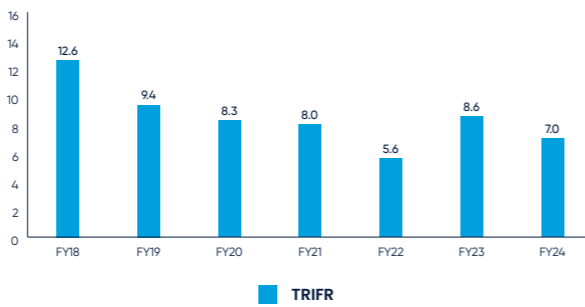
- Further training ensuring leaders in the company are modelling the behaviours we want to see.
- Facilitating company-wide recording/observations by making it straightforward to record and triage observations.
- Setting up the Cardinal Rules framework to improve consistency of standards of implementation.

In FY24, we have seen improvements in our lost-time injury frequency rate, as illustrated in the graphs below.

LOST TIME INJURY FREQUENCY RATE (LTIFR) per 1,000,000 hours worked



TOTAL RECORDABLE INJURY FREQUENCY RATE (TRIFR) per 200,000 hours worked



Supply chain

Active engagement with suppliers to foster respectful, safe and rewarding work environments for their employees.

Our direct supplier relationships are pivotal to Vulcan’s supply chain excellence. These relationships span Asia, Australia, New Zealand, and Europe, with new suppliers emerging from developing steel manufacturing countries.

Strengthening supply chain partnerships

We continually monitor our supply chain, taking active stewardship for the protection of all employees. We support and encourage our suppliers and customers in their deliberate actions to ensure that all aspects of their operations are free from modern day slavery and that all workers are treated fairly and ethically. It is about being vigilant, setting high standards, and continuously working to uphold and improve those standards.

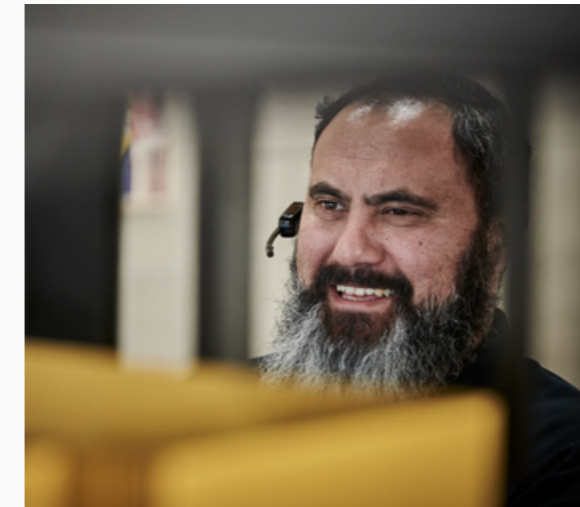
We proactively review our suppliers’ workplace and environmental policies annually. Our own robust policies and standards ensure the protection of human rights across all our operations and supply chains. It’s a level of diligence and integrity that translates into an active exclusion list of suppliers. If their workplace practices are not aligned with our values, we will not work with them.

Fair treatment for all

To ensure our values and Code of Conduct are upheld throughout our supply chain, we require compliance with the following policies: Modern Day Slavery Statement, Environmental Policy, Human Rights Policy, Procurement Policy, and Supplier Code of Conduct (together our **Supplier Policies**).

- **Modern Slavery Statement and worker welfare:** We have a zero-tolerance policy for human rights abuse including modern slavery. We require all our suppliers to maintain transparent and fair labour practices and prioritise worker welfare. Our 20 key suppliers and those that Vulcan have independently assessed as being ‘at risk’ must all be audited and self-complete our modern slavery audit into iPRO, an assessment and reporting platform.
- **Procurement Policy and Supplier Code of Conduct:** We visit every new potential supplier to validate the mill and also conduct a health and safety audit prior to any decision being made to enter into a relationship with the mill. In parallel with our “modern slavery statement and worker welfare” audits, we have familiarised our top suppliers with our Supplier Policies.
- **Service/product quality and sustainability:** We evaluate our suppliers’ ability to deliver quality services, to practice transparent codes of conduct and to assess their commitment to re-engineering future products for greater sustainability.
- **Embodied carbon and GHG emissions:** Our future focus is to understand the embodied carbon in our products and measure greenhouse gas (GHG) emissions from 2025. In 2024 we have already made in-roads to gain access to GHG measurements from some of our 20 key suppliers and this will be mandatory for all our suppliers from 2025.

To ensure compliance with Vulcan’s standards, we have engaged an external audit agency that utilises an online platform to audit our supply chain. We audit 20 key suppliers annually as well as those assessed as having a ‘high risk’ profile. This ensures our values and code of conduct are consistently met. Additionally, Vulcan uses iPRO to review all significant suppliers, guaranteeing that we source products from respectable sources.



► We procure our aluminium from one of the top three cleanest smelters in the world.



Monitoring supplier progress in green steel

Vulcan is proud to partner with local manufacturers who are commercially responsible. 100% of the aluminium that we procure in New Zealand is manufactured at Tiwai, in the South Island, where the smelter is assessed as being among the top three cleanest aluminium producers in the world.

In addition, two of our steel partner suppliers, BlueScope and JFE Steel, are listed in the World Sustainability Champions programme.

Community

Continued support and involvement that inspires and enriches the lives of those in our communities and society in general.

At Vulcan, we value community in every sense, supporting our employees and their families, as well as the broader communities we serve across Australia and New Zealand.

Our Vulcan community

We actively support our employees and their families through beneficial parental leave policies, well-being programs, and individualised learning and training opportunities, encouraging everyone to be the best version of themselves both in our workplace and at home.

Furthermore, we aim to be there for our Vulcan community when they really need our support. For example, during major community crises, such as the bushfires affecting local schools in Queensland, Vulcan and its employees provided real and timely assistance to the affected families and communities in these locations.

Community groups

Our support extends beyond our immediate workforce to wider community programs, fostering social cohesion and strengthening community networks. We prioritise long-term, direct involvement to enhance local well-being and inspire social responsibility.

By supporting initiatives in sports, arts, and other community activities, we build strong relationships and contribute to the vibrancy of the communities we serve. We are constantly seeking new ways to provide direct and meaningful support, building on the good work already being done by these organisations and ensuring a positive impact on our local communities.

Partnership with Halberg Youth Council, New Zealand

Since 2017, Vulcan has been committed to partnering with the Halberg Youth Council, supporting their initiatives annually both financially and in a direct mentoring role. This collaboration allows us to empower youth with disabilities, encouraging them to speak up and help shape their extraordinary talents for success.

The Halberg Youth Council (HYC) comprises ten passionate young leaders dedicated to fostering positive experiences in sports and recreation for their peers with physical disabilities. They play a crucial role in supporting the Halberg Foundation’s initiatives nationwide, which include the prestigious Halberg Games.

This national sports tournament, designed for young athletes aged 8-21 with physical disabilities or visual impairments, provides an inclusive platform for showcasing talent and encouraging participation in sports. Through their advocacy and support, the HYC significantly contributes to creating an inclusive and empowering environment for all young athletes. Youth Council leaders range from young adults that are currently studying at university or in secondary school.

Three of Vulcan’s leaders – Paul Tomich, Shane Te Mata and Amber Marshall – are long standing advocates for the HYC. Each is actively involved in the mentoring programme that provides sponsorship for conference participation of council members.

This year, as part of the HYC Life Training Skills program, Vulcan’s Digital Specialist, Chris Casey presented a session on ‘Your Digital Footprint’ with the strong message of the permanence of social media and the need to ‘Care Before You Share’. The session focused on the importance of maintaining a positive personal reputation and aligning online behaviour with future career aspirations as well as practical ways to set up accounts and profiles.



▲ 2024 Halberg Youth Council

► **The Vulcan Youth Council Scholarship would be instrumental in providing amazing financial support, ensuring I can focus on training and achieving my sporting dreams... ultimately participating in the Paralympics.**

Brooke Anderson,
2024 Vulcan Halberg Youth Council Scholarship recipient



Vulcan Halberg Youth Council Scholarship

Brooke Anderson is our scholarship recipient for 2024 seen here speaking at the Halberg sports awards in February this year. Brooke’s sporting accomplishments are in swimming and she is now attending Canterbury University. This NZ\$5,000 scholarship is awarded each year to assist one Halberg Youth Councillor to participate in their chosen field.

New Zealand Dance Company

Vulcan is a major partner of the New Zealand Dance Company. In 2022 Vulcan began its sponsorship to help support aspiring young dancers pursue full-time careers in contemporary dance.

Arts Centre Melbourne, Australia

Since 2021, Vulcan has been a proud supporter of Arts Centre Melbourne (ACM), the leading provider of technical skills to the arts and theatre industry across Australia.

Our annual financial contribution supports technical production traineeships, nurturing top future talent in Live Production to ensure the performing arts remain vibrant and thriving for the next generation.

This unique training program helps young people launch their careers in the live entertainment industry under the expert guidance and mentorship of experienced senior technical production employees. At the end of their one-year traineeship, they receive a Certificate III in Live Production and Services qualification and are ready to take on roles supporting live performances.

Each year, ACM receives close to 200 applications for three to four traineeships. The trainees for the 2024 year are Alister Hull (Sound & Vision), Jerimiah Muller (Staging) and Harry Harvey (Lighting).

Auckland Rescue Helicopter Trust

This year is Vulcan’s 20th anniversary of continuous life-saving support for the Auckland Helicopter Trust. The annual donation goes toward funding rescue missions for patients requiring urgent critical care. These highly trained rescue crews provide first class medical care in some of their patients’ greatest times of need. These missions reach across greater Auckland, outer gulf islands and the Coromandel communities.

► **Arts Centre Melbourne 2024 technical trainees.**
From left to right; Alister Hull, Jerimiah Muller and Harry Harvey



**AUCKLAND RESCUE HELICOPTER
RESCUE MISSIONS IN 2023**

1,026

381 rescues performed so far in 2024.



Our business

We will continue our focus on customer service as a dependable distributor and value-added processor of metal products.

Focus areas

- Customer fulfilment
- Product integrity
- Operational efficiency



Customer fulfilment

Achieving industry leading levels of customer experience and satisfaction.

As one of Australasia's highest performing and most significant metal products distributors and processors, Vulcan is dedicated to building the future with its customers. Our focus is on delivering high customer service levels, enduring product integrity, and optimising operations throughout our supply chain.

Customer fulfilment was ranked highest in Vulcan's FY24 ESG materiality assessment, underscoring its critical importance to both stakeholders and all-round business success. We are market-driven and recognise that sustained long-term customer relationships are vital to our ongoing success.

That's why one of our key metrics is maintaining a high level of customer service. In FY24, Vulcan achieved a 98% DIFOT (Delivered In Full On Time) rate for customers' orders.

Vulcan embraces its role and share of responsibilities for sustainability. Our downstream customers are expected to be carbon-accountable with their own end customers. To support this, we have increased sourcing steel and metal with EPD labels (Environmental Production Declarations). This helps our customers measure their carbon footprint and communicate their sustainability initiatives effectively.

As climate change becomes more integrated into business models, customers increasingly seek steel made from renewable sources, prompting changes in specifications for steel and aluminium. By embracing these changes Vulcan is committed to supporting our customers in their sustainability journeys, ensuring we continue to deliver value and foster enduring relationships.

Future of steel distribution: re-usable transport system

In FY24, we embarked on piloting a waste reduction programme with our product packaging. To date we have relied on single loads of steel and metal wrapped in single use protective packaging. This typically goes to landfill. By developing an innovative re-usable trackable transport system for our products, our aim is to divert tonnes of secondary materials from landfills and help reduce carbon emissions.

FY24 DIFOT RATE

98%



Product integrity

Delivering reputably sourced products from suppliers known for their quality and integrity.

The metal products we purchase are produced to specification and are used in numerous industries and applications. This means our emissions profile differs significantly from that of upstream metal products manufacturers. Notwithstanding, our strategy is to continue striving to reduce emissions while delivering products and solutions that meet our customers' needs and standards. By keeping abreast of the latest technologies, we assist our customers in procuring safer, smarter and greener options.

This year, Vulcan's ESG team undertook an independent climate scenario analysis with input from external sustainability specialists. This provides us with deeper insights into current and potential future product types and new technologies that could suit various climate scenarios, adding strategic rigour to our sustainability planning.

Closely monitoring global EAF and green steel investments

The Electric Arc Furnace (EAF) production method reduces emissions by up to 70% compared to traditional blast furnaces. However, limited availability of scrap steel (the raw material used in the EAF method) to produce end steel products, and the high cost and long lead time to construct these furnaces, present a significant challenge for the steel industry to adopt EAF technology's lower carbon benefits.

We will continue to monitor global investments in EAF and greener steel production. Locally, a key Australian blast furnace steel manufacturer has delayed its EAF development plans. There are no operational EAFs in New Zealand, although construction is planned within the next three years.

While some international steel producers have made significant investments into greener steel production, distant supply chains complicate our efforts to procure material with lower embedded carbon and produced by manufacturers that have a more carbon-efficient footprint.

Our metal product solutions

ENGINEERING STEEL

Our approach to sourcing engineering steel prioritises sustainability and community support. By buying locally, we reduce emissions associated with transport and bolster local economies, while balancing commercial considerations.

- **Local production:** Currently, approximately 30% of our engineering steel is produced in Australia. The local mill is pioneering carbon-neutral initiatives and partnering with industry groups to enhance electricity efficiency, including strategies to align production with low peak electricity use.
- **Global sourcing:** The balance of our engineering steel is sourced from Europe and Asia. We continuously assess these suppliers to ensure the best fit and continuity of supply, maintaining our commitment to sustainability and reliability.

This dual approach allows us to support local industry while ensuring a steady supply of high-quality, sustainable engineering steel.

STAINLESS STEEL

Stainless steel comprises a significant proportion of our total business. Vulcan has to import these products from overseas as there is no local stainless steel mill operating in the Australasian region. We provide full traceability and material certificates for all stainless steel customer orders.

Vulcan has invested in efficient cutting technology to minimise scrap wastage. The scrap that is generated, is sold for recycling. All offcuts are fully recyclable.

ALUMINIUM

Aluminium is a lightweight and fully recyclable metal. With an emphasis on sustainable material sourcing, Vulcan sources high purity aluminium for its two aluminium extrusion plants. New Zealand aluminium is currently sourced locally from one of the lowest embedded-carbon aluminium smelters in the world and powered 100% by hydroelectricity.

Beyond sourcing, we embrace a circular economy with an effective recycling program. By redirecting all production waste to local re-melt facilities, we channel potential waste into reusable in-feed billet.

Traceability and EPDs

Increasingly we are focused on product traceability from certified mills with the appropriate traceability accreditation. This takes the form of independently verified and registered documents that communicate transparent and comparable data along with other relevant environmental information on the life-cycle impact of a product. EPDs can also be used in the recognised sustainability rating pathways Infrastructure Sustainability (IS) Rating scheme and Green Star in New Zealand.

Operational efficiency

Establishing a more resilient, cost and carbon efficient distribution network.

We have made good progress in FY24 in building many efficiencies into our operations: expanding solar energy, improving our transport logistics, combining and converting some of our aluminium and steel units into hybrid sites, transitioning to a lower carbon-emissive truck fleet, and staying at the forefront of greener steel technology and supply.

Solar energy roll-out

Expanding our solar energy rollout has an immediate and tangible impact on our climate and sustainability goals. Emissions from purchased electricity are the largest contributors to our Scope 1 and 2 carbon footprints, particularly in Australia where renewable energy is less available on the grid. In Australia, nine of the 18 sites now have solar panels, while New Zealand has two sites with solar panels.

As our current solar-powered sites are not our biggest consumers of electricity, our focus is now on our largest electricity-consuming extrusion plants. In FY24, we began exploring the commercial viability of providing solar energy for our two aluminium extrusion sites. Early scoping suggests a solar energy production system has the potential to deliver up to one-third of the energy requirement at these two sites.

Optimising our distribution network

A comprehensive review of our aluminium distribution network led to the implementation of a new hub and spoke transport model for our aluminium and hybrid units, which has the potential to significantly improve efficiency, reduce emissions, and save costs. This model is expected to streamline our operations, especially in Australia where delivery distances are often very large, reducing the number of emergency trips required compared to the prior approach. As a result, we have minimised our environmental footprint while enhancing delivery reliability and operational cost-effectiveness.

Tackling our truck fleet emissions

We run a modern and well-maintained fleet of over 180 trucks. Most models in our fleet are compliant with the Euro 5 emission standard, with a number also in line with the Euro 6 emission standard. In the short term our strategy is to transition to more Euro 6 vehicles which will reduce our Scope 1 GHG emissions as well as NOx, SOx and particulate emissions. For the longer term, we continue to monitor the developments and opportunities around electric and hydrogen cell trucks through our engagement with various operators in the industry.

Transitioning car fleet to hybrids

An assessment of our travel patterns has found room for more efficiencies. Relative to emissions from purchased electricity and our truck fleet, emissions from our car fleet are relatively less significant. However, there is scope to further improve the outcome in future years. Across the business in New Zealand and Australia we have a fleet of 165 company cars, most of which are used by our sales teams.

Sales team efficiency

One initiative, due for implementation in FY25, is to improve efficiencies in our sales teams in Sydney, Brisbane and Melbourne. Through improved cross-selling across our full range, we are not only better placed to meet our customers' needs, but we also anticipate this initiative could reduce fuel consumption and emissions by over 10%.

Developing further hybrid sites

As part of Vulcan's growth strategy, we are developing both brownfield and greenfield hybrid sites over the next few years. Hybrid sites are anticipated to deliver cost and revenue synergies for the business going forward.

► In the current year, 46% of the car fleet are hybrid vehicles. The remainder will be transitioned to either hybrid or plug in hybrid, as circumstances (such as travel range) allow in the next four years.



Our environment

We will continue to improve our practices to reduce the impact our business has on the environment.

Focus area

- GHG emissions

GHG emissions

Decarbonise our operations by significantly reducing our emissions per tonne over time.

Vulcan is dedicated to minimising the environmental impact of its business activities. This includes our commitment to becoming carbon transparent throughout our supply chain.

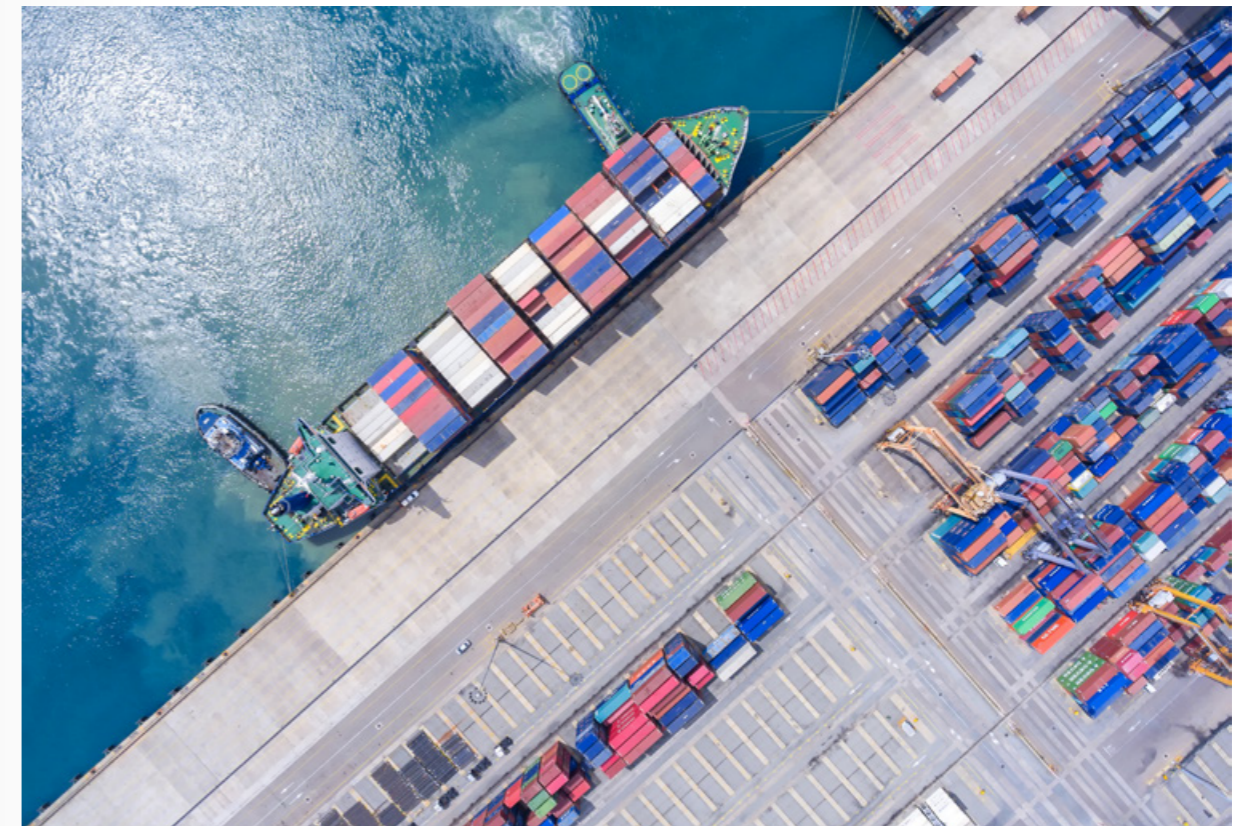
Comprehensive carbon emissions strategy

In 2024, Vulcan commissioned voluntary independent assurance work over its GHG emissions inventory. We take accountability for our carbon footprint and have implemented a strategy that not only targets reductions in carbon emissions, but also focuses on measuring, managing and improving our operational efficiencies.

In FY24, these key initiatives included, among others, expanding solar energy across our sites, optimising our transport hub logistics, transitioning our vehicles toward a less carbon-emissive fleet, and monitoring progress in the development of greener steel technology and supply.

Managing climate change

Our approach to emissions management includes ensuring that climate change risks are a factor in our decision-making on matters such as hybrid site developments and future growth. This year Vulcan has included its first mandatory "Climate Related Disclosures" beginning on page 94 of this report



Measuring our carbon footprint

Our commitment to making incremental and ongoing improvements in operational efficiencies is reflected in our FY24 carbon emissions inventory report. The report estimates that approximately 13,865 tonnes of CO₂ for Scope 1 and Scope 2 is complete in all material respects of the GHG emissions directly resulting from our operations within our defined scope and boundaries for FY24.

Vulcan’s material source of measured greenhouse gas emissions that are sourced from Vulcan’s owned or controlled activities, Scope 1 and Scope 2, are set out below.

Inclusions	FY24 Tonnes CO ₂	FY24 Percent	FY23 Tonnes CO ₂	FY23 Percent	YoY percentage change ¹
Scope 1	6,532	47.1%	6,400	45.8%	2.1%
Scope 2	7,333	52.9%	7,563	54.2%	-3.0%
Scope 1 and 2 total	13,865		13,963		-0.7%

In addition to measuring and tracking our absolute emissions, we track intensity emissions to understand our “carbon efficiency” and how it is changing over time.

Emissions per unit of activity (unless otherwise stated)	FY24	FY23	YoY percentage change
Sales volume ('000 tonnes)	228	251	-9.0%
Scope 1 and 2 – Kg of CO ₂ per tonnes sold	60.7	55.6	9.2%

Our emissions intensity measure for Scope 1 and 2 in FY24 increased by 9.15%. The increase in emissions is attributed to a slight rise in active trading accounts and a decrease in our customer sales volume, resulting in comparatively higher emissions per tonne. It is important to note that there is no direct correlation between sales volume and a reduction in Scope 1 and Scope 2 emissions. For instance, when customers place smaller orders, our trucks still need to cover the same distances, and fuel consumption does not significantly change.

Furthermore, this year Vulcan launched a specific initiative to internalise third-party freight by investing in our own truck fleet at scale. While this move adversely impacts Scope 1 emissions, it is likely to contribute to a reduction in Scope 3 emissions, which we have not measured in FY24.

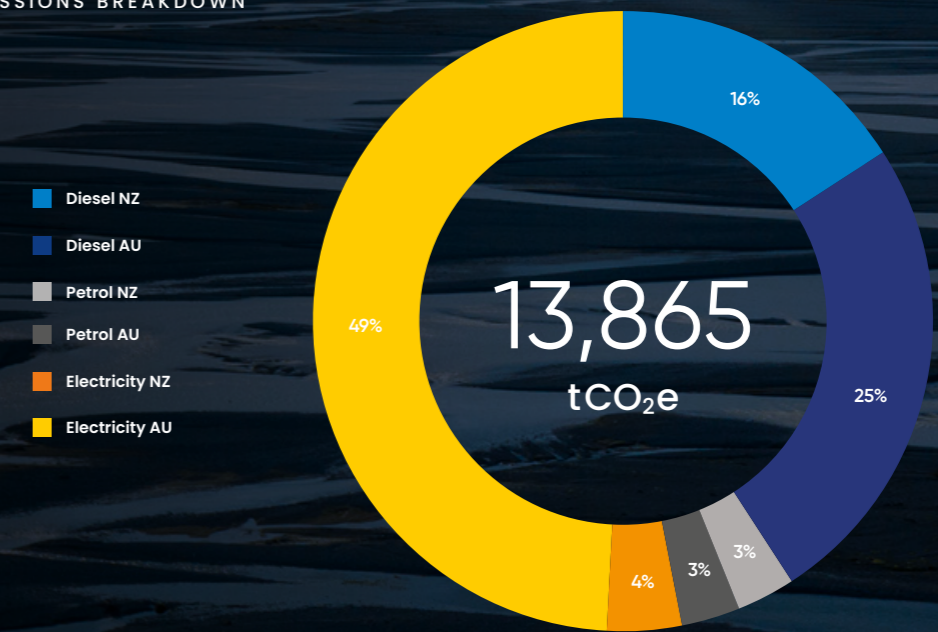
As an intermediary between producers and our customers Vulcan is a low emissions enterprise in terms of Scope 1 and Scope 2 emissions.

- Our Scope 1 emissions come largely from the combustion of transport fuel by the company’s car and truck fleet.
- Scope 2 emissions come largely from the generation of purchased electricity, and are location based (meaning we calculate them on the basis that we consume electricity from national and state grids).

The relative contribution of each emission source is presented below.

The greatest proportion of our emissions is from Australian generated electricity consumption, the bulk of which is sourced from non-renewable energy. Electricity in New Zealand is largely generated from renewable energy.

2024 EMISSIONS BREAKDOWN



Scope 3 measurement

We are also endeavouring to achieve a clearer measure of our Scope 3 emissions. These include carbon emissions that are ‘embodied’ in the products we source from suppliers. To date, data from our suppliers has been limited, preventing us from providing a definitive Scope 3 measure. At this stage that we are currently fully engaged in setting up processes to measure all of our Scope 3 sources and we look forward to sharing with you our full emissions picture next year.

¹ CO₂ YoY variance explanations

Our FY24 Scope 1 emissions variance of 2.07% is mainly due to increases in the published CO₂ conversion factors for diesel and petrol fuels in Australia. The Scope 2 emissions reduction of -3.04% in FY24 is positively impacted by the greening of the grid together with an overall decrease in power usage arising from site consolidations and solar initiatives.

Emissions reducing initiatives

This year, the key initiatives include, among others, expanding solar energy across our sites, optimising our transport hub logistics, regionalising our sales teams for cross-sell efficiencies, transitioning our trucks toward a less carbon-emissive fleet and monitoring progress in the development of greener steel technology and supply.

Solar energy expansion across sites

In FY24, there have been three new solar systems installed. Vulcan now has 13 sites which have solar generation capacity installed. In FY24, we began exploring the commercial viability of providing solar energy for our two aluminium extrusion sites. The reductions for each of these two sites will be around 781 tonnes of carbon, amounting to about 20% of their energy needs.

Truck fleet upgrades

By continuing to upgrade our truck fleet, we are establishing a more robust system for maintaining lower carbon emissions. We have invested in purchasing our own trucks, thereby reducing our reliance on third-party trucking firms. This strategic move allows us greater control over our emissions and operational efficiency.

We are actively exploring alternative fuel options such as electric and hydrogen as they become available. As we replace and refresh our truck fleet, our aim is that all new vehicles will be Euro 6 compliant, provided they are available and fit for purpose. This ensures that our fleet adheres to the highest standards of emissions control.

Hub and spoke logistics

Additional initiatives to lower emissions include optimal route planning and ensuring that our trucks maximise their loads. This approach reduces the number of journeys with low or empty capacity, further minimising our environmental impact. We expect to achieve reductions in emissions in the coming years as the business grows and the hub and spoke model evolves.

Sales regionalisation

During the latter part of FY24 the process of streamlining our regional sales efforts across the business came into effect. This eliminates sales personnel duplication with customers and optimises our approach to customer interactions. It enables us to cross-sell our full product range more effectively according to customer needs.

By improving our sales operations, we anticipate a significant reduction in fuel consumption and emissions, projected to be over 10% in these areas. This initiative not only boosts our operational efficiency but also contributes to our sustainability goals.

Company car fleet upgrades

Across our operations in New Zealand and Australia, we maintain a significant fleet of 165 company cars, primarily used by our sales and support teams. By upgrading to hybrid vehicles, we aim to enhance fuel efficiency and significantly reduce emissions.

Currently, 46% of our fleet comprises hybrid vehicles. Over the next four years, we plan to transition the remainder of our vehicle fleet to either hybrid or plug-in hybrid models, depending on factors such as travel range and operational needs.

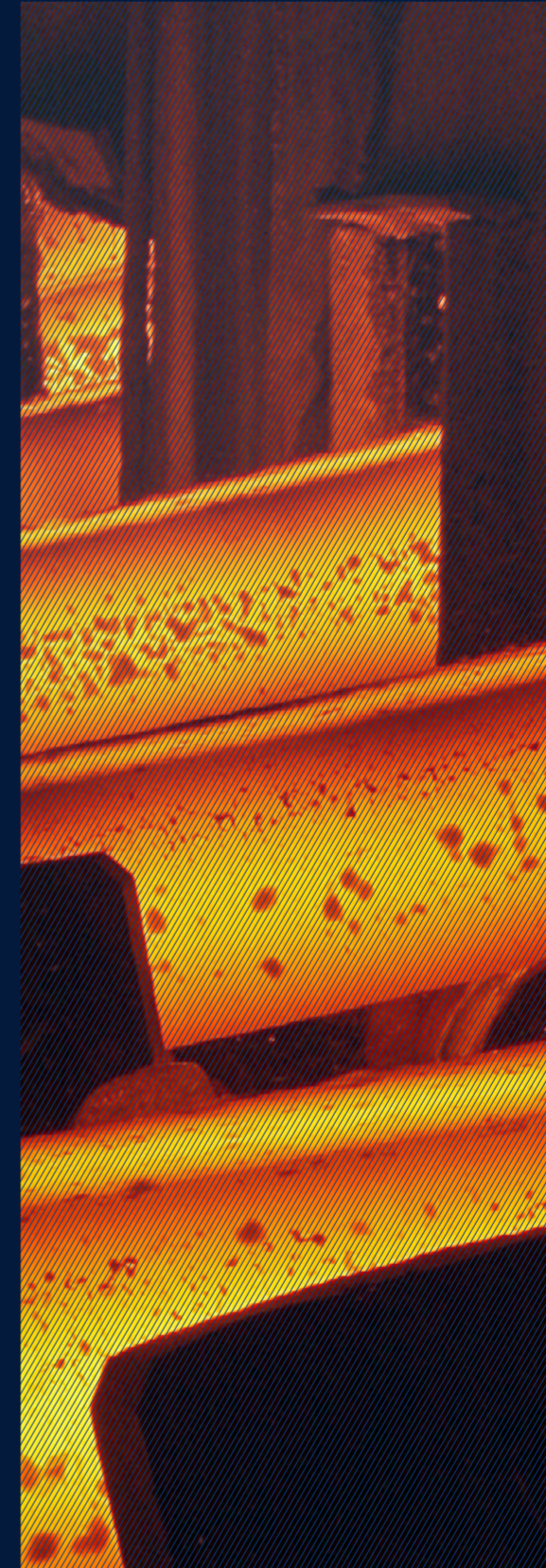
Green steel technology and supply

Electric ARC Furnace (EAF) production, that relies on scrap steel, reduces emissions by up to 70% compared to traditional blast furnaces. However, constructing these furnaces is capital-intensive and time-consuming, presenting a significant challenge for the industry in adopting EAF technology's low-carbon benefits. We continue to educate and monitor customer demand to achieve the significant carbon emission reductions and advance their own climate strategies over the coming years.

BLAST FURNACE AND SCRAP EAF COMPARISON

Tonnes CO₂/tonne of crude steel cast

2.33



BLAST FURNACE



SCRAP EAF

Electric Arc Furnaces reduce embedded carbon by up to 70% compared with traditional blast furnaces.
Source: World Steel 2022

~70% ▼

0.68



Our growth

We strive for sustainable and resilient business growth.

Focus areas

- Communication
- Governance
- Climate change



Communication

Consistent messaging aligned to our principles and ethos.

Embedding a sustainability mindset within our organisation requires more than awareness – it requires prioritisation and meaningful dialogue from our leaders in the business.

Communications initiatives including future engagement

Vulcan operates 66 strategically located logistics and processing facilities across Australia and New Zealand.

To reinforce our commitment to sustainability, our Lead Team conducts in-person employee meetings, aiming to visit every site three times a year. These visits, led by one or two members of our Lead Team, dedicate time to build rapport and engage personally with our employees, discussing our projects, performance, and sustainability culture. This approach highlights our priorities and keeps everyone informed. These forums are important events and serve as valuable opportunities for employees to provide feedback.

Additionally, in 2024, we launched a company-wide monthly newsletter to maintain consistency in core messaging and to provide business updates, and ensuring employees are aligned with our culture and goals including in sustainability.

For external communications on Vulcan's position, the company has a dedicated investor website which contains copies of Vulcan's annual reports and financial statements (including this FY24 report), all announcements made to ASX and NZX, notice of shareholder meetings, key dates for investors and its corporate governance practices and policies. The investor website can be found at investors.vulcan.co.



Governance

Assessing risks, setting clear direction and targets to achieve our purpose and business goals.

The Board is committed to maximising performance, generating appropriate levels of Shareholder value and financial return, and sustaining the growth and success of Vulcan.

Vulcan’s governance philosophy

In conducting Vulcan’s business with the above objectives, the Board seeks to ensure that Vulcan is properly managed to protect and enhance shareholder interests, and that Vulcan and its Personnel and Representatives operate in an appropriate environment, and maintain high standards, of corporate governance.

The Board has adopted relevant internal controls, risk management processes and corporate governance policies and practices which it believes are appropriate for Vulcan’s business and which are designed to promote the responsible management and conduct of Vulcan.

Vulcan is a New Zealand incorporated company, with a primary listing on the ASX and a secondary listing on the NZX as a foreign exempt issuer. Vulcan’s corporate governance policies and practices have been developed with regards to the recommendations set by the ASX Corporate Governance Council in its Corporate Governance Principles and Recommendations (4th edition, February 2019) and the NZX Corporate Governance Code (dated 1 April 2023).

Vulcan has a dedicated investor website which contains copies of Vulcan’s annual reports and financial statements (including this FY24 Annual Report), all announcements made to ASX and NZX, notices of shareholder meetings, key dates for investors, and Vulcan’s corporate governance policies, charters and statements. Vulcan’s investor website can be found at investors.vulcan.co.

Director	Roles	Date appointed	Tenure ¹
Russell Chenu	Chair of Board Independent non-executive director Member of ARC and PRC	18 June 2021	3 years
Rhys Jones	Executive director	5 September 2006	18 years
Wayne Boyd	Non-executive director	2 June 1995	29 years
Adrian Casey	Executive director	13 September 2022	2 years ²
Bart de Haan	Independent non-executive director Chair of PRC	21 September 2015	9 years
Nicola Greer	Independent non-executive director Member of ARC and PRC	5 September 2023	1 year
Carolyn Steele	Independent non-executive director Chair of ARC and member of PRC	16 August 2021	3 years

¹ At 27 August 2024 and rounded to the nearest year.

² Adrian previously served as a director of Vulcan for over 14 years, from 24 May 2001 to 31 December 2015.

Board of Directors

CHANGES IN DIRECTORS

Vulcan has an experienced and relatively consistent Board which currently comprises seven directors, of which five directors are non-executive directors and two are executive directors.

The only change to Vulcan’s Board during FY24 was the appointment of Nicola Greer as the fifth non-executive director. The table below shows the timing of this change.

1 July 2023 to 4 September 2023	5 September 2023 to 30 June 2024
Russell Chenu (Chair)	Russell Chenu (Chair)
Rhys Jones (MD and CEO)	Rhys Jones (MD and CEO)
Wayne Boyd	Wayne Boyd
Adrian Casey	Adrian Casey
Bart de Haan	Bart de Haan
Carolyn Steele	Carolyn Steele
	Nicola Greer

Nicola Greer was initially appointed as a director by the Board on 5 September 2023, and was elected by Vulcan’s Shareholders at the ASM on 8 November 2023. Also at the 2023 ASM, Bart de Haan was re-elected as a director.

BOARD TENURE, EXPERIENCE AND QUALIFICATIONS

The tenure of Vulcan’s current directors are noted in the table below:

Director independence

In FY24, the Board developed guidelines for assessing the materiality of the director’s relationship that may affect their independence (in accordance with clause 13(b) of the Board Charter).

In determining whether a director is independent, the Board considers whether the director is free of any interest, position or relationship that might influence, or reasonably be perceived to influence, their capacity to bring an independent judgement to bear on issues before the Board and to act in the best interests of Vulcan as a whole, rather than in the interests of an individual shareholder or any other person.

The Board regularly assesses the independence of its directors, and each director is required to provide information relative to this assessment. The latest assessment of the independence of each of the five non-executive directors (Wayne Boyd, Russell Chenu, Bart de Haan, Nicola Greer and Carolyn Steele) was conducted at the June PRC meeting, and director independence was discussed further at a Board workshop and also a Board meeting, both of which were held in August 2024. At that Board meeting the Board confirmed that:

- Wayne Boyd should continue to be classified as a non-independent director for the following reasons:
 - he is director of Partitio Trustee Limited, which is the registered holder of 7,303,688 (5.558%) ordinary shares in Vulcan. As a holder of over 5% of the ordinary shares in Vulcan, Partitio Trustee Limited is a substantial shareholder of Vulcan;
 - he has been a Vulcan director for over 29 years, being appointed on 2 June 1995 and although Vulcan does not have a limit on director tenure the Board acknowledges that this is a significant period of time; and
 - he is an investor in three property syndicates that are landlords where a Vulcan Group company is a tenant (as further noted at page 123 of this FY24 Annual Report).
- Carolyn should continue to be classified as an independent director in accordance with the ASX Recommendations and section 13 of Vulcan’s Board Charter. In the Board’s opinion, while it is relevant that Carolyn’s husband is an employee of Forsyth Barr Group Limited (FBGL), and FBGL, Forsyth Barr Investment Management Limited and Octagon Asset Management Limited, which are together currently substantial shareholders in Vulcan (as set out in the Notice of Change of Interests of Substantial Holder dated 25 January 2023 and filed with ASX), there are countervailing circumstances that support Carolyn’s characterisation as an independent director. In making this assessment, the Board (other than Carolyn) took into account the following matters:
 - Carolyn’s husband holds a beneficial interest in his personal capacity of less than 0.2% of the total shares in FBGL, which holding represents an immaterial percentage of the shares in FBGL;
 - Carolyn’s husband’s influence by virtue of his role as an investment adviser represents an immaterial percentage of Forsyth Barr’s total shareholding in Vulcan;
 - where, in its capacity as a shareholder of Vulcan, FBGL may exercise investment (acquisition and disposal decisions) and voting discretion on behalf of its clients, it does so with a corresponding duty. This duty and any power or element of control over decision making on investment decisions and voting are sufficiently removed from any relationship or influence from Carolyn (either on her own account or through her relationship with Mr Steele); and
 - the Forsyth Barr group are not a substantial security holder as beneficial owners.
- Russell, Bart and Nicola do not have an interest, position, association or relationship of the type described in ASX Recommendation 2.3, are not aligned with the interests of management or a substantial holder, and can and will bring an independent judgement to bear on issues before the Board. As such, Russell, Bart and Nicola are appropriately characterised as independent directors in accordance with the ASX Recommendations and section 13 of Vulcan’s Board Charter.

With four of out seven of Vulcan’s directors considered to be independent directors, Vulcan has a majority of independent directors on its Board.

The experience and qualifications of Vulcan’s current Directors is set out in the following two pages.

Our Board



Russell Chenu

CHAIR AND INDEPENDENT NON-EXECUTIVE DIRECTOR

Member of the Audit and Risk Committee

Member of the People and Remuneration Committee

Appointed in June 2021 as Vulcan's Chair, Russell has significant experience across the corporate sector, having held senior management roles in several ASX-listed companies, including building products companies such as James Hardie, where he was Chief Financial Officer for 10 years until 2013.

Russell currently serves as an independent non-executive director of ASX listed Reliance Worldwide Corp and also CIMIC Group (which was listed on the ASX until May 2022). He was previously a director of Metro Performance Glass and James Hardie Industries.

Russell holds a Bachelor of Commerce degree from the University of Melbourne, a Masters of Business Administration from Macquarie Graduate School of Management and is a Member of the Society of Certified Practising Accountants (Australia).

Other current listed company directorships

Reliance Worldwide Corp (ASX: RWC).

Former listed company directorships in last three years

Metro Performance Glass Limited (NZX:MPG, ASX:MPP).



Rhys Jones

MANAGING DIRECTOR

Rhys joined Vulcan in 2006 as an executive director, and since 2011 has been Vulcan's Managing Director and Chief Executive Officer.

Rhys has over 30 years' experience working in the Australasian steel, manufacturing, building and packaging industries.

In addition to his executive roles, Rhys has for the last four years served as an independent non-executive director of ASX listed Ridley Corporation Limited and was an independent non-executive director of ASX and NZX listed Metro Performance Glass Limited for five years.

Other current listed company directorships

Ridley Corporation Limited (ASX: RIC).

Former listed company directorships in last three years

Metro Performance Glass Limited (NZX:MPG, ASX:MPP).



Adrian Casey

EXECUTIVE DIRECTOR

Adrian re-joined the Vulcan Board in September 2022, having previously been a director for over 14 years until December 2015.

Adrian has significant experience in the steel sector in Australia and New Zealand, having worked in that sector for over 40 years. He held management positions in a major New Zealand steel distribution operation before leaving to build his own downstream steel operation which he then successfully merged with Vulcan in 1998.



Wayne Boyd

NON-EXECUTIVE DIRECTOR

Wayne has been a director of Vulcan since Vulcan's inception over 29 years ago.

Wayne has extensive experience in law, investment banking and governance. In his governance roles, Wayne has been the Chair of publicly listed companies (Auckland International Airport, Freightways, Shotover Jet and Telecom New Zealand (now Spark)), private companies (including Ngai Tahu Holdings and Meridian Energy) and non-for-profit organisations (Halberg Foundation, New Zealand Blood Service and the New Zealand Hockey Foundation).

Wayne holds a Bachelor of Laws (Honours) from the University of Auckland.



Bart de Haan

INDEPENDENT NON-EXECUTIVE DIRECTOR

Chair of the People and Remuneration Committee

Bart became a member of Vulcan's Board, as a non-executive director, in September 2015.

He is an experienced strategy consultant, having worked with senior management and boards of top 50 companies in Australia, the United States, and Holland scanning across numerous sectors (including energy, transport, resources and building products).

Bart co-founded the boutique strategy consulting firms Pacific Strategy Partners and Australian Consulting Partners in Australia. Prior to that, he was a partner at A.T. Kearney and a consultant at Boston Consulting Group.

Bart holds a Bachelor of Arts in Sociology from the University of Tilburg and a Masters of Business Administration from New York University.



Nicola Greer

INDEPENDENT NON-EXECUTIVE DIRECTOR

Member of the Audit and Risk Committee

Member of the People and Remuneration Committee

Appointed to Vulcan's Board in September 2023, Nicola is a professional company director, currently holding four company directorships with South Port NZ Limited, Precinct Properties New Zealand Limited, Fidelity Life Assurance Company Limited and New Zealand Railways Corporation. She is also a member of the New Zealand Markets Disciplinary Tribunal. Previously Nicola was a director of Airways Corporation NZ and Heartland Bank Limited.

Prior to embarking on her governance career, Nicola worked in New Zealand, Australia and the United Kingdom in the banking and finance sectors, holding a range of senior roles within financial markets and asset and liability management at ANZ Bank, Citibank and Goldman Sachs.

Nicola holds a Master of Commerce with First Class Honours in Management Science from Canterbury University.

Other current listed company directorships

Precinct Properties New Zealand Limited (NZX: PCT).

South Port NZ Limited (NZX: SPN).



Carolyn Steele

INDEPENDENT NON-EXECUTIVE DIRECTOR

Chair of the Audit and Risk Committee

Member of the People and Remuneration Committee

Carolyn joined the Board of Vulcan in August 2021. Her considerable experience relates to capital markets, mergers and acquisitions and investment management.

As a professional director, Carolyn currently serves on four company boards, Green Cross Health Limited, Property For Industry Limited, Oriens Capital GP 2 Limited and WEL Networks Limited. Carolyn has been a director of the Halberg Foundation since December 2015 and Chair since April 2019. Carolyn has previously been a director for Datacom Group Limited, Metlifecare Limited and Tuatahi First Fibre Limited.

In an executive capacity, Carolyn was Portfolio Manager at Guardians of New Zealand Superannuation (the Crown entity that manages the New Zealand Superannuation Fund) and prior to that spent 10 years in investment banking at Credit Suisse and Forsyth Barr.

Carolyn holds a Bachelor of Management Studies (First Class Honours) from the University of Waikato.

Other current listed company directorships

Green Cross Health Limited (NZX: GXH).

Property For Industry Limited (NZX: PFI).



Sarah-Jane Lawson

COMPANY SECRETARY

Sarah-Jane has been Vulcan's Company Secretary for over two years.

Sarah-Jane is a qualified lawyer, previously working at Hudson Gavin Martin as Special Counsel in the corporate and commercial team for over nine years. She also worked at Bell Gully and was in-house legal counsel at Coca-Cola Amatil.

Sarah-Jane holds a Bachelor of Laws (Honours) and Bachelor of Commerce (Accounting) from the University of Auckland, and holds a New Zealand Law Society practising certificate.

Directors' meetings and interests

BOARD AND COMMITTEE MEETINGS

The number of Board and Board Committee meetings held, and the number attended by each of the Directors of Vulcan, during the FY24 reporting period are listed below.

	Board		Audit & Risk Committee		People & Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
Current directors						
Wayne Boyd	11	11	-	-	4	3 ¹
Adrian Casey	11	10	-	-	-	-
Russell Chenu	11	11	5	5	5	5
Bart de Haan	11	11	4	4 ²	5	5
Nicola Greer	8	8 ³	-	- ⁴	1	1 ⁵
Rhys Jones	11	11	-	-	-	-
Carolyn Steele	11	11	5	5	5	5

1. Wayne resigned from the People and Remuneration Committee effective from 6 June 2024.
2. Bart resigned from the Audit and Risk Committee effective from 6 June 2024.
3. Nicola joined Vulcan's Board on 5 September 2023 and attended all eight meetings in FY24 since her appointment.
4. Nicola was appointed to the Audit and Risk Committee effective from 7 June 2024 in FY24 and no ARC meetings were held since her appointment.
5. Nicola was appointed to the People and Remuneration Committee effective from 7 June 2024 and only one PRC meeting was held since her appointment.

For Board Committee meetings there is a standing invitation to any Directors who are not members of that Board Committee to attend and observe such Committee's meetings, and some Directors do attend from time to time. The above table only reflects attendance at Committee meetings by those Directors who are members of the relevant Committees.

DISCLOSURE OF INTERESTS BY DIRECTORS

During FY24, the current directors of Vulcan:

- made such disclosures of share dealings (under section 148 of the Companies Act) as set out in the table below;
- confirmed and/or updated their general interest disclosures (under section 140(2) of the Companies Act) as set out in the table that follows;
- authorised particulars relating to remuneration and other benefits (under section 161 of the Companies Act) as are disclosed in this FY24 Annual Report under the sections in the Remuneration Report headed "Executive Remuneration Framework" for Rhys Jones and Adrian Casey, and "Non-Executive Director Remuneration" for the other five directors;
- authorised the following particulars relating to indemnities and insurance be entered into the interest register (in accordance with section 162(7) of the Companies Act);
- made no disclosures of interests in transactions (under section 140(1) of the Companies Act); and
- made no interest register entries in respect of disclosure or use of company information (under section 145 of the Companies Act).

	Share dealings under section 148	General notice under section 140(2)	Indemnities and insurance under section 162(7)
Wayne Boyd	None	Investor in three property syndicates where a Vulcan group company is a tenant. In New Zealand: • Plasma Investments Limited – Wayne is a director of one of its shareholders, Partitio Trustee Limited. • Texas Properties Limited – Wayne is a director of one of its shareholders, Partitio Trustee Limited. In Australia: • Tri-Nation Investments Pty Ltd – Shareholder. Former directorships in the last three years: None.	None
Adrian Casey	None	Investor in the following four property syndicates where a company within the Vulcan Group is a tenant. • Palmerston North Investments Limited – Adrian is a joint trustee shareholder. • Plasma Investments Limited – Adrian is a joint trustee shareholder. • Pounamu Investments Limited – Adrian is a joint trustee shareholder. • Texas Properties Limited – Adrian is a joint trustee shareholder. Former directorships in the last three years: • Palmerston North Investments Limited – 12 November 2008 to 29 April 2023. • Plasma Investments Limited – 6 May 2004 to 29 April 2023. • Texas Properties Limited – 14 July 2004 to 29 April 2023.	None
Russell Chenu	• 8,116 ordinary shares purchased by Barratta Super Pty Ltd as trustee for Barratta Super Fund (of which Russell Chenu is a beneficiary) on 13, 14 and 16 November 2023. Russell Chenu is also a director and shareholder of Barratta Super Pty Ltd. Disclosed to ASX/NZX on 17 November 2023. • 2,760 ordinary shares purchased by Barratta Super Pty Ltd on 7 December 2023. Disclosed to ASX/NZX on 8 December 2023. • 10,320 ordinary shares purchased by Barratta Super Pty Ltd on 11, 12 and 13 March 2024. Disclosed to ASX/NZX on 14 March 2024.	Current directorships: • CIMIC Group Limited – Independent non-executive director appointed June 2014. • Reliance Worldwide Corporation Limited (ASX:RWC) – Independent non-executive director appointed 11 April 2016. Member of the Audit and Risk Committee, and member of the Nomination and Remuneration Committee. • Scappino Pty Limited – Director appointed 12 March 2018. Former directorships in the last three years: • Metro Performance Glass Limited (NZX:MPG, ASX:MPP) – 5 July 2014 to 5 August 2021. • SR Solutions Pty Limited – 12 March 2018 to 1 August 2022.	None
Bart de Haan	None	None	None

- Continued over

DISCLOSURE OF INTERESTS BY DIRECTORS (Continued)

	Share dealings under section 148	General notice under section 140(2)	Indemnities and insurance under section 162(7)
Nicola Greer	None	<p>Current directorships:</p> <ul style="list-style-type: none"> New Zealand Railways Corporation – Director since July 2019. Fidelity Life Assurance Company Limited – Director appointed 28 April 2020. South Port New Zealand Limited (NZX: SPN) – Independent non-executive director appointed 8 November 2019. Precinct Properties New Zealand Limited (NZX: PCT) – Independent non-executive director appointed 16 July 2021 and Precinct Properties Investments Limited – Director appointed 7 June 2023. NZX Markets Disciplinary Tribunal – Member since December 2019. <p>Former directorships in the last three years:</p> <ul style="list-style-type: none"> Airways Corporation of New Zealand Limited – 1 June 2020 to 30 April 2023. Airways International Limited – 1 June 2020 to 30 April 2023. Fidelity Insurance Limited (NZ co. 321098) – 28 February 2022 to 26 October 2023. 	<p>On becoming a director of Vulcan on 5 September 2023, Nicola is indemnified by the company (in relation to costs incurred relating to liability for any act or omission by Nicola in her capacity as a director of Vulcan and is covered by directors and officers' insurance with specified limits) as set out in the Deed poll of indemnity, access and insurance dated 13 October 2021.</p>
Rhys Jones	None	<p>Current directorships:</p> <ul style="list-style-type: none"> Ridley Corporation Limited (ASX: RIC) – Independent non-executive director appointed 27 August 2020. Member of Remuneration and Nominations Committee. <p>Former directorships in the last three years:</p> <ul style="list-style-type: none"> Metro Performance Glass Limited (NZX: MPG; ASX: MPP) – 29 March 2018 to 24 July 2023. 	None
Carolyn Steele	None	<p>Current directorships:</p> <ul style="list-style-type: none"> Green Cross Health Limited (NZX: GXH) – Independent non-executive director appointed 26 June 2017. WEL Networks Limited – Director appointed 29 June 2017. Oriens Capital GP2 Limited – Director appointed 26 February 2021. Property for Industry (NZX: PFI) – Independent non-executive director appointed 22 August 2022. Halberg Foundation – Director since December 2015 and Chair since April 2019. <p>Former directorships in the last three years:</p> <ul style="list-style-type: none"> First Fibre Bidco NZ Limited (NZ company number 7949596) – 1 October 2020 to 28 July 2022. Tuatahi First Fibre Limited (NZ company number 3226213) – 1 October 2020 to 28 July 2022. UFF Holdings Limited (NZ company number 475551) – 1 October 2020 to 28 July 2022. <p>Further disclosure in relation to previous general notice:</p> <ul style="list-style-type: none"> Carolyn does not personally hold any interest in shares in Forsyth Barr Limited, Forsyth Barr Group Limited, Forsyth Barr Investment Management Limited or Octagon Asset Management Limited. Rather, Carolyn's husband holds a beneficial interest in his personal capacity of less than 0.2% (of a total of 135,000,000 shares) in Forsyth Barr Group Limited (via Forsyth Barr Custodians Limited). The shares are not held jointly with Carolyn or on behalf of a family trust, and as such Carolyn has no beneficial interest in the shares. Carolyn's husband is currently an investment adviser employed by Forsyth Barr in New Zealand. 	None



Our Lead Team



Rhys Jones

MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Rhys joined Vulcan in 2006 as an executive director, and has been Vulcan's Managing Director and Chief Executive Officer since 2011.

Prior to Vulcan, Rhys held several management positions within the steel industry (including as an executive of Fletcher EasySteel NZ, and General Manager and Chief Executive Officer of Pacific Steel and Wiremakers) and was formerly the Chief Operating Officer of the Pulp, Paper, Packaging and New Ventures division of Carter Holt Harvey.

Rhys holds a Bachelor of Science (Chemistry) from Victoria University of Wellington, and a Bachelor of Business Studies with first class honours and a Masters in Business Studies by thesis, both of which are from Massey University.



Adrian Casey

CHIEF OPERATING OFFICER

Adrian has significant experience in the steel sector in Australia and New Zealand, having worked in that sector for over 40 years. He held management positions in a major New Zealand steel distribution operation before leaving to build his own downstream steel operation which he then successfully merged with Vulcan in 1998.

As Vulcan's Chief Operating Officer, Adrian is responsible for procurement across the Vulcan Group and works closely with each of the business division leaders on strategic and key commercial matters. During his tenure with Vulcan, Adrian has had, at various times, fiscal responsibility in relation to each business division in both New Zealand and Australia.

Adrian holds a New Zealand Certificate in Quantity Surveying from the Christchurch Polytechnic, and completed the Advanced Management Program from the Wharton Business School of the University of Pennsylvania.



Kar Yue Yeo

CHIEF FINANCIAL OFFICER

As Vulcan's Chief Financial Officer, Kar Yue leads Vulcan's finance and accounting teams, which includes being responsible for Vulcan's financial strategy, reporting, budgeting and forecasting. Kar Yue consulted to Vulcan for over two years before joining Vulcan in December 2020.

Prior to joining Vulcan, Kar Yue worked as an adviser to several publicly listed and private businesses in New Zealand and overseas, and as an equity research analyst covering a range of industrial sectors including steel at Jarden, Citigroup and Deutsche Morgan Grenfell across New Zealand, Australia and Asia.

Kar Yue holds a Bachelor of Commerce and Administration from Victoria University of Wellington.



James Wells

CHIEF INFORMATION OFFICER

James leads Vulcan's IT team, having documented, designed and managed the development of Vulcan's fit-for-purpose IT software. Since 2012 he has also been responsible for innovation, health and safety, brand and marketing and capital expenditure at Vulcan.

Prior to joining Vulcan in 2004, James consulted to Vulcan, whilst competing in professional sport.

James has completed courses in innovative technologies, business process modelling and object-oriented analysis.



Helene Deschamps

LEADERSHIP DEVELOPMENT

Helene facilitates Vulcan's leadership development programmes for Vulcan's executive board and senior management teams.

Helene is an ICF-accredited leadership coach, and also a Managing Director (Executive and Leadership Coach) at ChangingNow. Previously, Helene held senior positions with global and New Zealand organisations (including Capgemini and Carter Holt Harvey), with a focus on shaping behaviour and culture to achieve the desired performance outcome.

Helene holds a Bachelor of Arts in Political Sciences from SciencesPo Paris, a Masters of Business Administration from Cape Town University (South Africa), and an Evidence Based Coaching Master Certificate from Fielding University (Santa Barbara, USA).



Lou Cadman

NEW ZEALAND LEADER

Lou joined Vulcan in March 2024 and leads Vulcan's businesses in New Zealand.

Lou has extensive experience in the manufacturing and distribution industries focused primarily on the New Zealand building and construction sector. His experience includes over eight years as Chief Executive of New Zealand Panels Group and General Management roles at Fletcher Building leading the Fletcher Aluminium and Forman Group businesses.

Lou holds a Bachelor of Commerce from the University of Auckland, a Bachelor of Forestry Science (Hons) from the University of Canterbury and is a Chartered Accountant with Chartered Accountants Australia and New Zealand.

Our Lead Team



Matthew Lee

AUSTRALIAN LEADER

Matthew leads Vulcan's procurement and property activity in Australia, having joined Vulcan in 2017.

Prior to Vulcan, Matthew held procurement and manufacturing managerial roles in the packaging industry, including at Pro-Pac Packaging Group, San Miguel Yamamura Australasia and International Purchasing Manager at Cospak.

Matthew holds a Bachelor of Science from the University of New South Wales, a Graduate Diploma in Applied Science from The University of Tasmania, a Master of Management from the University of Wollongong and a Certificate IV in Work Health and Safety.



Bradley Childs

AUSTRALIAN LEADER

Bradley has been with Vulcan since August 2018 and leads Vulcan's Australian distribution business.

Prior to Vulcan, Bradley has held a number of senior management roles in both Australia and Europe, with PACT Group, VISY and Newell Rubbermaid. These roles have encompassed, research and development, technical, sales, profit and loss and general management.

Bradley holds a PhD (Chemistry) and BSc (Hons, Chemistry) from the University of New South Wales, together with a Masters of Organisational Leadership from Monash University.



Richard Love

AUSTRALIAN LEADER

Richard leads Vulcan's engineering steel business in Australia.

With over 20 years of experience in the metals industry across the country from manufacturing to warehousing and distribution, Richard's industrial distribution background has specialised in supply to the mining and manufacturing industries. Richard has held operational, procurement and sales based positions as well as site and unit leadership.

Richard has completed courses in People & Performance Leadership, as well as Strategic Sales Performance.

Risk management

Risk management at Vulcan

The philosophy of risk management within Vulcan is based on the premise that major risk factors which could negatively impact stakeholders – whether shareholder, supplier, customer, employee, community, environment – will be identified, monitored and mitigated. Material risks will be transparently analysed, quantified and understood within a wider stakeholder perspective to ensure Vulcan acts in a manner which is consistent with Vulcan's core "Principles and Ethos" (which are Vulcan's guiding values and are set out at pages 20 and 21 of this Annual Report).

Vulcan's senior leadership team (known as the Lead Team) are responsible for establishing Vulcan's risk management framework, including identifying major risk areas and establishing policies and processes to identify, monitor and manage these risks. In addition, it is part of Vulcan's culture that each employee is responsible for identifying and managing risks relating to their workplace.

The Board is responsible for overseeing Vulcan's risk management framework (for both financial and non-financial risks), as well as setting the risk appetite within which the Board expects management to operate, and overseeing the disclosure of any material exposure to environmental, social and governance risks. The ARC is responsible for monitoring and reviewing the risk management framework, major risk areas and policies and processes in consultation with management.

Set out in the table below are:

- a summary of some of the material business risks which Vulcan considers could impact Vulcan's ability to achieve its business objectives and/or its desired financial results and financial position; and
- the mitigation strategy that Vulcan's leadership team has put in place to mitigate each of those risks.

The risks identified in the table are listed in no particular order and do not provide an exhaustive list of the risks that Vulcan has identified.

Risk description	Mitigation strategy	Comments
Information technology (IT) failure (including cyber)	Regular penetration tests. Top Microsoft Security Systems. Robust tested backup policy with external reviews	Vulcan continues to invest in and update its IT systems to ensure it has a fit-for purpose and reliable platforms that supports Vulcan's business operations
Fail to maintain Vulcan's Principles and Ethos - Vulcan's culture	Proper succession planning is key. Maintain an egalitarian and title-less culture, offer leadership training to employees to improve leadership skillset, secondment programme for emerging leaders and holiday internships	Accepting that people and culture intertwine and that there is also a trade-off at times, Vulcan accepts the risk of higher turnover and short-term succession risks in order to preserve its culture
Competitive dynamics deteriorate	Focus on customer service, especially in stock availability and "Delivery-In-Full-On-Time" (DIFOT) level. Strong customer relationships. Active processes to gain and retain customers	Vulcan continues to focus on maintaining appropriate stock holdings to ensure high DIFOT levels for customers continued at an optimised level of working capital
Failure to achieve growth strategy	Ongoing strategic review from Lead Team and regular updates from unit managers on progress in implementation and business traction. Ongoing channel checks on market and operational dynamics	Good progress has been made during FY24 in Vulcan's organic growth initiatives which remains an ongoing focus for the team
Failure to meet financial performance targets due to internal and external factors including a downturn in economies	Continue to grow active trading accounts (ATAs) through economic cycles. Manage gross margin, operating costs and funding costs. Business interruption insurance and regular monitoring	Vulcan has carefully monitored financial performance targets in the past financial year. Vulcan increased its ATAs in FY24 (compared with FY23) and remained focused on segment and customer selection to optimise the overall long-term return to the business
Health and Safety risk	Regular reminder and training of health and safety practices. Review incidents and on-going education. Driver training, speed monitoring, camera on trucks, and a modern fleet and maintenance programme. The use of an artificial intelligence-assisted tool that helps identify high-risk events across a range of workspaces including back-of-trucks surroundings, the warehouse and manufacturing sites	Vulcan is in the process of implementing a new health and safety management system. Sites are reviewed relative to standard formal review criteria by internal senior peers every four months and are independently reviewed by an external party biennially
Key suppliers unable to fulfil supply for a period	Partner supplier arrangements and relationships. Multi-mill supply strategy. Maintain contingent supply through trader channels. Buffer stock disciplines with several months stock on hand in place	Reliability of supply in the right stock category and specification is a key discipline at Vulcan that enables the company to maintain its high service level to its customers.

Shareholder information

Shareholders

The following information is provided in compliance with:

- Rule 4.10 of the ASX Listing Rules and where noted is current as at 31 July 2024 (**Disclosure Date**) (such date being after Vulcan's FY24 balance date of 30 June 2024 and not more than six weeks before the date of this Annual Report, being 27 August 2024); and
- section 293 of the FMC Act and where noted is current as at 30 June 2024 (being Vulcan's balance date) (**Balance Date**).

ORDINARY SHARES

As at the Balance Date and the Disclosure Date, Vulcan had 131,408,572 fully-paid ordinary shares on issue.

Vulcan has not issued any other classes of shares.

STOCK EXCHANGE LISTINGS

Since 4 November 2021, Vulcan's ordinary shares have been listed on the Official List of ASX (ticker code VSL) and on the NZX Main Board as a foreign exempt issuer (ticker code VSL).

As a foreign exempt issuer on the NZX Main Board, Vulcan must comply with the ASX Listing Rules (other than as waived by ASX) but does not need to comply with the vast majority of the NZX Listing Rules (including those NZX Listing Rules on continuous disclosure, periodic reporting, shareholder approval of share issuances, escrow, transactions with persons of influence and significant transactions). Vulcan does need to comply with the rules specified in NZX Listing Rule 1.7.2, which are relatively procedural in nature.

VOTING RIGHTS OF ORDINARY SHARES

Each fully-paid ordinary share confers on the holder the right to one vote at a meeting of the company on any resolution when a poll is called. Where voting is by show of hands or by voice then every Shareholder present in person (or by representative) has one vote. Voting rights are set out in clauses 3.1(a) and 19.7 of Vulcan's Constitution (which was adopted on listing).

DISTRIBUTION OF SHAREHOLDERS

As at the Disclosure Date, the distribution of Shareholders holding Vulcan's 131,408,572 fully-paid ordinary shares is as follows:

Category (size of shareholding)	Number of Shareholders	Percentage of Shareholders	Number of ordinary shares	Percentage of total ordinary shares
1 to 1,000	786	49.68%	358,846	0.27%
1,001 to 5,000	530	33.50%	1,300,978	0.99%
5,001 to 10,000	108	6.83%	783,669	0.60%
10,001 to 100,000	106	6.70%	3,192,655	2.43%
100,001 and over	52	3.29%	125,772,424	95.71%
Total	1,582	100.00%	131,408,572	100.00%

SUBSTANTIAL HOLDERS

According to substantial product holder notices given to Vulcan under the Corporations Act and the FMC Act and Vulcan's records, the following persons were substantial product holders in respect of the ordinary shares in Vulcan as at:

- Balance Date (such disclosure being required under section 293 of the FMC Act); and
- Disclosure Date (such disclosure being required under Rule 4.10.4 of the ASX Listing Rules).

Substantial holder giving notice	Disclosure to Vulcan or Vulcan's records	AS AT BALANCE DATE		Disclosure to Vulcan	AS AT DISCLOSURE DATE	
		Number of ordinary shares in Vulcan in which a "relevant interest" is held	Percentage of total ordinary shares		Number of ordinary shares in Vulcan in which a "relevant interest" is held	Percentage of total ordinary shares
Takutai Limited	Securities Trading Form dated 31 May 2022 ¹ and ASX Appendix 3Y – Change of Director's Interest Notice dated 31 May 2022	18,456,289	14.04%	NZX Notice of Disclosure of movement of 1% or more dated 8 November 2021 ^{2,3}	18,416,039	14.01%
Forsyth Barr Group Limited, Forsyth Barr Investment Management Limited and Octagon Asset Management Limited	ASX Form 604 – Notice of Change of Interests of Substantial Holder dated 25 January 2023 ⁴	7,923,216	6.03%	ASX Form 604 – Notice of Change of Interests of Substantial Holder dated 25 January 2023 ⁴	7,923,216	6.03%
Partitio Trustee Limited as trustee of the Aoraki Partnership Trust; Wayne Boyd and Ann Clarke	NZX Notice of Disclosure of movement of 1% or more dated 8 November 2021 ²	7,303,688	5.56%	NZX Notice of Disclosure of movement of 1% or more dated 8 November 2021 ²	7,303,688	5.56%
Mayoral Trust Limited as trustee of the Vulcan Continuity Trust	NZX Notice of Disclosure of movement of 1% or more dated 19 April 2024 ²	7,247,780	5.52%	NZX Notice of Disclosure of movement of 1% or more dated 19 April 2024 ²	7,247,780	5.52%
New Zealand Superannuation Fund Nominees Limited as nominee for the New Zealand Superannuation Fund being property of His Majesty the King in right of New Zealand and managed by the Guardians of New Zealand Superannuation	NZX Notice of Disclosure of beginning to have substantial holding dated 1 July 2024 ²	6,758,602	5.143%	NZX Notice of Disclosure of beginning to have substantial holding dated 1 July 2024 ²	6,758,602	5.143%

1. Request to trade made in accordance with Vulcan's Securities Trading Policy.

2. Notice given under sections 277 and 278 of the FMC Act.

3. The ASX Listing Rules only require disclosures relating to substantial holding notices given to an entity, whereas the FMC Act requires disclosures relating to notices given to an entity and an entity's own records. This is why this disclosure (which is as at the Disclosure Date – as per the ASX Listing Rules) is for an earlier date than the disclosure given as at the Balance Date (as per the FMC Act).

4. Notice given under section 671B of Corporations Act.

20 LARGEST SHAREHOLDERS

As at the Disclosure Date, the 20 largest Shareholders on Vulcan's share register held 86.49% of Vulcan's issued ordinary shares.

Rank	Shareholder name	Number of ordinary shares	Percentage of total ordinary shares
1	Takutai Limited	18,456,289	14.04%
2	New Zealand Central Securities Depository Limited	15,258,676	11.61%
3	Citicorp Nominees Pty Limited	13,609,641	10.36%
4	Partitio Trustee Limited	7,303,688	5.56%
5	Mayoral Trust Limited	7,247,780	5.52%
6	J P Morgan Nominees Australia Pty Limited	7,224,142	5.50%
7	HSBC Custody Nominees (Australia) Limited	6,611,200	5.03%
8	Adrian John Casey, Henderika Fiona Casey and B.W.S Trustee Company 2012 Limited	5,870,711	4.47%
9	Helen Cynthia Moore, Patrick James Moore and P J & H C Moore Trustee Limited	5,400,000	4.11%
10	Rhys Jones and Lorraine Susan Taylor	4,718,000	3.59%
11	Jenny Kam Ching Leung Lau	3,069,339	2.34%
12=	Brian James Hedge, Rosemary Anne Hedge and Stanley Neil Gollan	3,069,337	2.34%
12=	Marion Jones, Warwick Nelson Jones and FL Bentley Jones Guardian Limited	3,069,337	2.34%
14	Jon L Gousmett, Mark B Hastings and Annette K Gousmett	2,400,000	1.83%
15	New Zealand Depository Nominee	1,882,170	1.43%
16=	David Trevor Knight and Gaze Burt Trustees 20 Limited	1,800,000	1.37%
16=	Michelle Andrea Knight and Gaze Burt Trustees Limited	1,800,000	1.37%
18	Brent Washington Smith and Cornelis Jacobus Henrikus Witteman	1,732,669	1.32%
19	Wilson Mckay Trustee Company (107111) Limited	1,600,002	1.22%
20	Mei Kuen Leung	1,534,670	1.17%
Total 20 largest shareholders' shares		113,657,651	86.49%
Total shares on issue		131,408,572	100.00%

VOLUNTARY ESCROW

None of Vulcan's 131,408,572 ordinary shares were subject to any voluntary escrow arrangements on the Disclosure Date.

MARKETABLE PARCELS

On the Disclosure Date, a marketable parcel of Vulcan's shares was 80 ordinary shares (based on the closing price of AU\$6.250 on Wednesday, 31 July 2024 (being the Disclosure Date)). Such a parcel of 80 ordinary shares would then have had a total value of AU\$500.00.

On the Disclosure Date, the number of shareholders holding less than a marketable parcel of 80 ordinary shares was 90, and together those shareholders held 3,819 ordinary shares.

CURRENT ON-MARKET SHARE BUYBACKS

There is no current share buyback in the market.

OTHER MATTERS

There are no issues of securities that have been approved for the purposes of Item 7 of section 611 of the Corporations Act and which have not yet been completed.

During the FY24 reporting period, there were no securities purchased on-market:

- under or for the purposes of an employee incentive scheme; or
- to satisfy the entitlements of the holders of options or other rights to acquire securities granted under an employee incentive scheme.

As set out in Vulcan's Remuneration Report (at page of this FY24 Annual Report), the performance share rights granted to the Executive KMP in September 2021 have a vesting date of 1 July 2024. Those performance share rights are subject to certain service and performance conditions. Satisfaction of those conditions will be established following the release of this FY24 Annual Report and the Board will notify the Executive KMP accordingly. If the Executive KMP elect to exercise their performance share rights, then in FY25, new ordinary shares may be issued and/or purchased on-market to satisfy those rights.

Business

CORPORATE GOVERNANCE STATEMENT

Vulcan's FY24 Corporate Governance Statement is available on Vulcan's corporate governance page of Vulcan's investor website at www.investors.vulcan.co/investor-centre/?page=corporate-governance

All of Vulcan's corporate governance policies can also be accessed via the same page.

DIVIDENDS

On 13 February 2024, an interim dividend (fully franked, fully imputed) of NZ\$0.12 per share for the FY24 was declared by Vulcan's Board. The interim dividend was paid to eligible Shareholders on 21 March 2024.

On 26 August 2024, Vulcan's Board declared a final dividend (fully franked, 30% imputed) for FY24 of NZ\$0.12 per share. It is intended that the final dividend will be paid to eligible Shareholders on 10 October 2024.

Vulcan does not have a dividend reinvestment plan.

EVENTS SUBSEQUENT TO REPORTING DATE

The Directors are not aware of any matter or circumstance that has occurred since the end of the reporting period that has significantly affected or may significantly affect the operations of Vulcan, the results of those operations or the state of affairs of Vulcan in subsequent financial reporting periods which has not been covered in this Annual Report.

Remuneration

People and Remuneration Committee Chair Report.



On behalf of the Board, I am pleased to present Vulcan's remuneration report for FY24 (**Rem Report**).

This Remuneration Report describes our remuneration principles and framework for directors and our executive key management personnel (**Executive KMP**). It sets out the links between our remuneration framework and business strategy, performance and reward, and shareholder value creation.

Group performance

Despite the challenges that have arisen in the global economic environment, our business continues to perform strongly compared to many of our competitors:

- Revenue decreased by 15% to NZ\$1,046m
- EBITDA decreased by 29.3% to NZ\$148m
- NPAT decreased by 55% to NZ\$40m
- EPS of NZ\$0.304 (down from NZ\$0.67)
- Net debt reduced to \$276m (from \$340m)

All comparisons are to Vulcan's FY23 results.

FY24 remuneration

No significant changes were made to the remuneration framework in FY24.

Vulcan established a long-term incentive plan (**LTIP**) prior to its November 2021 IPO to assist in the motivation, retention and alignment of the Executive KMP with the interests of Shareholders by providing an opportunity to receive an equity interest in the company. The first grant of performance share rights (**PSRs**) under the LTIP (**FY22 LTIP**) was offered to the Executive KMP around completion of Vulcan's listing on the ASX and NZX on 4 November 2021.

The second and third LTIP tranches of PSRs were offered to the Executive KMP on November 2022 (for FY23) and November 2023 (for FY24) and will vest on 1 July 2025 and 1 July 2026 respectively (such offers also being subject to certain service and performance conditions).

The FY24 remuneration for our Executive KMP comprised three elements - fixed base salary, the LTIP and other benefits (like KiwiSaver). Executive KMPs do not have short-term incentive opportunities.

In FY24, the LTIP was extended through the offering of PSRs to Vulcan's Lead Team. The PSRs granted to the Lead Team have the same terms and conditions (including grant date, performance period and vesting date) as those attached to the PSRs that were granted to the Executive KMP in FY24.

Looking forward

The FY25 remuneration framework for our Executive KMP will be consistent with the FY24 framework and will comprise fixed annual remuneration (base salary and benefits) and an annual grant of LTIP. Vulcan will seek shareholder approval for the LTIP grants to be made in FY25 to Rhys Jones (our MD and CEO), and Adrian Casey (our COO), who also serve as executive directors. Further details will be provided in our Notice of Annual Meeting of shareholders, which should be available to shareholders in September 2024.

The performance share rights granted under the FY22 LTIP have a vesting date of 1 July 2024 and are subject to service and performance conditions. Satisfaction of those conditions will be established following the release of this FY24 Annual Report, and the Board will notify the Executive KMP as to the number of PSRs that have vested and therefore, may be exercised by the Executive KMP.

On behalf of the Board, we recommend this Remuneration Report to you and welcome any feedback you may have.

Bart de Haan
CHAIR OF VULCAN'S PEOPLE
AND REMUNERATION COMMITTEE

Remuneration key questions

Executive remuneration framework		
What was the Executive KMP's remuneration structure in FY24?	To align the interests of the Executive KMP with the goals of Vulcan and the creation of shareholder value, our Executive KMPs' remuneration packages comprise of: <ul style="list-style-type: none"> • fixed base salary; • equity long-term incentives, subject to service and performance over three years; and • other benefits, including employer contributions to KiwiSaver, allowances, benefits and fringe-benefits tax. 	
	FIXED BASE SALARY	MAXIMUM LTIP AS % OF BASE SALARY
Rhys Jones (MD and CEO)	NZ\$1,250,000	157%
Adrian Casey (COO)	NZ\$780,000	100%
Kar Yue Yeo (CFO)	NZ\$780,000	100%
What portion of remuneration is at-risk?	LTIP awards are based on performance and therefore at-risk. 61% of the MD and CEO's total remuneration is at-risk. 50% of the COO's and CFO's total remuneration (excluding other benefits) are at-risk.	
How does the Board set performance conditions?	The Board focuses on performance conditions that it believes the executive KMPs can create the best value for shareholders. The LTIP performance measures are weighted 50% relative total shareholder return and 50% return on capital employed. These measures were chosen to drive long-term sustainable growth in shareholder value while maintaining capital efficiency as a high value-added metals distributor and processor.	
Why is there no short-term incentive plan for Executive KMP?	The Board and Vulcan's Lead team believe that an excessive focus on short-term results will detract from building a more valuable and sustainable longer term business.	
Are there any malus or clawback provisions for incentives?	No malus or clawback provisions were applicable. However, these provisions will be considered by the People and Remuneration Committee for future application.	
Is there a minimum shareholding policy?	There is no formal minimum shareholding requirement for Directors or the Executive KMP. Six out of seven Directors hold shares in Vulcan. All three of the Executive KMP (which includes two executive Directors) hold shares in Vulcan.	

Remuneration governance

People and Remuneration Committee

The People and Remuneration Committee (PRC) provides advice and recommendations to the Board regarding remuneration matters.

The PRC's responsibilities include:

- overseeing Vulcan's remuneration framework and policies to enable it to attract, retain and motivate the talent necessary to create value for shareholders;
- reviewing and making recommendations on the size and composition of the Board and appointment of directors to Board Committees, having regard to succession plans for the Board, the Board skills matrix and any diversity objectives;
- reviewing and making recommendations to the Board on succession plans for the Board and senior management (including the Executive KMP);
- reviewing Vulcan's Code of Conduct, communicating its importance to all Vulcan employees and ensuring the Board is informed of any material breaches;
- developing and recommending to the Board measurable objectives for achieving gender diversity within the Board, and reviewing its effectiveness on an annual basis, in accordance with Vulcan's Diversity and Inclusion Policy; and
- instilling and continually reinforcing a culture across Vulcan of acting lawfully, ethically and responsibly.

A copy of the Charter of the PRC is available in the Corporate Governance section on Vulcan's investor website:

<https://investors.vulcan.co/investor-centre/?page=corporate-governance>.

The members of the PRC during FY24 were:

- Bart de Haan (Chair)
- Russell Chenu (member)
- Wayne Boyd (member) – resigned effective 6 June 2024
- Carolyn Steele (member)
- Nicola Greer (member) – appointed effective 7 June 2024

The PRC engages external advisors as required. External advisors provide advice on market remuneration levels and mix, market trends, incentives and performance measurement, governance, taxation and legal compliance.

Key management personnel

Key management personnel (KMP) covered in this Remuneration Report are detailed below:

Name	Position held	Tenure
NON-EXECUTIVE DIRECTORS		
Russell Chenu	Independent Non-Executive Director and Board Chair	Full Year
Wayne Boyd	Non-Executive Director	Full Year
Bart de Haan	Independent Non-Executive Director	Full Year
Carolyn Steele	Independent Non-Executive Director	Full Year
Nicola Greer	Independent Non-Executive Director	From 5 September 2023
EXECUTIVE DIRECTORS		
Rhys Jones	Managing Director and Chief Executive Officer (MD & CEO)	Full Year
Adrian Casey	Executive Director and Chief Operating Officer (COO)	Full Year
SENIOR EXECUTIVE		
Kar Yue Yeo	Chief Financial Officer (CFO)	Full Year

Executive KMP refers to the Executive Directors and Senior Executive as noted in the table above.

Executive remuneration

Remuneration principles

The principles of Vulcan's remuneration framework and policies are:

- to attract, retain and motivate the talent necessary to create and sustain value for shareholders;
- ensure remuneration outcomes are consistent with Vulcan's delivery of long-term strategic objectives and long-term shareholder wealth creation;
- reward executives and other employees fairly and responsibly, having regard to the performance of Vulcan and the individual;
- be aligned with Vulcan's Principles and Ethos, flat organisational structure and egalitarian culture; and
- to comply with all relevant legal and regulatory provisions.

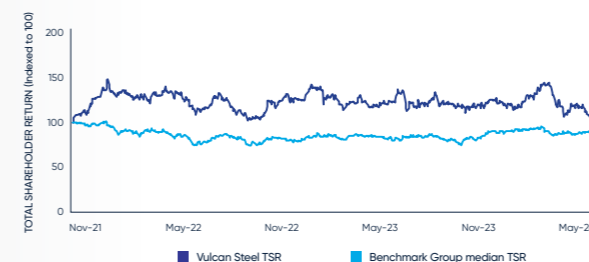
Relationship with Vulcan's performance

The remuneration framework is structured to promote long-term sustainable growth of Vulcan by the delivery of a significant portion of remuneration in equity that is at-risk, aligning the Lead Team with long-term performance and shareholder value creation.

The performance measures are chosen to drive long-term sustainable growth in shareholder value while maintaining capital efficiency as a high value-added metals distributor and processor.

The graph below shows Vulcan's total shareholder return (TSR) performance compared to the median of the benchmark group of companies (S&P/ASX 300 (excluding mining, energy and financial companies)) for the period from listing on 4 November 2021 to 30 June 2024.

VULCAN'S TSR COMPARED TO BENCHMARK GROUP MEDIAN



Remuneration framework

Remuneration levels are benchmarked against peer Australian and New Zealand companies that are comparable in size, complexity, and operational scope. The remuneration framework is reviewed to ensure it remains market competitive and aligns with our remuneration principles.

Vulcan's Executive KMP remuneration framework comprises three elements:

- fixed base salary;
- LTIP; and
- other benefits, including employer contributions to KiwiSaver, allowances, benefits and fringe-benefits tax.

The figure below illustrates the Executive KMP's remuneration mix of fixed base salary and LTIP (based on the maximum opportunity based on the face value of the LTIP grant).

REMUNERATION MIX OF BASE SALARY AND LTIP AT MAXIMUM OPPORTUNITY



Fixed annual remuneration

Fixed annual remuneration (FAR) includes base salary, employer contributions to KiwiSaver, allowances, benefits and fringe-benefits tax.

FAR is reviewed periodically by the Board to ensure that it remains competitive for each Executive KMP's specific skills, competence, and value to Vulcan.

The base salary of NZ\$1,250,000 for the MD and CEO was approved by the Board in September 2021 and was not increased in FY23 and FY24. In FY24, the base salary for the COO and the CFO were increased effective from 1 July 2023.

In July 2024, the Board approved an increase in the base salary for the MD and CEO to NZ\$1,500,000 (from NZ\$1,250,000) and LTIP grant of NZ\$2,380,000 (from NZ\$1,965,000) for FY25. The remuneration mix of fixed base salary and LTIP will remain the same for the MD and CEO for FY25. The change in base salary was effective from 1 July 2024.

Vulcan will seek shareholder approval for the LTIP grants to be made in FY25 to Rhys Jones (our MD and CEO), and Adrian Casey (our COO), who also serve as executive directors. Further details will be provided in our 2024 Notice of Annual Meeting of shareholders, which should be available to shareholders in September 2024.

Long-term incentive plan

Vulcan established a LTIP to assist in the motivation, retention and reward of eligible employees. The LTIP is designed to align the interests of employees with the interests of Shareholders by providing an opportunity for certain employees to receive an equity interest in Vulcan.

The terms and conditions of the LTIP are detailed below.

Feature	Approach												
Purpose	To align the interests of Vulcan's Executive KMP and the Lead Team with the goals of Vulcan and the creation of shareholder value.												
Participants	MD and CEO, COO, CFO and six members of Vulcan's Lead Team.												
Instruments issued	Performance share rights (Rights) which are rights to acquire ordinary shares in Vulcan for nil consideration, conditional on the achievement of pre-determined performance hurdles over a three year performance period.												
Grant date	Each 1 July, being the start of a financial year.												
Dividends and voting entitlement	The Rights do not provide the Participant to any right to participate in any dividend of Vulcan and do not provide the Participant with any voting rights.												
Maximum value of equity to be granted	The maximum LTIP opportunity for the Executive KMP is set out below: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>POSITION</th> <th>MAXIMUM FY24 LTIP GRANTED (FACE VALUE)</th> <th>MAXIMUM FY24 LTIP AS % OF BASE SALARY</th> </tr> </thead> <tbody> <tr> <td>MD and CEO</td> <td>\$1,965,000</td> <td>157%</td> </tr> <tr> <td>COO</td> <td>\$780,000</td> <td>100%</td> </tr> <tr> <td>CFO</td> <td>\$780,000</td> <td>100%</td> </tr> </tbody> </table> <p>The maximum LTIP opportunity for the Lead Team is NZ\$100,000 (which is then converted to Australian dollars for those members of the Lead Team in Australia).</p>	POSITION	MAXIMUM FY24 LTIP GRANTED (FACE VALUE)	MAXIMUM FY24 LTIP AS % OF BASE SALARY	MD and CEO	\$1,965,000	157%	COO	\$780,000	100%	CFO	\$780,000	100%
POSITION	MAXIMUM FY24 LTIP GRANTED (FACE VALUE)	MAXIMUM FY24 LTIP AS % OF BASE SALARY											
MD and CEO	\$1,965,000	157%											
COO	\$780,000	100%											
CFO	\$780,000	100%											
Vesting conditions	<p>Vesting of PSRs are subject to meeting two performance conditions and continued employment with Vulcan (service condition).</p> <p>The two performance conditions:</p> <ul style="list-style-type: none"> 50% of the Rights issued to a Participant are subject to a "Relative Total Shareholder Return" performance condition (Relative TSR Vesting Condition); and 50% of the Rights issued to a Participant are subject to a "Return On Capital Employed" performance condition (ROCE Vesting Condition). <p>Relative TSR Vesting Condition</p> <p>In order for the Rights subject to the Relative TSR Vesting Condition to vest, Vulcan's TSR based on the 20 trading day volume weighted average price (VWAP) of the Shares prior to the Testing Date will be benchmarked against the TSRs of ASX 300 companies (excluding mining, energy and financial companies) (the Benchmark Group) as at the start of the Performance Period. Depending on where Vulcan's TSR ranks against the Benchmark Group companies' TSRs, a percentage of Rights will vest. The percentage of Rights subject to the Relative TSR Vesting Condition that vest, if any, will be determined on the applicable Vesting Date by reference to the below vesting schedule:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>VULCAN'S PERCENTILE RANK</th> <th>% OF RELATIVE TSR RIGHTS THAT VEST</th> </tr> </thead> <tbody> <tr> <td>Below 50th Percentile</td> <td>0%</td> </tr> <tr> <td>At 50th Percentile</td> <td>50%</td> </tr> <tr> <td>Between 50th and 75th</td> <td>50% to 100%, straight-line basis</td> </tr> <tr> <td>At or above 75th Percentile</td> <td>100%</td> </tr> </tbody> </table>	VULCAN'S PERCENTILE RANK	% OF RELATIVE TSR RIGHTS THAT VEST	Below 50th Percentile	0%	At 50th Percentile	50%	Between 50th and 75th	50% to 100%, straight-line basis	At or above 75th Percentile	100%		
VULCAN'S PERCENTILE RANK	% OF RELATIVE TSR RIGHTS THAT VEST												
Below 50th Percentile	0%												
At 50th Percentile	50%												
Between 50th and 75th	50% to 100%, straight-line basis												
At or above 75th Percentile	100%												

- Continued over

Feature	Approach										
Vesting conditions	<p>ROCE for each of the three financial years in the Performance Period are averaged. The percentage of Rights subject to the ROCE Vesting Condition that vest, if any, will be determined over the performance period by reference to the below vesting schedule:</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>VULCAN'S AVERAGE ROCE</th> <th>% OF ROCE RIGHTS THAT VEST</th> </tr> </thead> <tbody> <tr> <td>Below 20%</td> <td>0%</td> </tr> <tr> <td>At 20%</td> <td>50%</td> </tr> <tr> <td>Above 20% but below 30%</td> <td>50% to 100%, straight-line basis</td> </tr> <tr> <td>At or above 30%</td> <td>100%</td> </tr> </tbody> </table>	VULCAN'S AVERAGE ROCE	% OF ROCE RIGHTS THAT VEST	Below 20%	0%	At 20%	50%	Above 20% but below 30%	50% to 100%, straight-line basis	At or above 30%	100%
VULCAN'S AVERAGE ROCE	% OF ROCE RIGHTS THAT VEST										
Below 20%	0%										
At 20%	50%										
Above 20% but below 30%	50% to 100%, straight-line basis										
At or above 30%	100%										
Performance period	<p>The Relative TSR Vesting Condition and the ROCE Vesting Condition for the Rights are tested at:</p> <ul style="list-style-type: none"> the third anniversary from the date the Rights are granted for the Relative TSR Vesting Condition; and the relevant three year financial period for the ROCE Vesting Condition, (the Testing Date). <p>The performance period for the FY24 LTIP is 1 July 2023 to 30 June 2026.</p>										
Exercise	Vested Rights may be exercised by the Participant to receive the equivalent shares. Each vested Right entitles the Participant to one ordinary share in Vulcan. No amount is payable by the Participant to exercise the Rights for Shares (other than personal tax obligations).										
Expiry of Rights	<p>Rights which do not achieve the service and performance vesting conditions will lapse.</p> <p>All Rights which have vested, will lapse three years after the relevant vesting date unless exercised.</p>										
Restriction on dealing	Rights may not be sold, transferred, mortgaged, pledged, charged, granted as security or otherwise disposed of, without the prior approval of the Board, or unless required by law. The Participants are restricted from entering into any hedging arrangements with respect to the Rights.										
Treatment on termination	<p>The Board has discretion to determine if a Participant is a "good leaver" and if the Participant, in such circumstances, will be entitled to retain a pro-rata amount of their unvested Rights.</p> <p>In the event of a Participant's redundancy, death or total and permanent disablement where the Participant otherwise qualifies for Rights, the Participant will be entitled to retain a pro-rata amount of their unvested Rights (based on the proportion of the term of the offer that the Participant was employed by the Company with reference to the number of whole months employed).</p> <p>In the event of a Participant's termination with cause, outstanding Rights will lapse. In all other circumstances of cessation of employment prior to the vesting date, the Board may determine how to treat the unvested Rights of a Participant in its absolute discretion.</p>										
Change of control	In the event of a change of control or a likely change of control in Vulcan, the Board may, in its absolute discretion, determine that all or a specified number of a Participant's Rights vest and determine whether to exercise vested but unexercised Rights.										
Capital structure adjustments	The LTIP includes provisions addressing adjustments or otherwise on bonus issues, rights issues and capital restructures undertaken by Vulcan in future.										

Performance share rights granted

The table below sets out the performance share rights (**Rights**) granted to the Executive KMP under the LTIP for FY22, FY23 and FY24.

Name (Position)	FY22			FY23			FY24		
	% of FAR	Face value of Rights (NZ\$)	Rights granted	% of FAR	Face value of Rights (NZ\$)	Rights granted	% of FAR	Face value of Rights (NZ\$)	Rights granted
Rhys Jones (MD and CEO)	157%	\$1,965,000	261,303	157%	\$1,965,000	221,799	157%	\$1,965,000	229,798
Adrian Casey (COO)	72%	\$490,000	65,160	72%	\$490,000	55,309	100%	\$780,000	91,217
Kar Yue Yeo (CFO)	72%	\$490,000	65,160	72%	\$490,000	55,309	100%	\$780,000	91,217

FY22 performance share rights

The Rights granted in FY22 have a performance period of 4 November 2021 to 30 June 2024, and a vesting date of 1 July 2024.

As set out above, 50% of the FY22 Rights are subject to the Relative TSR Vesting Condition and the other 50% are subject to the ROCE Vesting Condition. The table below sets out the number of Rights granted to each of the Executive KMP that are subject to each vesting condition:

Executive KMP	FY22 Rights subject to Relative TSR condition	FY22 Rights subject to ROCE condition
Rhys Jones (MD and CEO)	130,652	130,651
Adrian Casey (COO)	32,580	32,580
Kar Yue Yeo (CFO)	32,580	32,580
Total	195,812	195,811

For the Relative TSR Vesting Condition relating to the FY22 Rights, Vulcan engaged an external consultant to conduct the benchmarking analysis that tested Vulcan's 20 trading day volume weighted average price (**VWAP**) of Vulcan's shares prior to 30 June 2024 (being the Testing Date) against the total shareholder return (**TSR**) of the ASX 300 companies (excluding mining, energy and financial companies) (the **Benchmark Group**) as at 4 November 2021 (being the date that Vulcan was listed on the ASX and NZX and the start of the relevant performance period).

The Benchmark Group, as determined by the external consultant, consisted of 176 companies, excluding Vulcan, at the Testing Date.

The table below shows Vulcan's TSR and percentile rank against the Benchmark Group, and the vesting result that would apply at this percentile rank.

Performance period	Test period	Vulcan's total shareholder return	Vulcan percentile rank	Vesting result
4 November 2021 to 30 June 2024	4 November 2021 to 30 June 2024	12.14%	71.22	92.44%

Based on the external consultant's calculations, 92.44% of the FY22 PSRs subject to the Relative TSR Vesting Condition may vest, as follows:

Executive KMP	FY22 Rights granted	Rights subject to relative TSR condition	Rights subject to TSR condition that may vest at 1 July 2024 - 92.44%
Rhys Jones (MD and CEO)	261,303	130,652	120,775
Adrian Casey (COO)	65,160	32,580	30,117
Kar Yue Yeo (CFO)	65,160	32,580	30,117
Total	391,623	195,812	181,009

For the ROCE Vesting Condition relating to the FY22 Rights, Vulcan has calculated (based on the audited financial statements for each of FY22, FY23 and FY24) the return on capital employed (**ROCE**) for each year. These calculations have been reviewed by Vulcan's Chair of the ARC.

The table below shows Vulcan's ROCE for FY22, FY23 and FY24.

Executive KMP	FY22	FY23	FY24
EBIT (Adjusted)	209	165	87
Shareholder funds	185	186	172
Net debt	187	340	276
Capital employed	372	526	448
Average capital employed	298	449	487
ROCE (Annual)	70%	37%	18%
ROCE (3-yr simple average)			42%

If the average ROCE threshold for FY22, FY23 and FY24 is greater than 30% then 100% of the FY22 PSRs subject to the ROCE Vesting Condition will vest.

As such, the following FY22 Rights that will vest are as follows:

Executive KMP	FY22 Rights granted	Rights subject to ROCE condition that may vest at 1 July 2024 - 100%	Rights subject to TSR condition that may vest at 1 July 2024 - 92.44%	Total FY22 Rights that may vest
Rhys Jones (MD and CEO)	261,303	130,651	120,775	251,426
Adrian Casey (COO)	65,160	32,580	30,117	62,697
Kar Yue Yeo (CFO)	65,160	32,580	30,117	62,697
Total	391,623	195,811	181,009	376,820

Subject to Vulcan notifying the Executive KMP of the vesting of the FY22 Rights, the Executive KMP will have three years to exercise the FY22 Rights (and receive the equivalent shares). The FY22 Rights must be exercised by 30 June 2027.

The Board's current intention is that, if the Executive KMP elect to exercise the FY22 Rights, new ordinary shares will be issued to the Executive KMP.

Realised remuneration

The table below sets out the realised remuneration received by Executive KMP during FY24. All amounts are stated in New Zealand dollars.

Name (Position)	Year	Base salary	KiwiSaver	Non-monetary benefits ¹	Fixed annual remuneration	LTIP vested	Total remuneration received
Rhys Jones (MD and CEO)	FY24	\$1,250,000	-	\$376	\$1,250,376	-	\$1,250,376
Adrian Casey (COO)	FY24	\$780,000	-	\$2,848	\$782,848	-	\$782,848
Kar Yue Yeo (CFO)	FY24	\$780,000	\$38,360 ²	\$1,891	\$820,251	-	\$820,251

1. Fuel card benefit.
2. Compulsory employer contributions equal to 3% of base salary plus Employer Superannuation Contribution Tax (ESCT).

Shareholdings

Vulcan does not have a formal minimum shareholding requirement for Directors and/or the Executive KMP. Six out of seven Directors hold shares in Vulcan. All three of the Executive KMP (which includes the two executive Directors) hold shares in Vulcan.

The Executive KMP also participate in the LTIP, which grants rights that are convertible equity.

Key Management Personnel	Shareholder	Held at 1 July 2023	Received on exercise of rights or options	Acquisitions and disposals	Held at 30 June 2024
NON-EXECUTIVE DIRECTORS					
Russell Chenu ¹	Barratta Super Pty Limited and Russell Chenu	22,750	-	21,196	43,946
Wayne Boyd	Partitio Trustee Limited as trustee of the Aoraki Partnership Trust	7,303,688	-	-	7,303,688
Bart de Haan	Bart de Haan	180,000	-	-	180,000
Carolyn Steele	Carolyn Steele	20,000	-	-	20,000
EXECUTIVE DIRECTORS					
Rhys Jones	Rhys Jones and Lorraine Susan Taylor as trustees of the Ellsar Trust	4,718,000	-	-	4,718,000
Adrian Casey	Adrian John Casey, Henderika Fiona Casey and B.W.S Trustee Company 2012 Limited as trustees of the Casey Family Trust	5,870,711	-	-	5,870,711
SENIOR EXECUTIVE					
Kar Yue Yeo	Kar Yue Yeo and Karin Lesley Won	120,000	-	-	120,000

1. Russell Chenu's shares are held via two shareholdings – 42,446 ordinary shares held by Barratta Super Pty Ltd as trustee for Barratta Super Fund, and 1,500 ordinary shares held by Russell in his personal capacity.

Employment contracts

Each Executive KMP has a formal contract, known as a "service agreement". These agreements are of a continuing nature and have no set term of service (subject to the termination provisions).

The key terms of the service agreements for the Executive KMP for FY24 are summarised below:

RHYS JONES (MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER) EMPLOYMENT

Term	Description
Fixed annual remuneration (FAR)	Rhys is entitled to receive base salary of NZ\$1,250,000. Superannuation will not be payable.
Long-term Incentive	Rhys will be eligible to participate in Vulcan's LTI plan. FY24 LTIP: Maximum opportunity of 157% of base salary.
Notice period, termination and termination payments	Either Rhys or Vulcan can terminate Rhys' employment by giving the other party 12-months' notice in writing (or by Vulcan making payment in lieu of notice of part or all of Rhys' notice period). Vulcan may summarily terminate Rhys' employment in certain circumstances, including where Rhys engages in serious misconduct. Rhys' employment may end by way of 'no fault' termination whereby Vulcan will pay Rhys the equivalent of 12-months' fixed annual remuneration.
Non-solicitation/restrictions on future activities	Rhys' employment contract contains restraints that apply during his employment and for six months post-employee, including: <ul style="list-style-type: none"> • Non-compete restraints; • Restrictions against soliciting Vulcan customers, contractors or suppliers; and • Restrictions against soliciting, employing or engaging any employees. The non-competition restriction above purports to operate in New Zealand and Australia. The enforceability of the above restraints is subject to all usual legal requirements.

ADRIAN CASEY (CHIEF OPERATING OFFICER) EMPLOYMENT

Term	Description
Fixed annual remuneration (FAR)	Adrian is entitled to receive base salary of NZ\$780,000. Superannuation will not be payable.
Long-term Incentive	Adrian will be eligible to participate in Vulcan's LTI plan. FY24 LTIP: Maximum opportunity of 100% of base salary.
Notice period, termination and termination payments	Either Adrian or Vulcan can terminate Adrian's employment by giving the other party six-months' notice in writing (or by Vulcan making payment in lieu of notice of part or all of Adrian's notice period). Vulcan may summarily terminate Adrian's employment in certain circumstances, including where Adrian engages in serious misconduct. Adrian's employment may end by way of 'no fault' termination whereby Vulcan will pay Adrian the equivalent of 12-months' fixed annual remuneration.
Non-solicitation/restrictions on future activities	Adrian's employment contract contains restraints that apply during his employ and for six months post-employee, including: <ul style="list-style-type: none"> • Non-compete restraints; • Restrictions against soliciting Vulcan customers, contractors or suppliers; and • Restrictions against soliciting, employing or engaging any employees. The non-competition restriction above purports to operate in New Zealand and Australia. The enforceability of the above restraints is subject to all usual legal requirements.

KAR YUE YEO (CHIEF FINANCIAL OFFICER) EMPLOYMENT

Term	Description
Fixed annual remuneration (FAR)	Kar Yue is entitled to receive base salary of NZ\$780,000. Vulcan's employer contributions to KiwiSaver (3% of base salary plus ESCT) will also be payable on top of this base salary.
Long-term Incentive	Kar Yue will be eligible to participate in Vulcan's LTI plan. FY24 LTIP: Maximum opportunity of 100% of base salary.
Notice period, termination and termination payments	Either Kar Yue or Vulcan can terminate Kar Yue's employment by giving the other party six-months' notice in writing (or by Vulcan making payment in lieu of notice of part or all of Kar Yue's notice period). Vulcan may summarily terminate Kar Yue's employment in certain circumstances, including where Kar Yue engages in serious misconduct. Kar Yue's employment may end by way of 'no fault' termination whereby Vulcan will pay Kar Yue the equivalent of 12-months' fixed annual remuneration.
Non-solicitation/restrictions on future activities	Kar Yue's employment contract contains restraints that apply during his employ and for six months post-employee, including: <ul style="list-style-type: none"> • Non-compete restraints; • Restrictions against soliciting Vulcan customers, contractors or suppliers; and • Restrictions against soliciting, employing or engaging any employees. The non-competition restriction above purports to operate in New Zealand and Australia. The enforceability of the above restraints is subject to all usual legal requirements.

Non-Executive Director remuneration

Remuneration for non-executive Directors (**NEDs**) is set to enable Vulcan to attract and retain high calibre directors with the necessary skills and experience ensure the Board can effectively oversee the company's governance, and to recognise the workload of directors.

Aggregate NED fees are limited to NZ\$1,300,000 per annum.

The table below sets out the NED fee structure for FY24. NEDs are not entitled to retirement benefits.

FY24 NED fees	Chair fee	Member fee
Base NED fee	\$270,000 ¹	\$120,000
Audit and Risk Committee	\$30,000	\$20,000
People and Remuneration Committee	\$25,000	\$15,000

1. The Board Chair does not receive any additional fees for committee work.

Directors may also be reimbursed for all reasonable travel, accommodation and other expenses incurred in attending meetings of the Board or Committees, or in connection with the business. A Director who is engaged by Vulcan to perform services in a capacity other than that of Director may be paid additional fees (as determined by the Board).

The table below illustrates the remuneration received by NEDs for FY24.

NED	Base NED	Audit and Risk Committee	People and Remuneration Committee	Other fees	Total FY24 NED fees
Russell Chenu	\$270,000 ⁶	\$0 ⁷	\$0 ⁷	\$0	\$270,000
Wayne Boyd	\$120,000 ⁷	-	\$14,154 ¹	\$0	\$134,154
Bart de Haan	\$120,000 ⁷	\$18,718 ²	\$25,000 ⁶	\$0	\$163,718
Nicola Greer	\$99,064 ³	\$1,514 ⁴	\$865 ⁷	\$0	\$101,443
Carolyn Steele	\$120,000 ⁷	\$30,000 ⁶	\$15,000 ⁷	\$0	\$165,000
Total	\$729,064	\$50,232	\$55,019	\$0	\$834,315

1. Wayne Boyd resigned as a member of the PRC effective 6 June 2024 and so his PRC fee is for the period 1 July 2023 to 6 June 2024.
2. Bart de Haan resigned as a member of the ARC effective 6 June 2024 and so his ARC fee is for the period 1 July 2023 to 6 June 2024.
3. Nicola Greer joined the Vulcan Board on 5 September 2023 and so her Board fee is for the period 5 September 2024 to 30 June 2024.
4. Nicola Greer joined as a member of the ARC effective 7 June 2024 and so her ARC fee is for the period 7 June 2024 to 30 June 2024.
5. Nicola Greer joined as a member of the PRC effective 7 June 2024 and so her PRC fee is for the period 7 June 2024 to 30 June 2024.
6. Chair.
7. Member.

The remuneration for the NEDs (as disclosed above) was approved by the Board in August 2021 and no changes were made to the NEDs remuneration in FY23 and FY24.

In August 2024, the Board approved an increase in the remuneration for the NEDs effective from 1 July 2024. The table below sets out the NED fee structure for FY25.

FY25 NED fees	Chair fee	Member fee
Base NED fee	\$310,000	\$137,000
Audit and Risk Committee	\$35,000	\$23,000
People and Remuneration Committee	\$29,000	\$17,000

Based on the current structure of the Board, the total fees for the NEDs in FY25 will be within the previously approved aggregate NED fee limit of NZ\$1,300,000.

Employee remuneration

The table below shows employee remuneration in ranges of NZ\$10,000 and the number of employees in the ranges, in accordance with section 211(1)(g) of the Companies Act.

Remuneration range (NZ\$)	Number of employees	Remuneration range (NZ\$)	Number of employees
\$100,001 - \$110,000	108	\$270,001 - \$280,000	1
\$110,001 - \$120,000	82	\$280,001 - \$290,000	2
\$120,001 - \$130,000	49	\$290,001 - \$300,000	2
\$130,001 - \$140,000	49	\$300,001 - \$310,000	2
\$140,001 - \$150,000	32	\$320,001 - \$330,000	1
\$150,001 - \$160,000	18	\$340,001 - \$350,000	1
\$160,001 - \$170,000	5	\$360,001 - \$370,000	2
\$170,001 - \$180,000	6	\$400,001 - \$410,000	1
\$180,001 - \$190,000	13	\$410,001 - \$420,000	1
\$190,001 - \$200,000	8	\$420,001 - \$430,000	1
\$200,001 - \$210,000	3	\$460,001 - \$470,000	2
\$210,001 - \$220,000	3	\$470,001 - \$480,000	1
\$220,001 - \$230,000	3	\$590,001 - \$600,000	1
\$230,001 - \$240,000	1	\$780,001 - \$790,000	1
\$240,001 - \$250,000	2	\$790,001 - \$800,000	1
\$250,001 - \$260,000	3	\$1,250,001 - \$1,260,000	1
\$260,001 - \$270,000	1		

Note - Where any remuneration range of \$10,000 is not shown in the above table, there are no Vulcan employees receiving remuneration within that band (for example for the band NZ\$310,001 to NZ\$320,000)



Climate change

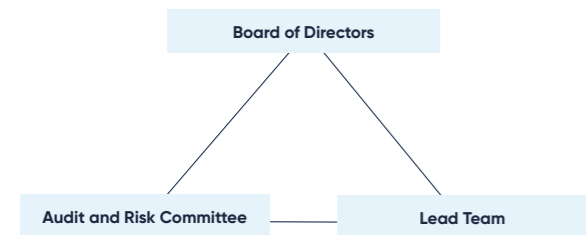
Business resilience through effective assessment and mitigation of climate-related risks and impacts.

Vulcan’s climate-related disclosures FY24

Accountability is a key facet of Vulcan’s culture and governance is part of the sustainability framework. Vulcan recognises that good governance includes oversight of climate-related risks and opportunities. We are focused on ensuring we have clear and effective accountability and processes in place to meet our sustainability objectives.

The Board has overall responsibility for the strategic direction of the company, as well as overseeing Vulcan’s business operations and risk management framework. This responsibility includes the disclosure of any material exposure to environmental, social or governance risks, including how these are being, or will be, managed. A key consideration and commitment of the Board is to determine how the business delivers on its sustainability strategy.

VULCAN GROUP’S GOVERNANCE STRUCTURE



Governance body oversight

The directors, individually and collectively as a Board, understand their fiduciary responsibilities.

The Board’s intention is that a minimum of two Board meetings each year will include reviewing Vulcan’s sustainability strategy, and progress towards its climate-related priorities. The Board has delegated governance of a number of aspects of Vulcan’s sustainability strategy to the ARC. The ARC aims to meet at least once in each quarter and matters relating to Vulcan’s sustainability strategy are a standing agenda item for each ARC meeting. At each Board meeting after an ARC meeting, the Chair of the ARC provides an update to the Board of the matters considered and discussed at the ARC meeting. Where considered appropriate, the ARC and Board will hold additional meetings and/or workshops on climate-related matters, including sustainability initiatives and education sessions for directors.

The Lead Team has been tasked to enact and execute Vulcan’s sustainability strategy and goals as part of the business’ wider business strategy.

In FY24, the Board undertook a facilitated self-assessment to ensure it has the appropriate skills and competencies to provide oversight of climate-related risks and opportunities. Vulcan also engaged sustainability consultants to advise the Board, the Lead Team, Vulcan’s environmental, sustainability and governance working group (**ESG Team**) and other leaders in the business on specific climate reporting obligations and help build internal expertise on climate-related matters.

Climate-related risks and opportunities have been integrated into Vulcan’s overall risk management framework. This framework, which comprises a risk appetite statement, risk matrix and risk register, is maintained by management and is reviewed by the ARC at least once each year. Changes to Vulcan’s risk management framework are subject to Board approval. Specific climate-related risks and opportunities, identified through a scenario analysis process, are further considered and reviewed by the ARC during the same cycle of risk review as the overall risk management framework. Further, the Board considers the climate risks and opportunities in the risk management framework when developing and overseeing implementation of Vulcan’s strategy.

The Board has overall responsibility for considering and setting the goals associated with climate-related risks and opportunities, although the Board has delegated process governance to the ARC for the oversight of establishing these goals, and monitoring progress against them. The Board has also delegated governance of several aspects of Vulcan’s sustainability strategy to the ARC, including the development of climate-related disclosures, and on-going review of climate-related risks.

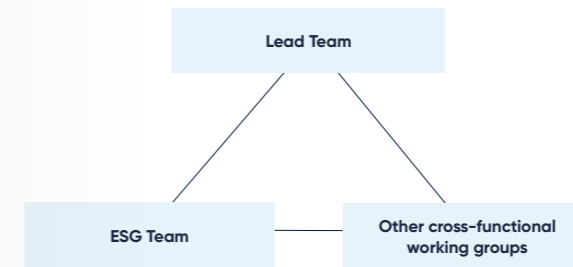
Vulcan has established the ESG Team to focus on developing Vulcan’s sustainability strategy, identifying Vulcan’s climate risks and opportunities, and setting climate-related goals. In FY24, the ARC has received, at each ARC meeting, an update from Vulcan’s ESG Team. Going forward, the ARC has requested that the ESG Team provide regular updates to the ARC on Vulcan’s achievement of, and progress against its climate-related goals.

There are no remuneration payments to employees that are directly linked to climate-related performance. This “no remuneration” policy is in line with Vulcan’s overall remuneration philosophy where management incentives are not tied to individualised objectives.

MANAGEMENT’S ROLE

The Board has delegated to the MD and CEO day-to-day responsibility for the implementation of operations and risk management, and overall responsibility for the delivery of the agreed business strategy, including the sustainability strategy.

The Lead Team, including the MD and CEO, have a shared responsibility for progressing and delivering the strategic priorities, including the priorities within the sustainability strategy.



The Lead Team meets monthly and those meetings include updates on sustainability that are presented by the CFO and the Procurement Leader. The ESG Team and other cross-functional working groups across Vulcan’s business are focused on progressing each of the sustainability initiatives. Updates from these working groups form the basis of the progress update given to the Lead Team.

Strategy

Over time, it is imperative that Vulcan achieves the company’s sustainability goals which forms part of our overall business strategy. Vulcan recognises the increasing importance of sustainability and is continuing to invest and focus to achieve our goals, by delivering the initiatives set out in Vulcan’s sustainability framework (see pages 24 and 25).

The strategy work undertaken as part of the process of preparing Vulcan’s climate-related disclosures included the business completing detailed analysis of potential scenarios and identifying climate-related risks and opportunities. In line with the External Reporting Board’s (**XRB**) guidance, this is to ensure we evaluate the critical risks and opportunities we may face as a business. The process we undertook, and the outputs we created, are detailed in the scenario analysis section (at page 88 of this Annual Report).

CURRENT IMPACTS AND FINANCIAL IMPACTS

In the strategy work undertaken as part of the climate-related disclosures, one of the first steps we took to consider how climate change might impact the business in the future was to understand how Vulcan’s business has been impacted in FY24. This process included identifying recent climate-related physical and transition impacts to Vulcan’s business, as outlined in the next sections.

Physical impacts

Recent occurrences of flooding, strong winds and extreme rainfall have caused on-going logistics and infrastructure impacts due to Vulcan’s trucking fleet having to travel greater distances to make deliveries of our products. Flooding at multiple sites across Australia over the past three years, and more recently in FY24, has impacted operations (with one site not being operational for a number of days), prevented access to work sites, caused road closures and seen multiple supply chain disruptions, including damage to the rail lines which delayed product delivery. A fire close to our Kurri Kurri site resulted in this site being closed for precautionary reasons for one day.

No chronic climate impacts have been identified in FY24.

Transition impacts

Vulcan’s customers that are seen as high emitters of carbon (such as those in the dairy sector) may see their own customers seek out lower carbon alternatives to the products Vulcan processes and distributes. End-consumers and Vulcan’s customers seeking alternative materials with lower embodied carbon will also likely continue to impact the demand over time for the present products distributed and processed by Vulcan. If this happens, this would potentially impact Vulcan’s business (including a potential loss of customers and revenue and, to a lesser extent, market share).

Increases in the cost of insurance for property, products and general cover, and reduced availability of properties due to cyclone events could continue to result in increases in property rental costs. The reduced risk appetite among insurers for locations prone to climate change impacts could also further limit insurance availability.

Vulcan has continued its electric truck trial to reduce GHG emissions. However, to date this has not proven to be an appropriate solution for the business, due to the lack of vehicle range, highlighting the potential risk of available decarbonisation technologies not always being aligned to individual business requirements. However, our investment has yielded valuable experience and has enabled us to share lessons across our business and with customers.

The new climate reporting legislation in New Zealand is an example of a transition risk currently impacting mandated reporting entities, including Vulcan. Businesses who fail to comply with climate reporting legislation or who are seen as not making a significant enough effort in climate mitigation and adaptation may see a negative impact on their brand reputation, licence to operate, consumer sentiment, and experience reduced access to funding. The levels of accuracy and transparency in reporting climate-related information will also come under scrutiny.

At this stage, Vulcan has not yet determined the future financial implications of the above disclosed potential upcoming physical and transition impacts. It is Vulcan’s intention that an assessment of the financial impacts of the physical and transition impacts will be undertaken in FY25 (being Vulcan’s second climate-related disclosure reporting year) and as such, Vulcan has elected to utilise XRB’s NZCS2 Adoption Provision 1.

SCENARIO ANALYSIS

As both a distributor and processor of steel and metal products in New Zealand and Australia, Vulcan’s business services multiple industries. As such, any scenario analysis needs to consider any transport, industrial and construction industry sector outputs.

The six steps taken for the scenario analysis are described below:

1. Engage key personnel and stakeholders
2. Boundary scoping and focal question
3. Climate driver identification and prioritisation
4. Map driver pathways, interactions and outcomes
5. Scenario narrative development
6. Quantify narratives and begin to assess resilience

Vulcan’s scenario analysis is based on the following three climate scenarios:

- 1.4°C global warming scenario (Net Zero 2050);
- 3.0°C or greater global warming scenario (Current Policies); and
- a third temperature scenario of Vulcan’s choosing (Delayed Transition).

These scenarios are provided by the Network for Greening the Financial System (NGFS), a global coalition of central banks and supervisors that has developed various scenarios. The specific architectures within this framework and their temperature policy ambitions are outlined in the ‘Scenario Analysis Methods and Assumptions’ section below.

Scenario analysis methods and assumptions

Set out below are the methods and assumptions relating to each of the above three chosen climate scenarios.

Orderly – Net Zero 2050: This scenario is characterised by immediate and far-reaching changes to the global economy to reach Net Zero by 2050. Intensifying physical impacts of climate change amplify the public’s sentiment and political ambition towards climate change, observed most acutely in the short-term. Governments across the globe act to develop critical climate policies in consultation with society and industry and all sectors of the economy undergo transformation. There is rapid deployment of clean technologies and substantial investment in sustainable practices. Society and markets accept and support this transition, with a growing selection of customers actively choose companies who share (and prove) their commitment to emissions reductions. Capital and insurance markets move away from high-risk activities and develop support for sustainable and innovative solutions. Carbon capture and storage enable reductions in industry emissions and become widespread. The physical impacts of climate change continue to worsen due to “locked in” legacy emissions. Acute climate impacts affect transport and distribution networks in the medium term but return to a period of stability post-2050.

Disorderly – Delayed Transition: Climate action under a Delayed Transition scenario sees little to no progress until the medium-term. Efforts to build momentum towards climate action are sluggish at best as the topic frequently becomes caught up in political cycles and is overshadowed by other issues. Investors are risk-averse and consequently technology innovation, and research and development, receive little allocation of investment towards emissions reduction. Current trends of consumption continue, and export markets stay relatively undisturbed leading to a continuation of the status quo. Lower-carbon products and services, such as ‘greener’ steel and other alternatives, are not particularly favoured by consumers due to the typically higher price point. When a series of extreme weather events across New Zealand and Australia hit in the 2030’s, they trigger an inflection point for society and policy. Society becomes frustrated at the lack of progress on emissions reductions and the lack of government direction and demand greater action from industry and the government. The Australian and New Zealand governments hastily introduce a series of policies aimed at rapidly transitioning the economy to low emissions. Though well intentioned, these policies were developed with minimal consultation and create unseen externalities. While most businesses turn a blind eye to climate-related challenges, some forward-looking companies take advantage of this and transition ahead of the curve at their own cost.

Hot House World – Current Policies: No new climate policies are introduced until the long-term time horizon. Instead, countries focus on food and energy security and domestic priorities at the expense of global cooperation, while the focus shifts from climate mitigation to climate adaptation. A sharp rise in nationalism causes rivalries between nations that drive up protectionist policies. As a result, global warming continues to worsen and the physical impacts of climate change intensify. Younger generations and some communities are concerned with the lack of progress being made while most of society is focused on economic growth. The lack of mitigation efforts and disagreement on climate action exacerbates existing social tensions. There is already social pressure from the increased cost-of-living, which sees support for climate mitigation efforts drop in priority. Society is increasingly divided on issues. The lack of environmental development puts pressure on critical infrastructure and interruptions become increasingly severe and regular. Society places little value on developing low emissions technology and the lack of incentives and a weak policy environment mean manufacturing and transport remain carbon intensive. Natural resources, which have seen little historic preservation, are further exploited, leading to scarcity and price instability. Viable supplier locations undergo a ‘reshaping’, leading to the driving up of transport and purchase costs. A vicious cycle ensues as costs climb and resources shrink.

The three time horizons considered are set out below:

- **Short: 2024–2030**
- **Medium: 2031–2050**
- **Long: 2051–2100**

The endpoints of each time horizon are determined by a year (2030, 2050, 2100).

These time horizons were chosen to align with private sector commercial planning horizons and to improve applicability of scenarios to a wider range of adjacent sectors which may find these scenarios useful. The time horizons are also used to support the XRB disclosures for Climate Reporting Entities (CREs) like Vulcan. The “long” time horizon covers a timeframe out to 2100 to reflect the long-life assets in Vulcan’s operations and the steel (and wider construction) industry and supported exploration of physical risk impacts on a longer time scale.

Additionally, for the year 2100 there are global temperature endpoints for each of the three chosen climate scenarios. These temperature endpoints are set out below:

Orderly	+1.4°C
Disorderly	+1.7°C
Current Policies	+3.9°C

A description of the various emissions reduction pathways and key trends associated with each climate scenario (Orderly – Net Zero 2050, Disorderly – Delayed Transition and Hot House World – Current Policies) is provided in the following table.

	Net Zero 2050	Delayed Transition	Current Policies
Scenario archetype and architecture	NGFS – Orderly RCP 1.9 SSP1: Sustainability CCC: Tailwinds IEA: NZE	NGFS – Disorderly RCP 2.6 SSP3: Regional Rivalry CCC: Headwinds IEA: SDS	NGFS – Hot House World RCP 8.5 SSP5: Fossil Fuel Development CCC: Current Policy Reference IEA: STEPS
Policy ambition	1.4°C	1.6°C	3.0°C
Policy reaction	Immediate & steady	Slow progression followed by accelerated activity	Business as usual with little reference to climate. Low priority. Non existent climate policies
Regional policy variation	Medium variation	Higher response. More rivalry between nations	Low. Lack of activity
Speed of technology change	Immediate & progressive	Accelerated/aggressive progress	Slow change. Lack of incentive for action
Customer sentiment / behaviour change	Proactive move to sustainable consumption	Lack of sustainable activity, then knee jerk reaction	See climate change impacts, then forced change. No option but to adopt more sustainable activity
Physical risk severity	Low	Medium	High
Transition risk severity	Immediate and moderate level	Delayed, high	Low. Non existent
Risk of surpassing critical tipping points in Earth’s climate system	Low	Medium	High
Supply chain impacts of physical (and transition) risk	Low	Medium	High

WHY THESE SCENARIOS?

We chose to conduct Vulcan’s FY24 scenario analysis using the NGFS framework. The NGFS scenarios are used globally, have good data availability for Australia and New Zealand, are evolving, and a large number of New Zealand CREs are using them.

The decision to use the NGFS framework and the following three scenarios was also guided by XRB’s requirements and the importance of considering any relevant sectors (including transport, construction and property), and analysis completed by Vulcan’s suppliers, other listed companies considered to be Vulcan’s peers and customers in the industry. As such, the rationale for these decisions reflects both of these influences.

NGFS scenarios:

- Orderly: Net Zero 2050 (1.4°C)
- Disorderly: Delayed Transition (1.6°C)
- Hot House World: Current Policies (+3.0°C)

NGFS’ “Net Zero 2050” scenario allows Vulcan to test its short-term preparedness to transition-related risks under fast, but planned, decarbonisation.

NGFS’ “Delayed Transition” scenario maximises and explores transition risks by providing the most abrupt transition/ deceleration of emissions.

NGFS’ “Current Policies” helps to support considerations around the escalation of physical impacts of climate change.

The Net Zero 2050 and Current Policies scenarios meet XRB’s requirement to have one temperature scenario outcome with a temperature change of:

- 1.5°C (being the Net Zero 2050 scenario); and
- 3°C or greater (being the Current Policies scenario).

In relation to Vulcan’s scenario analysis, it should be noted that:

- The data sources that Vulcan used to explore the potential impacts of each of the three scenarios are provided in the Appendix of this FY24 Annual Report. No modelling has been undertaken by Vulcan in the exploration of each scenario. However, some data may rely on modelling undertaken by the organisations who have provided the primary data.
- The scenario analysis has been conducted as a standalone analysis, but outputs from the process, particularly the climate-related risks and opportunities will serve as valuable input into Vulcan’s existing strategy and risk processes.

- The scenario analysis process outlined at the beginning of this strategy section has been developed in collaboration with Vulcan’s Lead Team and sustainability working groups. The ARC had oversight and input into the planning process through ARC meetings and externally facilitated workshops.
- An external sustainability consulting firm has been engaged to support and facilitate the creation of the climate-related disclosures, including the development and delivery of the scenario analysis process, in line with XRB guidelines.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

The summary of Vulcan’s climate-related risks and opportunities identified through the scenario analysis is provided in the “Risk management” section at pages 90 to 91 of this FY24 Annual Report.

Vulcan is currently determining how climate-related risks and opportunities serve as an input to its internal capital deployment and funding decision-making processes. Vulcan currently commits capital towards decarbonisation initiatives, including solar energy installations and progressive upgrading of our transport fleet to more fuel-efficient vehicles.

ANTICIPATED IMPACTS AND FINANCIAL IMPACTS

The anticipated impacts of climate-related risks and opportunities is provided in tables in the “Risk management” section on pages 90 to 91 of this FY24 Annual Report.

It is Vulcan’s intention that further analysis of the anticipated financial impacts of climate-related risks and opportunities, and the time horizons over which these may occur, will be undertaken in FY25 (being Vulcan’s second reporting year), utilising XRB’s NZCS2 Adoption Provision 2.

At this stage, Vulcan has not yet determined the anticipated financial implications of the above disclosed potential physical and transition risks and opportunities. It is Vulcan’s intention that an assessment of the anticipated financial impacts of the potential physical and transition risks and opportunities will be undertaken in FY25 (being Vulcan’s second climate-related disclosure reporting year) and as such, Vulcan has elected to utilise XRB’s NZCS2 Adoption Provision 2.



TRANSITION PLAN

Vulcan is a distributor and processor of metal products in New Zealand and Australia, which products include structural steel, merchant bar, plate, sheet, coil, piping, stainless steel, engineering steel and aluminium. Vulcan serves various industries, including construction, manufacturing, engineering, infrastructure, transport, food and agriculture, by providing high-quality products and tailored services to meet specific customer needs.

Vulcan’s business and internal activities comprises:

- Sales
- Procurement of products
- Storage and operations
- Freight logistics
- Business support services including corporate, finance and information technology

At this stage, Vulcan has not developed a transition plan describing how the business will be positioned as the global and domestic economy transitions towards a low-emissions, climate-resilient future state. It is Vulcan’s intention that this work will be undertaken in FY25 (being Vulcan’s second climate-related disclosure reporting year) and as such, Vulcan has elected to utilise XRB’s NZCS2 Adoption Provision 3.

Risk management

Vulcan has developed a risk register which sets out the risks that management, in conjunction with the ARC and the Board, have identified and assessed as being material to the business. The materiality of each risk is rated in the risk register based on severity, likelihood and potential financial impact. Climate-related risk is included in the risk register.

Vulcan also has a risk appetite statement and risk matrix. In the risk matrix, the key risks are rated on an inherent basis, and also on a residual basis, where mitigation factors or initiatives exist.

The risk appetite statement, risk matrix and risk register form Vulcan’s risk management framework. Climate-related risks are included in each of these three documents. All three documents are maintained by our Finance Team, and are reviewed by the ARC and subsequently approved by the Board at least once a year. Those three documents were reviewed twice in FY24 (at the December 2023 and May 2024 ARC meetings), and the latest versions were approved by the Board at the Board meeting in June 2024.

The specific climate-related risks identified through the scenario analysis process forms part of the existing Board risk management process. The climate-related risks identified in the scenario analysis supplement the climate risks previously identified in the risk matrix. A list of the climate-related risks identified through the scenario analysis is maintained, separately from previously identified risk. The scenario analysis risks will be assessed annually or more frequently as required, as part of the overall integrated risk management review.

Risk management framework

			SEVERITY OF IMPACT				SIZE OF OPPORTUNITY		
			Low	Moderate	High				
			TIME HORIZONS			TIME HORIZONS			
			Short term	Medium Term	Long term	Short term	Medium Term	Long term	
			Small	Moderate	Large				
			Net Zero 2050	Delayed Transition	Hot House World	Value chain impacted	Geography	Business response	
PHYSICAL RISKS	Acute physical risk – significant increase in the quantum and severity of weather events	Severe weather events such as floods, fires and storms significantly impact transport and logistics operations and infrastructure. This can result in challenges to delivery, inability to unload, store and distribute products. Flooding and landslide impacts on rail network. Flow on impacts result from increased insurance costs, increased capital required for repairs and maintenance of infrastructure and assets, and impacts on established routes which may not be serviceable anymore.	●●●	●●●	●●●	End to end	Aus & NZ	Proven resilience through more recent disruption events. The distribution model and geographical disposition means that in case of local disruptions, we are able to use other branches to service customers in that area. To date, we have experienced that localised acute weather events tend to delay demand, rather than significantly reduce it.	
	Chronic physical risk – increase in temperature and sea level rise	Chronic physical risk such as fire damage to assets, temperature rise impacting warehousing personnel, port infrastructure impacted by sea level rise or thermal expansion of rail tracks impacting ability to move product	●●●	●●●	●●●	End to end	Aus & NZ	Business holds stock levels that provide a buffer to events. Can move suppliers depending on location of physical event. When establishing future locations, we will factor this in our decision.	
TRANSITION RISKS									
Legislation	Changing regulation and policy	Implementation of additional legislation that impacts the products Vulcan is able to source, the core business model or areas of operation.	●●●	●●●	●●●	Supply chain, procurement, customers (potential for end to end)	Aus & NZ	Product diversification: Offer a diverse range of metal products to hedge this risk. Supplier diversification: Establish commercial relationships with multiple suppliers which will help the Group navigate through times of low product availability.	
	Energy pricing volatility and availability	Changes to the costs of energy and the ability to create competitively priced products. Ability to procure clean cheap energy.	●●●	●●●	●●●	End to end	Aus & NZ	Can be risk or opportunity if Vulcan responds quickly. Mirror energy cost changes in selling price where appropriate.	
Financial	Changes to insurance	Impacts to the insurance industry from the acute impacts of climate change. Managed retreat from certain areas. Cost increases for insurance of assets and infrastructure.	●●●	●●●	●●●	Corporate, finance, sourcing/ product cost	Aus & NZ	Consider self-insurance where appropriate and continue to locate operations in appropriate locations. Expand insurer syndicate to beyond Australia and New Zealand where appetite is available.	
	Ability to access finance in order to decarbonise	Increased costs to source alternative "green" suppliers. Working capital requirement increases to hold stock. Increased costs to procure these new materials. Changing investor/funding preferences depending on business model and carbon footprint.	●●●	●●●	●●●	Supply and procurement, retail	Aus & NZ	Expand borrowing syndicate and equity investor base. Maintain a resilient supply chain and look to pass costs on where possible. Adopt a robust cost/benefit analysis when evaluating decarbonisation investments.	
Political and economic environment	Geopolitical	Increasing geopolitical tension impacting global freight networks and routes, driving up commodity prices and creating additional complexity in the supply chain and with international settlements.	●●●	●●●	●●●	End to end	Aus & NZ	Maintain a resilient supply chain and look to pass costs on where possible	
	Domestic / global macro-economic conditions	Due to the variability in macro-economic conditions across the three scenarios and the impact of these conditions on demand, cost of materials, cost of finance for Vulcan.	●●●	●●●	●●●	End to end	Aus & NZ	Can be risk or opportunity if Vulcan responds quickly. Focus on increasing active trading accounts in challenging periods to drive long term growth in share of wallet when economic activity level recovers.	
Customer	Changing customer preferences	Inability for Vulcan to match customers' expectations of product mix, due to sourcing the appropriate mix of products, adapting to continued social licence to operate or suppliers' ability to produce the products that match customer demand.	●●●	●●●	●●●	Supply and procurement, retail	Aus & NZ	Can be risk or opportunity if Vulcan responds quickly.	
Technology	Rate of technology change (materials)	Inability to meet net zero targets through current product portfolio due to the speed of technology development and access to new products.	●●●	●●●	●●●	End to end	Aus & NZ	This risk is industry-wide and not company specific. We will monitor and adapt to changes in the supply of products with smaller carbon footprints. Should there be a shortfall in achieving the targets due to this risk, we will be proactive in communicating with other market participants and regulators in order to build a path forward.	
	Rate of technology change (transitional tech)	The inability to adopt new technologies like electric arc furnaces, electrification of fleets, introduction of hydrogen networks of both Vulcan and their stakeholders to enable decarbonisation.	●●●	●●●	●●●	Supply and procurement, retail	Aus & NZ		
OPPORTUNITIES									
	Early adopter to adapt to changing customer preferences	Realign product mix to meet customer expectations. Customers may prefer more resilient building practices, use of more steel or use of recycled materials such as recycled steel/aluminium.	●●●	●●●	●●●	End to end	All	Build strong and challenging sustainability targets and develop plans to achieve them.	
	Physical impacts of climate change present opportunities to increase the demand for construction materials	Physical damages and managed retreat from vulnerable locations leads to new developments and hence increase demand for Vulcan materials.	●●●	●●●	●●●	End to end	All	Proactively prepare to support vulnerable regions to relocate/rebuild.	
	New products, new markets	Delivery of benefits from the introduction of LEV fleets and other sustainability initiatives can deliver efficiency improvements that can be reinvested.	●●●	●●●	●●●	Operations, storage, distribution	All	Reinvest sustainability benefits to grow demand.	

Metrics and targets

Vulcan understands the importance of providing detail in relation to the sustainability metrics it focuses on, and ensuring those metrics are appropriately measured and disclosed consistently.

METRIC CATEGORIES

Absolute Scope 1 and 2 GHG emissions

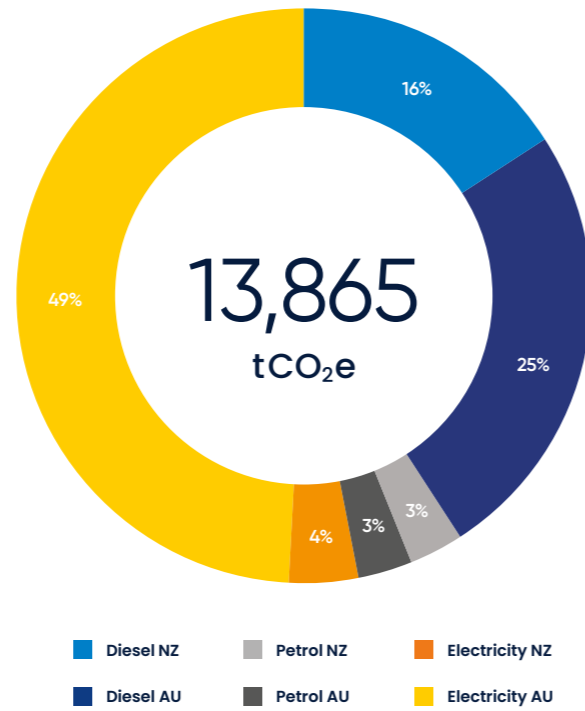
Absolute Scope 1 and 2 GHG emissions in FY24 totalled 13,865 tonnes CO₂e.

Scope 1 emissions come from the combustion of transport fuel by Vulcan’s owned and leased vehicles. Fuel emissions derived from gases such as LPG used in manufacturing and forklift and side-lifter fleet are omitted as they are below the 1% threshold for inclusion.

Scope 2 emissions come from the generation of purchased electricity, and are location based (meaning we calculate them on the basis that we consume electricity from national and state grids).

Tonnes CO ₂ e	FY24	FY23
Scope 1	6,532	6,400
Scope 2	7,333	7,563
TOTAL	13,865	13,963

2024 EMISSIONS BREAKDOWN



Intensity Scope 1 and 2 GHG emissions

In addition to measuring and tracking our GHG emissions, we track emissions intensity to understand our “carbon efficiency” and how it is changing over time. We have identified the following intensity metric as the most effective.

	FY24	FY23
Total gross Scope 1 and 2 emissions per tonne of product sold	60.7	55.6

Our GHG emissions have been measured in compliance with Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol) using an operational control consolidation approach. All sites and business operations have been included.

Emission factors used in the calculation of emissions are country specific (for example, New Zealand factors for New Zealand, and Australian factors for Australia), uses AR5 Global Warming Potentials (GWP), and have been sourced from the following agencies:

- New Zealand Ministry for the Environment
- Australian Government Department of Climate Change, Energy, the Environment and Water

Scope 1 and 2 emissions target

Vulcan has a target of reducing emissions where practicable. We have projects in place to decarbonise our business through a combination of operational efficiency and the transition of our cars and trucks to lower emissions vehicles. Many of our initiatives in this space have been reported on elsewhere in this report. At this stage we have set no formal target but evaluation of our decarbonisation pathway, that will lead to developing our target, is well underway. We look forward to sharing an update on this in Vulcan’s future disclosures.

SCOPE 3 EMISSIONS

Although we have historically been measuring our Scope 3 emissions, previously this has been based on a non-exhaustive list due to incomplete or subjectivity in data. Given there are gaps in our present measurement, we have elected to not disclose Scope 3 emissions in our first climate-related disclosure reporting year, utilising XRB’s NZCS2 Adoption Provision 4.

Vulcan will disclose its Scope 3 emissions in FY25. For reference, the application of XRB’s NZCS2 Provision 5 means annual Scope 3 emissions with FY25 comparative data will become available in Vulcan’s FY26 annual report.

VULNERABILITY TO CLIMATE-RELATED IMPACTS

Vulcan has identified various climate-related physical and transition risks and opportunities through the scenario analysis process. Vulcan’s interpretation is that many of our sites and divisions and their associated activities and assets are susceptible to the impacts of climate change. Vulcan believes that impacts to specific business activities and assets will vary depending on the nature of the risk or opportunity. We will look to quantify the level of impact next year as we develop our transition plan.

Additional information is available in the “Risks and Opportunities” tables (three total) in the “Risk management” section at pages 90 to 91 of this FY24 Annual Report.

We will provide more detail in FY25 (being Vulcan’s second year of climate-related reporting), when disclosing the anticipated financial impacts of Vulcan’s anticipated climate-related risks and opportunities.

Vulcan is utilising Adoption Provision 6 and Adoption Provision 7 which state:

- Adoption Provision 6 (Relating to comparatives for metrics): For each metric disclosed in the current reporting period an entity must disclose comparative information for the immediately preceding two reporting periods.
- Adoption Provision 7 (Relating to analysis of trends): An entity must disclose an analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period.

Vulcan is not using an internal price of carbon presently.

Statement of Compliance with New Zealand’s climate-related disclosures regime

Vulcan Steel Limited is a climate-reporting entity under the New Zealand Financial Markets Conduct Act 2013, which means it is mandatory for Vulcan to make climate-related disclosures (**CRD**). CRD are required to be published in the form of annual climate statements which comply with the Aotearoa New Zealand Climate Standards (**NZ CS**) issued by the External Reporting Board – Te Kāwai Ārahi Pūrongo Mōwaho (**XRB**).

A summary of the three NZ CS are set out below:

- New Zealand Climate Standard 1 (**NZ CS 1**) – contains the climate-related disclosure requirements for each of the four thematic areas (Governance, Strategy, Risk Management, and Metrics and Targets) and the assurance requirements for greenhouse gas emissions disclosures.
- New Zealand Climate Standard 2 (**NZ CS 2**) – provides optional adoption provisions.
- New Zealand Climate Standard 3 (**NZ CS 3**) – contains the principles, the underlying concepts such as materiality, and the general requirements

Pages 84 to 96 of this FY24 Annual Report set out Vulcan’s climate statement for the financial year ended 30 June 2024 (**Climate Statement**). This is Vulcan’s first annual Climate Statement under the NZ CS.

This Climate Statement has been prepared in compliance with the NZ CS 1, NZ CS 2 and NZ CS 3 published by the XRB in December 2022.

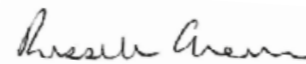
As provided for in NZ CS2, Vulcan has elected to use the following adoption provisions:

- Adoption provision 1: Current financial impacts, which provides an exemption from disclosing the current financial impacts of its physical and transition impacts and an explanation of why quantitative financial impacts cannot be disclosed.
- Adoption provision 2: Anticipated financial impacts, which provides an exemption from disclosing the anticipated financial impacts of climate-related risk and opportunities and a description of the time horizons over which the anticipated financial impacts of climate-related risks and opportunities could reasonably be expected to occur.
- Adoption provision 3: Transition planning, which provides an exemption from disclosing the transition plan aspects of the entity’s strategy including how its business model and strategy might change to address its climate-related risks and opportunities and the extent to which the transition plan aspects of its strategy are aligned with its internal capital deployment and funding decision-making processes.

- Adoption provision 4: Scope 3 Greenhouse Gas (GHG) emissions, which provides an exemption from disclosing gross emissions in metric tonnes of carbon dioxide equivalent (CO₂e) classified as scope 3 in an entity’s first reporting period. Note: An entity may choose to apply the adoption provision in this paragraph to all its scope 3 GHG emissions sources, or a selected subset of its scope 3 GHG emissions sources. If an entity discloses a selected subset of its scope 3 GHG emission sources, it must identify which sources it has not disclosed.
- Adoption provision 5: Comparatives for Scope 3 GHG emissions, which states: “For each metric disclosed in the current reporting period an entity must disclose comparative information for the immediately preceding two reporting periods.” If an entity elects to use the above adoption provision, this Standard provides an exemption from providing comparative information for scope 3 GHG emissions in an entity’s second reporting period. If an entity elects to use the adoption provision in paragraph 17, this Standard permits an entity to provide one year of comparative information for scope 3 GHG emissions in an entity’s third reporting period.
- Adoption provision 6: Comparatives for metrics, which provides an exemption from disclosing comparative information for each metric disclosed for the immediately preceding two reporting periods. This Standard provides an exemption from this disclosure requirement in an entity’s first reporting period. In an entity’s second reporting period, this Standard permits an entity to provide one year of comparative information for each metric.
- Adoption provision 7: Analysis of trends, which provides an exemption from disclosing analysis of the main trends evident from a comparison of each metric from previous reporting periods to the current reporting period. This Standard provides an exemption from this disclosure requirement in an entity’s first and second reporting period.

Taking into account the adoption provisions set out above, the climate-related disclosures in this Climate Statement are compliant with the New Zealand Climate Standards.

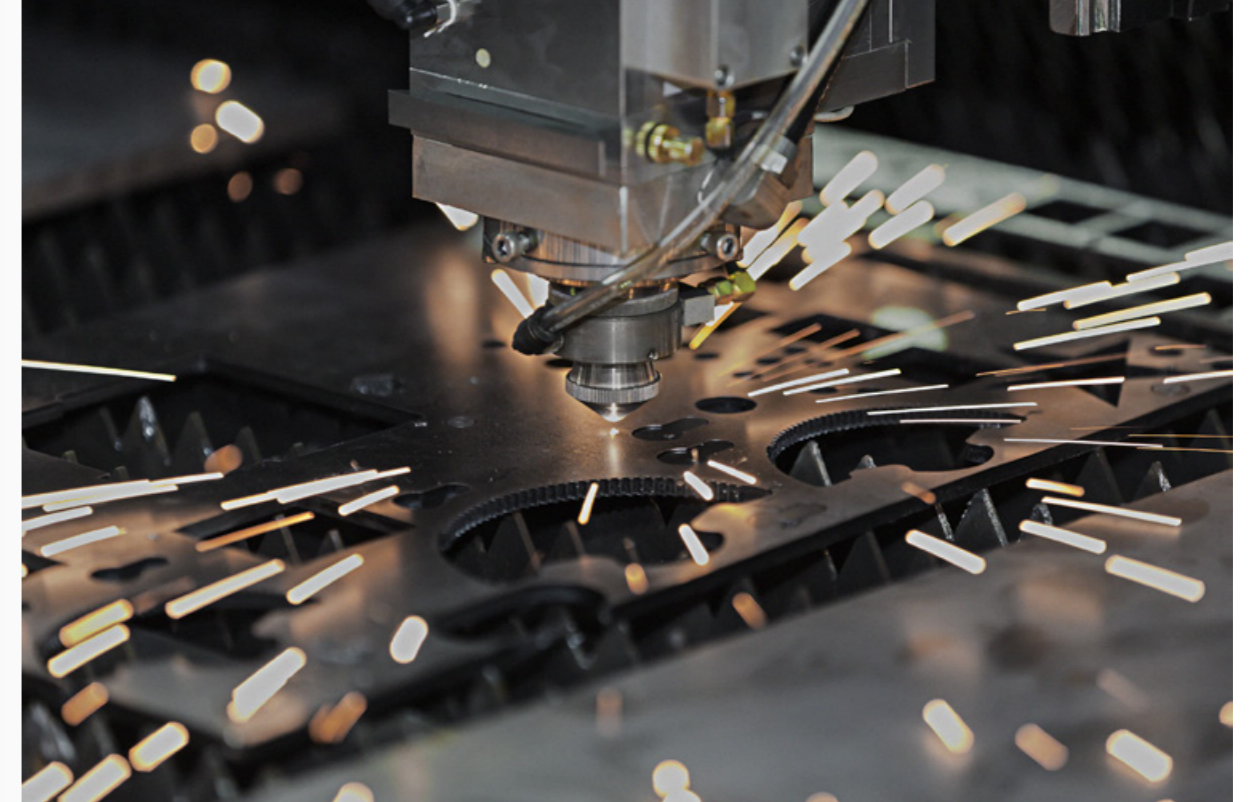
The directors of Vulcan Steel Limited authorise these Climate Statements for issue on 27 August 2024.



Russell Chenu
CHAIR OF BOARD
VULCAN STEEL LIMITED



Carolyn Steele
CHAIR OF AUDIT AND RISK COMMITTEE
VULCAN STEEL LIMITED



Disclaimer

The information contained in this Climate Statement relates to the Vulcan Group for the financial year ended 30 June 2024, and is current as at 27 August 2024.

Climate change is an evolving challenge, with high levels of uncertainty, and significant data challenges, particularly over long-term horizons.

In disclosing against the four CRD “pillars”, this Climate Statement sets out the scenario analysis that Vulcan has undertaken, the climate-related risks and opportunities that Vulcan has identified, and Vulcan’s view of the current and anticipated impacts of climate change. As such, this Climate Statement may contain forward looking statements (including climate-related scenarios), climate projections, emission reduction targets, predictions and statements of Vulcan’s intentions regarding Vulcan’s future business operations and possible future events. Those statements have been based on internal business data, historical experience, external sources and various other factors that Vulcan considers to be reasonable in the circumstances, but are also subject to Vulcan’s assumptions, forecasts, estimates, predictions and opinions, including expectations and projections about Vulcan’s business and future financial prospects, the industry in which Vulcan operates and management’s own beliefs.

As such matters require subjective judgement and analysis, the climate-related risks and opportunities set out in this Climate Statement may not materialise, or may be more or less significant than anticipated. Vulcan gives no representation, guarantee, warranty or assurance that the strategies adopted to achieve any target will achieve the expressed outcome.

Vulcan is committed to developing its response to climate-related risks and opportunities, and to reporting Vulcan’s progress each financial year. However, Vulcan urges caution in, and disclaims liability for any party’s reliance on the sections of this Climate Statement that are subject to assumptions, forecasts, estimates, predictions and projections, as those parts are necessarily less reliable than other aspects of Vulcan’s annual reporting.

Nothing in this Climate Statement should be interpreted as capital growth, earnings or any other legal, financial, tax or other advice or guidance.

As this is Vulcan’s inaugural Climate Statement under New Zealand’s CRD regime and as a dual ASX and NZX listed issuer, Vulcan acknowledges that its climate-related reporting may evolve over time.

APPENDIX: SCENARIO DATA AND SOURCES

Physical data name	Description	Source and scenario
Mean annual temperature change (NZ)	Annual temperature increase in degrees vs pre-industrial baseline	NGFS (Net Zero 2050 and Current Policies)
Extreme heat (NZ)	Number of days exceeding 25 degrees annually	NIWA (Net Zero 2050, Delayed Transition and Current Policies)
Extreme rainfall (NZ)	% change in depth of 1 in 100 year rainfall event	
Mean sea level rise (NZ)	Increase in metres	NASA Sea Level Change Portal (Net Zero 2050, Delayed Transition and Current Policies)
Extreme wind speed (NZ)	Increase in extreme wind speed; averaged across NZ, variation within regions	NIWA (Net Zero 2050, Delayed Transition and Current Policies)
Annual expected damage from tropical cyclone (NZ)	% at the median line compared to baseline of 2015	NGFS Climate Explorer (Net Zero 2050, Delayed Transition and Current Policies)
Mean annual temperature change (Aus)	Annual temperature increase in degrees vs pre-industrial baseline	
Extreme heat (Aus)	Daily maximum air temperature increase	NASA Sea Level Change Portal (Net Zero 2050, Delayed Transition and Current Policies)
Extreme rainfall (Aus)	% change in annual precipitation	
Mean sea level rise (Aus)	Increase in metres	NGFS Climate Explorer (Net Zero 2050, Delayed Transition and Current Policies)
Extreme wind speed (Aus)	% change in maximum wind speed	
Annual expected damage from tropical cyclone (Aus)	% change in expected damage from cyclones in USD 2005 figures	
Socio-economic data name	Description	Source and scenario
Population (NZ)	Population in millions	SSP Database (SSP1) (Net Zero 2050, Delayed Transition and Current Policies)
Population (Aus)	Population in millions	NGFS (Net Zero 2050, Delayed Transition and Current Policies)
Population (global)	Population in millions	
GDP (NZ)	Billion USD in 2005 terms	SSP Database (SSP3) (Net Zero 2050, Delayed Transition and Current Policies)
GDP (Aus)	Billion USD in 2005 terms	
Inflation rate (NZ)	% difference	NGFS (Net Zero 2050, Delayed Transition and Current Policies)
Long term interest rate (NZ)	% difference	
Carbon price (NZ)	NZD/tCO _{2e}	New Zealand Treasury (Net Zero 2050, Delayed Transition and Current Policies)
Oil demand (global)	Millions of barrels per day	International Energy Agency (IEA) (Net Zero 2050, Delayed Transition and Current Policies)
Oil price (global)	% difference in USD per barrel	NGFS (Net Zero 2050, Delayed Transition and Current Policies)
Transport data name	Description	Source and scenario
Total transport CO ₂ emissions (NZ)	Total emissions in kilotonnes	International Energy Agency (IEA) (Net Zero 2050, Delayed Transition and Current Policies)
Total Transport CO ₂ emissions (global)	Total emissions in megatonnes	Representative Concentration Pathways (RCP) are climate change scenarios to project future greenhouse gas concentrations. These pathways (or trajectories) describe future greenhouse gas concentrations (not emissions) and have been formally adopted by the IPCC.
Road vehicle km by vehicle type (ICE)	% share of total km driven	
Road vehicle km by vehicle type (EV)	% share of total km driven	
Total number of vehicles in fleet (NZ)	Total number of vehicles	
Freight mode share (rail)	% share of total freight	
Freight mode share (coastal shipping)	% share of total freight	
Freight mode share (road)	% share of total freight	
Energy data name	Description	Source and scenario
Total primary energy supply – renewables (NZ)	% share	International Energy Agency (IEA) (Net Zero 2050, Delayed Transition and Current Policies)
Percentage electricity generation from renewables (NZ)	% share	New Zealand Climate Change Commission (Net Zero 2050, Delayed Transition and Current Policies)
Renewable energy share of total energy consumption incl. transport	% share	International Energy Agency (IEA) (Net Zero 2050, Delayed Transition and Current Policies)
Breakdown of transports total energy consumption per mode (road)	% share of total	New Zealand Climate Change Commission (Net Zero 2050, Delayed Transition and Current Policies)
Breakdown of transports total energy consumption per mode (air)	% share of total	International Energy Agency (IEA) (Net Zero 2050, Delayed Transition and Current Policies)
Breakdown of transports total energy consumption per mode (sea)	% share of total	

03 / FINANCIALS

A sound result in challenging conditions



Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2024

NZ\$000's	Notes	2024	2023
Revenue	4	1,064,326	1,244,837
Cost of sales		(689,378)	(800,942)
Gross profit		374,948	443,895
Selling and distribution expenses	5	(27,524)	(26,663)
General and administrative expenses	5	(250,227)	(253,799)
Total operating expenses		(277,751)	(280,462)
Other income		1,797	-
Operating profit before financing costs		98,994	163,433
Financing income	6	263	51
Financing expenses	6	(40,402)	(38,585)
Net financing costs		(40,139)	(38,534)
Profit before tax		58,855	124,899
Tax expense	7	(18,870)	(37,000)
Profit after tax		39,985	87,899
Other comprehensive income			
Exchange differences on translation of foreign operations		67	(3,461)
Fair value loss on cash flow hedges		(139)	(4,941)
Tax effect of movement in cash flow hedges		46	1,399
Other comprehensive losses, net of tax		(26)	(7,003)
Total comprehensive income		39,959	80,896
Attributable to:			
Owners of Vulcan Steel Limited		39,959	80,896
Basic earnings per share	16	\$0.30	\$0.67
Diluted earnings per share	16	\$0.30	\$0.67

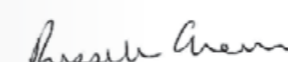
Consolidated Statement of Financial Position

AS AT 30 JUNE 2024

NZ\$000's	Notes	2024	2023
ASSETS			
Current Assets			
Cash and cash equivalents		24,112	20,318
Trade and other receivables	8	144,827	170,662
Inventories	9	360,646	437,746
Tax receivable		3,703	2,902
Derivative financial instruments	19	-	1,710
Total current assets		533,288	633,338
Non-Current Assets			
Property, plant and equipment	10	95,681	86,846
Right-of-use assets	11	254,748	260,366
Intangible assets	12	13,402	15,018
Deferred tax assets	7	9,312	8,643
Total non-current assets		373,143	370,873
TOTAL ASSETS		906,431	1,004,211
LIABILITIES			
Current Liabilities			
Trade and other payables	13	144,098	166,869
Derivative financial instruments	19	67	-
Lease liabilities	11	25,236	22,665
Tax payable		-	1,692
Total current liabilities		169,401	191,226
Non-current Liabilities			
Lease liabilities	11	265,070	267,067
Interest-bearing liabilities	14	299,904	360,000
Total non-current liabilities		564,974	627,067
TOTAL LIABILITIES		734,375	818,293
EQUITY			
Share capital	15	11,988	11,988
Retained earnings		147,777	163,643
Reserves	18	12,291	10,287
TOTAL EQUITY		172,056	185,918
TOTAL LIABILITIES AND EQUITY		906,431	1,004,211

These financial statements and the accompanying notes were authorised by the Board on 27 August 2024.

For the Board:



Russell Chenu
DIRECTOR



Rhys Jones
DIRECTOR

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2024

NZ\$000's	Notes	Share capital	Retained earnings	Share based payment reserve	Other reserves	Attributable to owners of Vulcan Steel Ltd
Balance as at 1 July 2022		11,988	157,230	2,683	13,364	185,265
Comprehensive income						
Profit after tax		-	87,899	-	-	87,899
Other comprehensive income						
Foreign currency translation reserve		-	-	-	(3,461)	(3,461)
Cash flow hedge reserve		-	-	-	(3,542)	(3,542)
Total comprehensive income		-	87,899	-	(7,003)	80,896
Transactions with owners						
Share based payments reserve	17	-	-	1,243	-	1,243
Dividends declared	18	-	(81,486)	-	-	(81,486)
Balance as at 30 June 2023		11,988	163,643	3,926	6,361	185,918
Balance as at 1 July 2023		11,988	163,643	3,926	6,361	185,918
Comprehensive income						
Profit after tax		-	39,985	-	-	39,985
Other comprehensive income						
Foreign currency translation reserve		-	-	-	67	67
Cash flow hedge reserve		-	-	-	(93)	(93)
Total comprehensive income		-	39,985	-	(26)	39,959
Transactions with owners						
Share based payments reserve	17	-	-	2,030	-	2,030
Dividends declared	18	-	(55,851)	-	-	(55,851)
Balance as at 30 June 2024		11,988	147,777	5,956	6,335	172,056

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2024

NZ\$000's	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		1,088,696	1,273,782
Interest received		263	51
Payments to suppliers and employees		(865,434)	(1,021,441)
Tax paid		(20,322)	(69,391)
Interest paid		(17,510)	(21,234)
Lease interest paid	11	(16,982)	(16,363)
Net cash flows from operating activities		168,711	145,404
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for business acquisition		-	(170,543)
Sale of property, plant and equipment and intangibles		2,704	260
Purchase of property, plant and equipment and intangibles		(26,688)	(22,952)
Net cash flows used in investing activities		(23,984)	(193,235)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liability payments		(23,656)	(21,372)
Net (repayments of)/proceeds from borrowings		(60,096)	149,702
Dividends paid	18	(57,423)	(85,173)
Net cash flows (used in)/from financing activities		(141,175)	43,157
Net increase/(decrease) in cash		3,552	(4,674)
Effect of foreign exchange rates		242	(406)
Cash on acquisition		-	1,365
Opening cash		20,318	24,033
Closing cash		24,112	20,318
RECONCILIATION OF CLOSING CASH			
Cash and cash equivalents		24,112	20,318
Closing cash		24,112	20,318
CASH FLOW RECONCILIATION			
Profit after tax		39,985	87,899
<i>Add/(deduct) non cash items:</i>			
Amortisation of right of use assets		30,485	29,400
Depreciation, amortisation and impairment of other assets		18,087	15,867
Net gain on disposal of assets		(1,770)	(188)
Deferred tax asset		(582)	160
Other non-cash items		1,612	(1,612)
		47,832	43,627
<i>Net working capital movements (net of acquisitions):</i>			
Trade and other receivables ¹		24,342	28,900
Inventories ¹		73,275	38,581
Trade and other payables ¹		(15,853)	(21,053)
Taxation payable ¹		(870)	(32,550)
		80,894	13,878
Net cash flows from operating activities		168,711	145,404

1. The working capital movements include foreign currency movements.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED 30 JUNE 2024

1. REPORTING ENTITY

Vulcan Steel Limited (the "Company") together with its subsidiaries (the "Group") is primarily involved in the sale and distribution of steel and metal products, with operations in New Zealand and Australia. There have been no changes to the nature of the business during the current financial year.

The Company is a profit-oriented entity, domiciled in New Zealand, registered under the Companies Act 1993 and the financial statements comply with this Act. The Company is listed on the Australian Securities Exchange ("ASX") with a dual listing on the NZX main board (under the code "VSL"). The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

2. BASIS OF PREPARATION AND PRINCIPLES OF CONSOLIDATION

Statement of compliance

These consolidated financial statements for the year ended 30 June 2024 have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP) as appropriate for Tier 1 for-profit entities. The consolidated financial statements comply with New Zealand equivalents to IFRS Accounting Standards ('NZ IFRS'), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS. The consolidated financial statements also comply with IFRS Accounting Standards ('IFRS').

Basis of measurement

The consolidated financial statements have been prepared on the basis of historical cost with the exception of the revaluation of financial assets and liabilities (including derivative instruments) at fair value through the Consolidated Statement of Comprehensive Income.

The Consolidated Statement of Comprehensive Income has been prepared so that all components are stated exclusive of GST. All items in the Consolidated Statement of Financial Position are stated net of GST, with the exception of receivables and payables, which include GST invoiced. The cash flows from operating activities are presented exclusive of GST.

Functional currency

The consolidated financial statements are presented in NZD which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

Foreign currency transactions and balances

Foreign currency transactions are translated into the relevant functional currency at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to New Zealand dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to New Zealand dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised in the foreign currency translation reserve (FCTR) in equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

Material accounting estimates and judgements

The Group's management is required to make judgements, estimates, and apply assumptions that affect the amounts reported in the consolidated financial statements. They have based these on historical experience and other factors they believe to be reasonable. Actual results may differ from these estimates.

ESTIMATE Accounting estimates are monetary amounts in the consolidated financial statements that are subject to measurement uncertainty. Assumptions for the future and other major sources of estimation can create uncertainty at the end of the year, resulting in significant risk of material adjustments to carrying amounts of assets and liabilities in the next financial year. The estimates and assumptions that have had areas of judgement applied in preparing these financial statements are highlighted throughout the report in boxes shaded in blue. The key estimates relate to income tax, goodwill, expected credit losses, property plant and equipment, incremental borrowing rates and lease terms.

Material accounting policies

KEY POLICY Accounting policies are considered material if:

- a change of accounting policy results in a material change to the information in the consolidated financial statements,
- it relates to areas of high accounting complexity (eg. multiple NZ IFRS standards apply), or if
- the Group develops an accounting policy in line with NZ IAS 8 in the absence of an applicable NZ IFRS standard.

Material accounting policies are disclosed in each of the applicable notes to the financial statements in boxes shaded in grey.

2. BASIS OF PREPARATION AND PRINCIPLES OF CONSOLIDATION (Continued)

Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at balance date and the results of all subsidiaries for the year then ended. All subsidiaries are 100% owned within the Group.

The Group applies the acquisition method to account for business combinations.

The Group controls an entity when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group.

Consideration transferred is the fair value of assets transferred, liabilities incurred to the former owners of the acquiree and equity interests issued by the Group. Consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at acquisition date.

All intercompany balances and transactions, including unrealised profits on transactions between group companies have been eliminated.

Changes to accounting policies

The group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 July 2023:

- NZ IFRS 17 Insurance Contracts,
- Definition of Accounting Estimates – amendments to NZ IAS 8,
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to NZ IAS 12,
- Disclosure of Accounting Policies – Amendments to NZ IAS 1 and IFRS Practice Statement 2,
- International Tax Reform – Pillar Two Model Rules – amendments to NZ IAS 12.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

There are no other new standards or amendments to standards applicable to the Group for the year ended 30 June 2024 that have materially impacted the financial statements. All other accounting policies and computation methods used in the preparation of the consolidated financial statements are consistent with those used as at 30 June 2023.

At the date of authorisation of these consolidated financial statements, the Group has not applied new and revised NZ IFRS standards and amendments that have been issued but are not yet effective. It is not expected that the adoption of these standards and amendments will have a material impact on the consolidated financial statements of the Group, except as outlined below.

In May 2024, NZ IFRS 18 Presentation and Disclosure in Financial Statements (effective for reporting periods beginning on or after 1 January 2027) was issued. This standard replaces NZ IAS 1 Presentation of Financial Statements. Management are still assessing the impact and note this may change the presentation of primary statements.

3. OPERATING SEGMENTS

Vulcan comprises the following operating segments based on internal reports that are reviewed and used by the Chief Operating Decision Maker (CODM – comprising the CEO/Managing Director, CFO and COO) in assessing performance and in determining the allocation of resources:

Steel business across Australia and New Zealand

Steel distribution – the sale of hollows, merchant products including bars, beams, angles, channels, unprocessed coil and plate;

Plate processing – cutting, drilling, tapping, countersinking and folding of plates to customer requirements;

Coil processing – sheeting & slitting to customer specifications.

Metals business across Australia and New Zealand

Stainless steel – the sale of stainless steel products including hollows, bars, fittings and sheets, and processing services including cutting, drilling, tapping, countersinking and folding of plates to customer requirements, as well as sheeting & slitting of stainless coil.

Engineering Steel – the sale of high-performance steel and metal products, and cutting service to specification.

Aluminium – distribution of internally extruded standardised and customised products and third party products including sheet, plate and coil products.

Reporting is received on at least a monthly basis, and performance is measured based on underlying segment earnings before interest, tax, depreciation and amortisation (EBITDA). EBITDA is used to measure performance as the CODM believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within this industry.

The Group has a diverse range of customers from various industries, with no single customer contributing more than 5% of the Group's revenue.

Interest income and expenses are not allocated to segments, as decisions are made on a pre-NZ IFRS 16 Leases basis. Other interest income and expense related activities are driven by the central corporate function, which manages the cash position of the Group.

Assets and liabilities are provided to the CODM on a Group basis, and are separately reported with respect to the individual operating segments.

Sales between segments are eliminated on consolidation. The amounts provided to the CODM with respect to segment revenue are measured in a manner consistent with that of the financial statements.

3. OPERATING SEGMENTS *(Continued)*

The following is an analysis of the Group's results by reportable segment:

NZ\$000's	2024				2023			
	Steel	Metals	Corporate	Total	Steel	Metals	Corporate	Total
Total operating revenue	471,289	593,037	-	1,064,326	596,278	648,559	-	1,244,837
EBITDA (post NZ IFRS 16 and pre significant items)¹	68,805	99,483	(20,722)	147,566	108,912	127,323	(17,355)	218,880
Significant items ²	-	-	-	-	-	-	-	(10,180)
EBITDA (post NZ IFRS 16 and significant items)				147,566				208,700
Depreciation & amortisation				(48,572)				(45,267)
Operating profit before financing costs				98,994				163,433
Finance costs				(40,139)				(38,534)
Profit before tax				58,855				124,899
Tax expense				(18,870)				(37,000)
Reported NPAT attributable to shareholders				39,985				87,899
Depreciation & amortisation of PPE & intangibles				(18,087)				(15,867)
Amortisation of right of use assets				(30,485)				(29,400)
Total depreciation & amortisation				(48,572)				(45,267)
Financing income				263				51
Financing expenses - interest, line fees & other				(23,420)				(22,222)
Financing expenses on lease liabilities				(16,982)				(16,363)
Net financing costs				(40,139)				(38,534)
Principal lease payments ³	(17,148)	(24,127)	(161)	(41,436)	(16,290)	(21,431)	(14)	(37,735)
Underlying EBITDA (pre NZ IFRS 16 and significant items)¹	51,657	75,356	(20,883)	106,130	92,622	105,892	(17,369)	181,145
Significant items²								
Aluminium integration costs	-	-	-	-	-	-	(10,180)	(10,180)
Total significant items	-	-	-	-	-	-	(10,180)	(10,180)
TOTAL ASSETS	346,270	495,938	64,223	906,431	381,436	567,454	55,321	1,004,211
TOTAL LIABILITIES	176,463	202,499	355,413	734,375	179,847	213,488	424,958	818,293
Geographical information	NZ	Australia	Corporate	Total	NZ	Australia	Corporate	Total
TOTAL OPERATING REVENUE	365,880	698,446	-	1,064,326	451,875	792,962	-	1,244,837
EBITDA (post NZ IFRS 16 and significant items)	72,412	95,876	(20,722)	147,566	105,609	138,549	(35,458)	208,700
TOTAL NON CURRENT ASSETS	97,004	243,872	32,267	373,143	106,479	232,853	31,541	370,873

1. The EBITDA (post NZ IFRS 16 and pre significant items) FY23 comparatives and its derived subtotals have been restated to reflect an allocation of corporate costs of \$7.9 million. This is consistent with the FY24 presentation. The total EBITDA (post NZ IFRS 16 and pre significant items) for FY23 remains unchanged.

2. Significant item means any income or expense of such size, nature or incidence that is relevant to the user's understanding of the performance of the entity and is disclosed as a "Significant Item" in the Accounts.

3. The principal lease payments include gains/losses on lease terminations.

4. REVENUE

NZ\$000's	2024	2023
Total operating revenue	1,064,326	1,244,837

KEY POLICY Revenue from contracts with customers

The Group derives revenue from the processing and distribution of steel and metal products. Revenue is recognised as, or when, goods are transferred to the customer at a point in time and is measured at an amount that reflects the consideration to which the Group expects to be entitled in exchange for the goods.

5. EXPENSES

NZ\$000's	2024	2023
Profit before tax includes the following expenses:		
Employee benefit expenses	127,821	132,258
Defined contribution plans	11,440	9,981
Depreciation and amortisation	48,572	45,267
Selling and distribution	27,524	26,663
Occupancy costs	12,826	11,048
Store costs	19,303	17,518
Ulrich integration costs	-	10,180
Other expenses	30,265	27,547
Total selling, general and administrative expenses	277,751	280,462

For the year ended 30 June 2024, 'Store costs' are presented separate to 'Other expenses'. The comparative information has been adjusted to reflect the change in presentation.

NZ\$000's	2024	2023
Fees paid to auditors:		
Audit and review	515	510
Other assurance services	28	25

KEY POLICY Auditor remuneration

Audit services comprise fees to Deloitte in relation to the annual audit of our financial statements and to the half-year interim review. Other assurance services comprise fees in relation to the greenhouse gas inventory assurance engagement.

6. FINANCE INCOME AND EXPENSES

NZ\$000's	2024	2023
Financing income		
Interest income	263	51
Financing expenses		
Bank facility fees	(2,967)	(2,903)
Interest paid and payable	(20,453)	(19,319)
Interest expense on lease liabilities	(16,982)	(16,363)
	(40,402)	(38,585)
Net financing costs	(40,139)	(38,534)

KEY POLICY Finance income comprises interest income on funds invested, changes in the fair value of financial assets at fair value through profit or loss and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised as it accrues, using the effective interest method.

Finance expenses comprise interest expense on borrowings, interest on leases and bank facility fees.

All borrowing costs are recognised in profit or loss using the effective interest method.

7. INCOME TAX

NZ\$000's	2024	2023
Income tax expense		
Profit before tax	58,855	124,899
Tax at the New Zealand rate of 28% (2023: 28%)	16,479	34,972
<i>Tax adjustments:</i>		
Non-assessable income	(21)	(60)
Non-deductible expenses	715	1,716
Adjustments to prior years	1,112	(1,032)
Foreign rates other than 28%	585	1,319
Other	-	85
Tax expense	18,870	37,000
<i>This is represented by:</i>		
Current tax	19,459	36,760
Deferred tax	(589)	240
Tax expense	18,870	37,000

Imputation credits

There are \$1,682,623 imputation credits available for use in New Zealand as at 30 June 2024 (2023: \$6,891,761) and \$12,261,905 franking credits available for use in Australia as at 30 June 2024 (2023: \$19,681,775).

ESTIMATE Preparation of the annual financial statements requires management to make estimates as to the amount of tax that will ultimately be payable, the availability of losses to be carried forward, if any, and the amount of foreign tax credits it will receive. Actual results may differ from these estimates as a result of reassessment by management or taxation authorities. Tax returns for the Group and the detailed calculations that are required for filing tax returns are not prepared until after the financial statements are prepared. Estimates of these calculations are made for the purpose of calculating income tax expense, current tax and deferred tax balances. As well as this, an assessment of the result of tax audit issues is also made. Any difference between the final tax outcomes and the estimations made in previous years will affect current year balances.

NZ\$000's	2024	2023
Deferred tax assets		
<i>The balance comprises:</i>		
Employee benefits	3,865	3,831
Leased assets and liabilities	10,498	8,662
Cash flow hedge	16	11
Accruals and provisions	727	1,553
Inventory provisions	1,105	3,688
Provision for doubtful debts	632	733
Other	33	59
	16,876	18,537
Deferred tax liabilities		
<i>The balance comprises:</i>		
Customer book acquired at fair value	202	806
Property, plant and equipment	7,362	8,999
Cash flow hedge	-	40
Prepayments	-	49
	7,564	9,894
Net deferred tax	9,312	8,643

7. INCOME TAX (Continued)

NZ\$000's	Property, plant and equipment	Leased assets and liabilities	Cash flow hedge	Provisions, accruals and prepayments	Inventory	Intangibles	Total
Year ended 30 June 2023							
Opening balance	(2,398)	6,480	(1,432)	3,952	-	(428)	6,174
Adjustments to prior years	-	219	-	1,239	940	-	2,398
Deferred tax on acquisition	(2,195)	1,186	-	747	2,426	(845)	1,319
Credited/(charged) to the profit or loss	(4,512)	908	-	321	352	293	(2,638)
Credited to equity	-	-	1,399	-	-	-	1,399
Foreign exchange movements	106	(131)	4	(132)	(30)	174	(9)
	(8,999)	8,662	(29)	6,127	3,688	(806)	8,643
Year ended 30 June 2024							
Opening balance	(8,999)	8,662	(29)	6,127	3,688	(806)	8,643
Adjustments to prior years	82	-	-	49	(744)	-	(613)
Credited/(charged) to the profit or loss	1,596	1,787	-	(938)	(1,844)	601	1,202
Credited to equity	-	-	46	-	-	-	46
Foreign exchange movements	(39)	49	(1)	19	4	2	34
	(7,360)	10,498	16	5,257	1,104	(203)	9,312

KEY POLICY Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax arises due to temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and those for tax purposes.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by balance date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

8. TRADE AND OTHER RECEIVABLES

NZ\$000's	2024	2023
Trade receivables	145,578	171,910
Allowances for credit losses	(2,200)	(2,562)
Prepayments	1,449	1,314
	144,827	170,662
Movement in allowance for credit losses		
Opening balance	2,562	2,064
Release of provision	(366)	(734)
Provision on Acquisition	-	1,263
Foreign exchange translation (gains)/losses	4	(31)
Balance at the end of the year	2,200	2,562

The Group has recognised a loss of \$286,574 (2023: \$570,371) in respect of bad debts written off. The loss has been included in general and administrative expenses in the Consolidated Statement of Comprehensive Income.

8. TRADE AND OTHER RECEIVABLES (Continued)

ESTIMATE	Calculation of Loss Allowance
	When measuring Expected Credit Losses ("ECL") the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and integral credit enhancements.
	The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of debtors and an analysis of debtors' current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.
	The Group has assessed relevant economic data for determining the factors that are specific to the debtors, the general economic conditions of the industry in which the debtors operate and the forecast direction of conditions at the reporting date. The Group hasn't significantly increased the expected loss rates for trade receivables from the prior year based on its judgement of the impact of current economic conditions and the forecast direction of travel at the reporting date. There has been no change in the estimation technique during the current reporting period.
	The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. None of the trade receivables that have been written off are subject to enforcement activities.

KEY POLICY	Trade and other receivables, which generally have 30–90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts.
	A receivable from a contract with a customer represents the Group's unconditional right to consideration arising from the transfer of goods or services to the customer (i.e., only the passage of time is required before payment of the consideration is due). Subsequent to initial recognition, receivables from contracts with customers are measured at amortised cost and are tested for impairment.
	An allowance for doubtful debts is made using the expected credit loss model. The amount of the provision is recognised in profit or loss. Bad debts are written off when identified.

Trade receivables credit risk

As at balance date 58% of trade receivables were current (2023: 85%).

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer segments.

NZ\$000's	Not past due	0–30 days past due	30–60 days past due	60–90 days past due	90+ days past due	Total
2024						
Trade receivables	84,418	48,813	7,712	765	3,870	145,578
2023						
Trade receivables	146,685	23,804	942	479	-	171,910

Customer and receivable concentration

Five largest customers' proportion of the Group's:

	2024	2023
Operating revenue	4%	4%
Trade receivables	7%	5%

9. INVENTORIES

NZ\$000's	2024	2023
Finished goods	348,995	430,535
Goods in transit	15,403	18,071
Consumables	1,085	1,061
Inventory provisions	(5,745)	(12,673)
Work in progress	908	752
	360,646	437,746

KEY POLICY Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on a weighted average cost basis, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

10. PROPERTY, PLANT AND EQUIPMENT

NZ\$000's	Plant, machinery and vehicles	Furniture fittings & equipment	Land & buildings	Capital work in progress	Total
Cost					
Balance 1 July 2022	109,360	19,828	4,254	4,396	137,838
Acquisition	46,050	1,061	-	-	47,111
Additions & reclassifications	17,744	5,765	541	(1,269)	22,781
Disposals	(858)	(38)	-	-	(896)
Exchange movement	(1,743)	(211)	(32)	(29)	(2,015)
Balance 30 June 2023	170,553	26,405	4,763	3,098	204,819
Balance 1 July 2023	170,553	26,405	4,763	3,098	204,819
Additions & reclassifications	19,028	5,136	-	2,476	26,640
Disposals	(2,395)	(21)	(1,734)	-	(4,150)
Exchange movement	769	111	(4)	37	913
Balance 30 June 2024	187,955	31,631	3,025	5,611	228,222
Accumulated depreciation & impairment losses					
Balance 1 July 2022	70,308	11,062	307	-	81,677
Acquisition	23,615	363	-	-	23,978
Depreciation	11,588	2,617	51	-	14,256
Disposals	(789)	(35)	-	-	(824)
Exchange movement	(996)	(113)	(5)	-	(1,114)
Balance 30 June 2023	103,726	13,894	353	-	117,973
Balance 1 July 2023	103,726	13,894	353	-	117,973
Depreciation	12,572	3,708	119	-	16,399
Disposals	(2,031)	(10)	(305)	-	(2,346)
Exchange movement	448	67	-	-	515
Balance 30 June 2024	114,715	17,659	167	-	132,541
Carrying amounts					
As at 30 June 2022	39,052	8,766	3,947	4,396	56,161
As at 30 June 2023	66,827	12,511	4,410	3,098	86,846
As at 30 June 2024	73,240	13,972	2,858	5,611	95,681

Security

At 30 June 2024, the fixed assets of the Group are subject to a first debenture to secure bank loans (see note 14).

10. PROPERTY, PLANT AND EQUIPMENT (Continued)

ESTIMATE The determination of the appropriate useful life for a particular asset requires management to make judgements about, among other factors, the expected period of service potential of the asset, the likelihood of the asset becoming obsolete as a result of technological advances, and the likelihood of the Group ceasing to use the asset in its business operations. Assessing whether an asset is impaired may involve estimating the future cash flows the asset is expected to generate. This will in turn involve a number of assumptions, including rates of expected revenue growth or decline, expected future margins and the selection of an appropriate discount rate for valuing future cash flows. Assets that are subject to depreciation or amortisation are reviewed for impairment at least annually or when changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs of disposal, and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

KEY POLICY Recognition and Measurement

Items of property, plant and equipment, other than land, are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is recognised in profit or loss. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The depreciation rates of the Group for the current and comparative periods are as follows:

Plant, machinery and vehicles	8% to 75%	Diminishing value
Furniture, fittings and equipment	2.5% to 80.4%	Diminishing value and straight line
Buildings	2.5%	Straight line

11. RIGHT-OF-USE ASSETS

NZ\$000's	Motor vehicles	Buildings	Total
Cost			
Balance 1 July 2022	5,498	232,431	237,929
Additions and renewals	3,076	107,794	110,870
Disposals	(356)	(3,638)	(3,994)
Exchange movement	(54)	(3,129)	(3,183)
Balance 30 June 2023	8,164	333,458	341,622
Balance 1 July 2023	8,164	333,458	341,622
Additions and renewals	2,715	30,622	33,337
Disposals	(2,359)	(14,031)	(16,390)
Exchange movement	32	1,567	1,599
Balance 30 June 2024	8,552	351,616	360,168
Accumulated amortisation			
Balance 1 July 2022	3,718	53,506	57,224
Disposals	(1,614)	(3,027)	(4,641)
Amortisation for the year	2,285	27,115	29,400
Exchange movement	(36)	(691)	(727)
Balance 30 June 2023	4,353	76,903	81,256
Balance 1 July 2023	4,353	76,903	81,256
Disposals	(2,302)	(4,519)	(6,821)
Amortisation for the year	1,523	28,962	30,485
Exchange movement	8	492	500
Balance 30 June 2024	3,582	101,838	105,420
Carrying amounts			
As at 30 June 2022	1,780	178,925	180,705
As at 30 June 2023	3,811	256,555	260,366
As at 30 June 2024	4,970	249,778	254,748

NZ\$000's	2024	2023
<i>Lease liabilities included in the Consolidated Statement of Financial Position</i>		
Current	25,236	22,665
Non-current	265,070	267,067
	290,306	289,732
<i>Lease expenses included in Consolidated Statement of Comprehensive Income</i>		
Interest on leases	16,982	16,363
Right-of-use asset amortisation	30,485	29,400
	47,467	45,763
<i>Lease cash flows included in Consolidated Statement of Cash Flows</i>		
Interest paid on leases (operating activities)	16,982	16,363
Payments for lease liabilities principal (financing activities)	23,656	21,372
Total cash outflows from lease liabilities	40,638	37,735

ESTIMATE Lease liabilities have been measured at the present value of the remaining lease payments, discounted using a discount rate derived from the incremental borrowing rate for each asset class as the interest rate implicit in the lease was not readily available. Incremental borrowing rates applied to lease liabilities rising from additions, modifications or renewals within the year range between 7.50% – 8.45% (2023: 5.75% – 5.95%). In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The Group has leases for buildings and motor vehicles. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The building leases typically run for a period from 10 to 20 years. Lease payments for buildings are increased every one to three years to reflect market rentals. Some leases provide for additional rent payments based on changes in the local price index.

The Group is prohibited from selling or pledging the underlying leased assets as security. Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group.

12. INTANGIBLE ASSETS

NZ\$000's	Goodwill	Computer software	Customer book	Total
Cost				
Balance 1 July 2022	12,960	13,396	2,158	28,514
Acquisitions	292	8	3,468	3,768
Additions & reclassifications	-	171	-	171
Exchange movement	(70)	(4)	(45)	(119)
Balance 30 June 2023	13,182	13,571	5,581	32,334
Balance 1 July 2023	13,182	13,571	5,581	32,334
Additions & reclassifications	-	48	-	48
Disposals	-	(13)	-	(13)
Exchange movement	25	3	15	43
Balance 30 June 2024	13,207	13,609	5,596	32,412
Amortisation & impairment losses				
Balance 1 July 2022	1,196	13,239	1,294	15,729
Acquisitions	-	2	-	2
Amortisation for the Year	-	128	1,483	1,611
Exchange movement	-	(3)	(23)	(26)
Balance 30 June 2023	1,196	13,366	2,754	17,316
Balance 1 July 2023	1,196	13,366	2,754	17,316
Amortisation for the Year	-	113	1,575	1,688
Disposals	-	(13)	-	(13)
Exchange movement	-	2	17	19
Balance 30 June 2024	1,196	13,468	4,346	19,010
Carrying Amounts				
Balance at 30 June 2022	11,764	157	864	12,785
Balance at 30 June 2023	11,986	205	2,827	15,018
Balance at 30 June 2024	12,011	141	1,250	13,402

ESTIMATE The carrying value of goodwill is assessed at least annually to ensure it is not impaired. Performing this assessment generally requires management to estimate future cash flows to be generated by the investment, which entails making judgements including the expected rate of growth of revenues, margins expected to be achieved, the level of future capital expenditure required to support these outcomes and the appropriate discount rate to apply when valuing future cash flows.

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

NZ\$000's	2024	2023
Horan Steel	2,397	2,383
Plate Australia	2,191	2,178
Plate New Zealand	7,126	7,126
Ullrich Aluminium	297	299
	12,011	11,986

12. INTANGIBLE ASSETS (Continued)

The annual impairment test is performed as at 30 June each year. Goodwill is considered to be impaired if the carrying amount of the relevant cash generating units ("CGUs") exceeds its recoverable amount. The recoverable amount of a CGU is the higher of its fair value less costs of disposal ("FVLCD") and its value-in-use ("VIU"). The Group uses a VIU approach to estimate the recoverable amount of the CGU to which each goodwill component is allocated. Based on this assessment no impairment was identified for any CGU therefore a FVLCD calculation was not required.

Goodwill and other intangible assets with indefinite useful lives are tested at least annually for any impairment. All CGUs were tested for impairment at the reporting date. The recoverable amounts of CGUs have been determined on a consistent basis to 30 June 2023.

The recoverable amount of the cash generating unit ("CGU") was calculated on the basis of value in use using a discounted cash flow model. Future cash flows were projected out five years, based on a conservative 2% terminal growth rate based on Board approved business plans for the year ending 30 June 2025, with key assumptions being EBITDA and capital expenditure for the CGU. A post-tax discount rate of 11.1% was utilised for all the CGU's (2023: 11.1%). The values assigned to the key assumptions represent management's assessment of future trends in the steel industry and are based on both external sources and internal sources (historical data). The cash flows beyond the five year period have been extrapolated on a similar basis. A reasonable possible change in assumptions will not result in an impairment.

KEY POLICY Goodwill - Recognition and Measurement

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired business at the date of acquisition.

Goodwill on acquisition of businesses is included in intangible assets. Goodwill is not amortised. Instead, goodwill is tested for impairment annually and more frequently, if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Impairment

Impairment is determined by the CGU (group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU (group of CGUs) is less than the carrying amount, an impairment loss is recognised firstly in relation to the goodwill and then pro rata to the other assets. Any impairment loss is recognised immediately in profit and loss and if it relates to goodwill is not reversed in a subsequent period.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

Computer software

Computer software has been predominantly internally developed and have a finite useful life. Computer software costs are capitalised and written off on a straight line basis over the useful economic life of 2 to 5 years. Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs directly associated with the production of identifiable and unique software products controlled by the Group and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Customer book

The customer book relates to the Horan Steel Holdings Pty Limited and the Ullrich Aluminium Limited acquisitions. These were recognised at the fair value at the date of acquisition and subsequently amortised on a straight-line based on the timing of projected cash flows of the contracts over their estimated useful lives (being 5 years for Horan Steel and 3 years for Ullrich Aluminium).

13. TRADE AND OTHER PAYABLES

NZ\$000's	2024	2023
Trade payables	123,450	142,762
Employee benefits	17,123	18,927
Other taxes (GST)	3,525	5,180
	144,098	166,869

Payables denominated in currencies other than the functional currency comprise 67% of trade payables (2023: 69%).

KEY POLICY Trade and other payables

Creditors are recognised at amounts to be paid in the future for goods and services already received, whether or not billed to the Group. They are non-interest bearing and are normally settled on 30-90 day terms.

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payment in respect of the purchase of these goods and services.

Employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

14. INTEREST-BEARING LIABILITIES

NZ\$000's	2024	2023
Secured bank loans - non current		
Opening balance	360,000	210,970
Net cash flow (used in)/from financing activities	(60,096)	149,702
Foreign exchange movements	-	(672)
Closing balance	299,904	360,000

The loans under the Bank of New Zealand, National Australia Bank Ltd, Westpac New Zealand Ltd, ANZ Bank New Zealand Ltd and MUFG Bank Ltd facility have a final repayment date of 16 July 2027. Loans are drawn down on a rolling basis as necessary.

Security

The loans have been provided by Bank of New Zealand, National Australia Bank Ltd, Westpac New Zealand Ltd, ANZ Bank New Zealand Ltd and MUFG Bank Ltd under a facility agreement dated 28 June 2018 (as amended and restated most recently on 15 May 2023) together with tranche letters with each bank.

The Group is not subject to any externally imposed capital requirements, other than those imposed by the banks under the financing arrangements.

The Group will not create a security interest over all of the assets of the Group other than the first ranking security interest created under the General Security and Common Terms Deed in favour of Bank of New Zealand dated 15 December 2011 (as amended and restated on 22 September 2014) (and equivalent security that has been granted by the members of the Group incorporated in Australia).

The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors.

There have been no breaches of debt covenants for the current or prior period.

Bank borrowings are initially recognised at fair value net of transaction costs incurred. They are subsequently stated at amortised cost using the effective interest rate method where appropriate. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for more than 12 months after balance date.

NZ\$000's	2024	2023
Unused lines of credit		
Bank overdraft facilities	20,957	20,891
Borrowing facility	97,421	67,765
	118,378	88,656

15. SHARE CAPITAL

Fully Paid Ordinary Shares	2024		2023	
	Number of shares	Share capital NZ\$000's	Number of shares	Share capital NZ\$000's
Opening balance	131,408,572	11,988	131,408,572	11,988
Closing balance	131,408,572	11,988	131,408,572	11,988

All shares are fully paid. All ordinary shares carry one vote per share, carry a right to dividends and a pro rata share of net assets on a wind up.

KEY POLICY Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

16. EARNINGS PER SHARE

NZ\$000's	2024	2023
Profit after tax	39,985	87,899
Ordinary shares outstanding (number of shares)	131,408,572	131,408,572
Basic earnings per share (cents per share)	\$0.30	\$0.67
Diluted earnings per share (cents per share)	\$0.30	\$0.67

KEY POLICY Basic earnings per share is calculated by dividing the profit after tax of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

17. EMPLOYEE SHARE BASED COMPENSATION**Performance share rights plan**

The Company has a Long-Term Incentive Plan (LTIP), effective 1 July 2021, to assist in the motivation, retention and reward of eligible employees. The LTIP is designed to align the interests of employees with the interests of Shareholders by providing an opportunity for certain employees to receive an equity interest in the Company.

The Board may determine the individual employees who are eligible to participate in the LTIP from time to time. Determination of eligibility is at the Board's sole and absolute discretion.

Under the LTIP, the Company may grant Performance Share Rights (PSR) to a Participant. Each PSR unit entitles the holder (at no cost to the Participant) to one ordinary share in the Company. Unless otherwise stated, PSR grants are to be made annually on 1 July.

All incentives have a 3-year vesting period. The LTIs are split into 2 components ("Tranche 1" and "Tranche 2"). The vesting criteria for Tranche 1 is based on Return on Capital Employed ("ROCE") thresholds while Tranche 2 is based on the Company's total shareholder return ("TSR") ranking relative to a "Benchmark Group". For both tranches the individual must remain employed by the Company.

The Benchmark Group comprise all companies in the ASX 300 index (excluding mining, energy and financial companies). The measurement of both the Company's and benchmark TSRs will be the gross return based upon any capital gains / (losses) and the cash component of dividends only (i.e., excluding returns attributable to franking credits). The share price returns of the Company and/or the Benchmark Group will also be adjusted for:

- The impact of bonus issues and /or capital reconstructions; and
- Referenced to the 20-day Volume Weighted Average Price ("VWAP") of the Company's share price prior to the testing date.

The fair value of PSRs are recognised as an expense in the Consolidated Statement of Comprehensive Income over the vesting period of the rights with a corresponding entry to the share based payments reserve.

An additional 478,261 PSRs (FY24 Grant) were granted in the current period with a combined face value of \$2,459,000 (2023: 332,417 PSRs issued with a combined face value of \$2,495,000).

The total expense recognised in the year to 30 June 2024 in relation to equity settled share based payments was \$2,029,352 (2023: \$1,243,365). No rights were exercised during the year.

KEY POLICY The fair value of PSRs are recognised as an expense in the Statement of Profit or Loss over the vesting period of the rights with a corresponding entry to the share based payments reserve.

Measurement

The fair value of PSRs is independently determined using a Monte Carlo simulation valuation methodology. The key inputs and assumptions are included in the table below. Guerdon Associates completed the valuation.

Movements in the number of share rights outstanding and their exercise prices are as follows:

	2024	2023
	Performance share rights	Performance share rights
Number outstanding		
As at beginning of the year	724,039	391,622
Granted during the year	478,261	332,417
Vested during the year	-	-
Lapsed during the year	-	-
As at end of the year	1,202,300	724,039
Exercisable at year end	391,622	-
Number of employees holding PSRs	8	3
Weighted average remaining contractual life (months)	18	18
Fair value of rights granted during the year (\$000)	2,459	1,629
Fair value of rights granted during the year (\$ per share)	\$5.14	\$4.90
Key inputs and assumptions used in fair value of grants during the year		
Share price at grant date (\$ per share)	\$7.79 - \$8.95	\$7.71
Contractual life (years)	3	3
Expected volatility (i)	29.85% - 31.19%	30.08%
Expected dividend yield	9.05% - 9.70%	8.43%
5 year NZD risk free rate	3.90% - 3.97%	3.51%

(i) The expected share price volatility is derived by analysing the historical volatility of peer companies over the most recent historical period corresponding to the term of the PSR.

18. RESERVES AND DIVIDENDS

NZ\$000's	2024	2023
Capital reserve	8,548	8,548
Cash flow hedge reserve	(28)	65
Foreign currency translation reserve	(2,185)	(2,252)
Share based payment reserve	5,956	3,926
	12,291	10,287

Nature and purpose of reserves**Capital reserve**

The capital reserve relates to capital gains and losses transferred from retained earnings. These reserves can be distributed tax free on the eventual wind-up of the company.

Cash flow hedge reserve

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the hedging reserve.

Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Share based payment reserve

This reserve is used to recognise the fair value of shares and PSRs granted but not exercised or lapsed. Tax deductions in excess of the cumulative share based payment expense are recognised in equity. Amounts are transferred to share capital (including income tax benefits) when the vested shares or PSRs are exercised or lapse.

Dividends

All dividends are recognised as distributions to shareholders.

Dividends of \$55,850,645 (excluding supplementary dividends paid) were declared and paid by the Group to qualifying shareholders for the year ended 30 June 2024 (2023: \$81,485,797). This amount excludes supplementary dividends.

19. DERIVATIVE FINANCIAL INSTRUMENTS

NZ\$000's	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Foreign currency forward exchange contracts - cash flow hedges (current)	-	67	1,710	-

KEY POLICY Derivatives

The Group uses derivative financial instruments to hedge its exposure to foreign exchange using foreign currency forward exchange contracts. Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and deemed effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset.

Cash flow hedges

The Group designates certain derivatives as hedging instruments in respect of cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- (i) there is an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- (iii) the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gains or losses in the cash flow hedge reserve are reclassified or recognised in the profit or loss in the same period as the hedged item affects profit or loss in the same line as the hedged item. If the hedged item is a non-financial item, the amount accumulated in the cash flow hedge reserve is removed from equity and included in the initial carrying amount of the hedged item.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria. This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

20. FINANCIAL INSTRUMENTS

KEY POLICY Financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of Financial Assets

Cash and cash equivalents and trade receivables are measured subsequently at amortised cost. Derivatives are measured subsequently at fair value through profit or loss (FVTPL).

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see derivatives and hedge accounting policy).

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank accounts.

Financial Liabilities

The Group's financial liabilities include trade and other payables and lease liabilities.

All financial liabilities other than derivatives are measured at amortised cost. They are measured at fair value (minus transaction costs directly attributable) on initial recognition and then subsequently measured at amortised cost.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all transaction costs and other premiums or discounts), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. The amortised cost of a financial liability is the amount at which the financial liability is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

Fair Value Estimation

NZ IFRS 13 for financial assets and liabilities measured at fair value requires disclosure of the fair value measurements by level from the fair value hierarchy, described as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; or

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); or

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All the Group's financial instruments held at fair value have been measured at the fair value measurement hierarchy of level 2 (2023: level 2).

The carrying value of the Group's financial assets and liabilities approximate the fair values.

Financial risk management

The Group's activities expose it to a variety of financial risks - market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors has approved policies and guidelines for the Group that identify and evaluate risks and authorise financial instruments to manage financial risks. These policies and guidelines are reviewed regularly. Management monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks.

a) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and prices will affect the Group's profit or the value of financial instruments. The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. The Group enters into derivative arrangements in the ordinary course of business to manage foreign currency risks.

Market risk exposures are analysed by sensitivity analysis.

20. FINANCIAL INSTRUMENTS (Continued)

(i) Foreign exchange risk

The Group is exposed to foreign currency risk on purchases and borrowings that are denominated in a currency other than the Company's functional currency, New Zealand dollars (\$), which is the presentation currency of the Group. The currencies in which transactions are primarily denominated are Australian dollars (AUD) and US dollars (USD). At any point in time the Group hedges at least 95 percent of its known foreign currency exposure in respect of purchases over the following 6 months. The Group uses forward exchange contracts to hedge its foreign currency risk. All of the forward exchange contracts have maturities of less than one year at the balance date.

The carrying amounts of significant non derivative financial assets and liabilities are denominated in the following foreign currencies:

NZ\$000's	NZD	AUD	Total
2023			
Cash	6,745	13,573	20,318
Trade and other receivables	58,919	111,743	170,662
Trade and other payables	(11,141)	(96,356)	(107,497)
Borrowings	(360,000)	-	(360,000)
	(305,477)	28,960	(276,517)
2024			
Cash	15,824	8,288	24,112
Trade and other receivables	50,522	94,305	144,827
Trade and other payables	(20,642)	(76,745)	(97,387)
Borrowings	(175,000)	(124,904)	(299,904)
	(129,296)	(99,056)	(228,352)

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to foreign exchange risk. A sensitivity of +/-10% has been selected. The Group believes that this is reasonably possible given the exchange rate volatility observed on a historical basis. All variables other than the applicable exchange rates are held constant:

NZ\$000's	2024		2023	
Foreign exchange rate change	-10%	+10%	-10%	+10%
Impact on profit after tax	2,160	(1,767)	4,924	(4,029)
Impact on hedging reserves (within equity)	3	(3)	39	(39)
	2,163	(1,770)	4,963	(4,068)

(ii) Interest rate risk

Interest rate risk is the risk that the value of the Company and Group's assets and liabilities will fluctuate due to changes in market interest rates. Both the Company and the Group are exposed to interest rate risk primarily through its cash balances and interest-bearing liabilities.

The Group has a practice of managing its interest rate risk by fixing borrowings for up to 180 days. The Group does not currently use derivatives to manage interest rate risk.

At 30 June 2024 the Group had the following mix of financial assets and liabilities exposed to variable interest rate risk:

NZ\$000's	2024	2023
Financial assets		
Cash and cash equivalents	24,112	20,318
Total financial assets exposed to interest rate risk	24,112	20,318
Financial liabilities		
Interest-bearing liabilities	(299,904)	(360,000)
Total financial liabilities exposed to interest rate risk	(299,904)	(360,000)
Net exposure	(275,792)	(339,682)

20. FINANCIAL INSTRUMENTS (Continued)

The following table summarises the sensitivity of the Group's financial assets and financial liabilities to interest rate risk. A 0.25% increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All variables other than the applicable interest rates are held constant:

NZ\$000's	2024		2023	
Interest rate change	-0.25%	+0.25%	-0.25%	+0.25%
Impact on profit after tax	567	(567)	622	(622)
	567	(567)	622	(622)

b) Credit risk

Credit risk is the risk that the counter party to a transaction with the Group will fail to discharge its obligations, causing the Group to incur a financial loss. The Group is exposed to credit risk through trade receivables, financial instruments, and cash and cash equivalents in the normal course of business. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Consolidated Statement of Financial Position.

Management has a credit policy in place under which each new customer is individually analysed for credit worthiness and assigned a purchase limit before the standard payment and delivery terms and conditions are offered. Where available the Group reviews external ratings. In other instances bankers' references are obtained. Purchase limits are reviewed on a regular basis.

The Group may require collateral in respect of trade and other receivables.

Vulcan Australia operations are indemnified by Euler Hermes for any loss sustained, to permitted limits, as a result of the insolvency or protracted default of customers, provided the delivery of goods or services occurs within the policy period.

The Group's exposure to credit risk from cash, bank accounts, deposits and derivatives is limited due to the credit rating of the financial institutions concerned.

c) Liquidity risk

Liquidity risk represents the Group's ability to meet its contractual obligations. The Group evaluates its liquidity requirements on an ongoing basis. In general, the Group generates sufficient cash flows from its operating activities to meet its obligations arising from its financial liabilities and has credit lines in place to cover potential shortfalls.

The analysis below has been determined based on contractual maturity dates and circumstances existing at 30 June 2024. The expected timing of actual cash flows from these financial instruments may differ.

NZ\$000's	Payable < 1 year	Payable 1-2 years	Payable 2-5 years	Payable > 5 years	Total contractual cashflows
2023					
Non derivative financial liabilities					
Trade payables	107,497	-	-	-	107,497
Lease liabilities	38,552	38,458	110,168	215,075	402,253
Interest bearing liabilities	-	35,000	325,000	-	360,000
Derivative financial liabilities					
Forward exchange contracts	59,372	-	-	-	59,372
Group contractual cashflows	205,421	73,458	435,168	215,075	929,122
2024					
Non derivative financial liabilities					
Trade payables	97,387	-	-	-	97,387
Lease liabilities	40,964	40,560	117,026	200,509	399,059
Interest bearing liabilities	-	149,904	150,000	-	299,904
Derivative financial liabilities					
Forward exchange contracts	46,711	-	-	-	46,711
Group contractual cashflows	185,062	190,464	267,026	200,509	843,061

Capital Management

The Group's capital consists of debt and leases, cash and cash equivalents, and equity, including share capital, reserves and retained earnings as shown in the Consolidated Statement of Financial Position. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the required capital structure the Group may issue new shares, sell assets to reduce debt and/or adjust amounts paid to investors.

The Group is not subject to any externally imposed capital requirements, other than those imposed by the bank for financing. The Group will not create a charge over secured property other than created by the general security agreement with BNZ/Westpac/MUFG/ANZ dated 22 September 2014. The Group's policies in respect of capital management and allocation are reviewed regularly by the Board of Directors. There have been no material changes in the Group's management of capital during the period.

21. CAPITAL COMMITMENTS

Total capital expenditure contracted as at balance date but not provided for in the accounts was \$4,738,719 (2023: \$1,201,469).

22. CONTINGENT LIABILITIES

There is a bank guarantee with National Australia Bank Ltd of \$12.7m (2023: \$13.3m) over property in Australia.

23. RELATED PARTIES

The Group has related party relationships with its controlled entities and with key management personnel.

The subsidiaries in the Group are:

	Principal activity	Place of incorporation	2024 Holding	2023 Holding
Subsidiaries				
Vulcan Steel (Australia) Pty Limited	Steel Distribution	Australia	100%	100%
Ullrich Aluminium Co Limited (non-trading)	Aluminium Distribution	New Zealand	100%	100%
Ullrich Aluminium Pty Limited (non-trading)	Aluminium Distribution	Australia	100%	100%
Global Metals Pty Limited (liquidated and deregistered effective 21 September 2023)	Steel Distribution	Australia	-	100%
Ullrich Fabrications Pty Limited (non-trading and deregistered 10 September 2023)	Aluminium Distribution	Australia	-	100%
Ullrich Noyes Administration Services Pty Limited (non-trading and deregistered 9 July 2023)	Aluminium Distribution	Australia	-	100%
Wintec Aluminium Pty Limited (non-trading and deregistered 9 July 2023)	Aluminium Distribution	Australia	-	100%
Associates				
Inviol Limited	Health & Safety Systems	New Zealand	16%	30%

Transactions with key management personnel NZ\$000's	2024	2023
Salaries paid (including KiwiSaver and cashed-up annual leave)	2,825	2,610
Total remuneration	2,825	2,610

Key management includes the Chief Executive Officer/Managing Director, the Chief Financial Officer and the Chief Operating Officer. In addition, Directors' fees of \$834,315 (2023: \$770,001) were paid.

Building leases

The following table shows the lease principals paid to related party landlords during the year, together with the outstanding lease liabilities payable. Directors and senior management of the company (being Wayne Boyd and Adrian Casey) are investors in the property syndicates listed in the table below.

NZ\$000's	2024		2023	
	Principal lease payment	Lease liability outstanding	Principal lease payment	Lease liability outstanding
Tri-Nation Investments Pty Ltd	3,037	34,615	2,975	35,032
Pounamu Investments Ltd	1,681	11,574	1,490	10,892
Palmerston North Investments Ltd	704	3,948	636	4,413
Texas Properties Ltd	634	3,666	623	4,079
Plasma Investments Ltd	380	1,712	370	1,818
Angitu Limited Partnership	-	-	564	3,476
	6,436	55,515	6,658	59,710

1. Angitu Limited Partnership was a related party only in 2023, when then Peter Wells was a Director of the Company. He did not hold this position in 2024.

24. EVENTS OCCURRING AFTER BALANCE DATE**Dividend**

On 27 August 2024, the Directors approved a final dividend of 12.0 cents per share totalling \$15.4 million. The dividend record date is 27 September 2024 and payment will occur on 10 October 2024. The dividend will be fully franked and 30% imputed.

No other matters or circumstances have arisen since the end of the financial year which significantly affect the company, the results of those operations, or the state of affairs of the company in future financial years.



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Vulcan Steel Limited

Opinion

We have audited the consolidated financial statements of Vulcan Steel Limited and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position as at 30 June 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements, on pages 100 to 123, present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2024, and its consolidated financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to IFRS Accounting Standards ('NZ IFRS') as issued by the External Reporting Board and IFRS Accounting Standards ('IFRS') as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ('ISAs') and International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Group in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our firm carries out other assurance assignment for the Group in respect of green house gas inventories. These services have not impaired our independence as auditor of the Company and Group. In addition to this, partners and employees of our firm deal with the Company and its subsidiaries on normal terms within the ordinary course of trading activities of the business of the Company and its subsidiaries. The firm has no other relationship with, or interest in, the Company or any of its subsidiaries.

Audit materiality

We consider materiality primarily in terms of the magnitude of misstatement in the financial statements of the Group that in our judgement would make it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced (the 'quantitative' materiality). In addition, we also assess whether other matters that come to our attention during the audit would in our judgement change or influence the decisions of such a person (the 'qualitative' materiality). We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

We determined materiality for the Group financial statements as a whole to be \$5.0 million.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER

Revenue cut-off

The Group reported revenue of \$1,064 million during the year, as set out in note 4 of the financial statements.

The Group recognises revenue from the processing and distribution of steel and metal products. The Group's policy is to recognise revenue when goods are delivered to customers, which is the point when control is transferred to customers and the performance obligation is fulfilled.

Revenue cut-off is a key audit matter due to the significance of the revenue balance to the Group and the potential impact that would arise from revenue being recorded in the incorrect period.

In particular, cut-off risk arises due to large volume of orders being placed on or around balance date and the manual process used by management to trigger revenue recognition in the accounting system.

How our audit addressed the key audit matter

Our audit approach focused on the recording of revenue around year end by performing the following procedures:

- Obtained an understanding of the revenue process and controls through corroborative inquiry and walkthroughs of key controls over the recording of revenue;
- Performed substantive analytics procedures using reciprocal population to determine if revenue is recognised in the correct period.
- For a sample of revenue transactions recorded in the period leading up to and post year end, assessed whether the timing of revenue recognition was appropriate by inspecting the supporting documentation, such as shipping documents and Incoterms, that evidence that the control of goods has passed to customers; and
- Tested manual journal entries posted to revenue accounts around year end applying parameters designed to identify entries that were not in accordance with our expectations.

Other information

The directors are responsible on behalf of the Group for the other information. The other information comprises the information in the Annual Report that accompanies the consolidated financial statements and the audit report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and consider whether it is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If so, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibilities for the consolidated financial statements

The directors are responsible on behalf of the Group for the preparation and fair presentation of the consolidated financial statements in accordance with NZ IFRS and IFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible on behalf of the Group for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-1>

This description forms part of our auditor's report.

Restriction on use

This report is made solely to the Company's shareholders, as a body. Our audit has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Andrew Boivin, Partner
for Deloitte Limited**
Auckland, New Zealand
27 August 2024

This audit report relates to the consolidated financial statements of Vulcan Steel Limited (the 'Company') for the year ended 30 June 2024 included on the Company's website. The Directors are responsible for the maintenance and integrity of the Company's website. We have not been engaged to report on the integrity of the Company's website. We accept no responsibility for any changes that may have occurred to the consolidated financial statements since they were initially presented on the website. The audit report refers only to the consolidated financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these consolidated financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited consolidated financial statements and related audit report dated 27 August 2024 to confirm the information included in the audited consolidated financial statements presented on this website.

Glossary

1H	first half of FY24, being 1 July 2023 to 31 December 2023
2H	second half of FY24, being 1 January 2024 to 30 June 2024
2024 Annual Report	Vulcan's annual report for FY24 dated 27 August 2024
ARC	Vulcan's Audit and Risk Committee
ASM	annual meeting of shareholders
ASX	Australian Securities Exchange
ASX Recommendation	a recommendation developed by the ASX Corporate Governance Council and set out in the ASX Corporate Governance Principles and Recommendations (fourth Edition)
ATAs	active trading accounts
Balance Date	30 June 2024
Board	Vulcan's Board of Directors
CFO	Vulcan's Chief Financial Officer
Committees	ARC and PRC
Companies Act	Companies Act 1993 (New Zealand)
Constitution	Constitution as adopted by Vulcan on listing on 4 November 2021
COO	Vulcan's Chief Operating Officer
Corporations Act	Corporations Act 2001 (Cth) (Australia)
CREs	climate reporting entities
CRD	climate-related disclosures
Deloitte	Deloitte Limited (New Zealand)
DIFOT	delivery in full on time
EBITDA	earnings before interest, tax, depreciation and amortisation
ESG	environment, social and governance
Executive KMP	MD and CEO, COO and CFO, which for FY24 was Rhys Jones, Adrian Casey and Kar Yue Yeo respectively
FMC Act	Financial Markets Conduct Act 2013 (New Zealand)
FY23	financial year starting 1 July 2022 and ended on 30 June 2023
FY24	financial year starting 1 July 2023 and ended on 30 June 2024
GHG	greenhouse gas
Lead Team	Rhys Jones (MD and CEO), Adrian Casey (COO), Kar Yue Yeo (CFO), James Wells (Chief Information Officer), Helene Deschamps (Leadership Development), Bradley Childs (Australian Leader), Matthew Lee (Australian Leader), Richard Love (Australian Leader) and Lou Cadman (New Zealand Leader)
MAP	market announcement platform
MD and CEO	Vulcan's Managing Director and Chief Executive Officer
NZCS	New Zealand Climate Standards
NZX	New Zealand Stock Exchange
Personnel	all Vulcan directors, officers and employees, including temporary employees
PRC	Vulcan's People and Remuneration Committee
Prospectus	prospectus issued by Vulcan on 15 October 2021, which contained an initial public offering to acquire fully-paid ordinary shares in Vulcan
Representatives	any consultants, secondees, contractors, agents and intermediaries who have been engaged to work for and/or represent Vulcan
Shareholders	shareholders of Vulcan
Statement	Vulcan's corporate governance statement for the reporting period which ended on 30 June 2024
TPD	tonne per trading day
Vulcan	Vulcan Steel Limited (NZBN 9429038466052 / ARBN 652 996 015)
Vulcan Group	Vulcan and each of its subsidiaries, including Vulcan Steel (Australia) Pty Limited (ACN 100 061 283), Ullrich Aluminium Co Limited (NZ company number 47279) and Ullrich Aluminium Pty Limited (ACN 001 697 445)
XRB	External Reporting Board
yoy	year on year

Corporate Directory

BOARD OF DIRECTORS

Russell Chenu – Chair
 Rhys Jones
 Adrian Casey
 Wayne Boyd
 Bart De Haan
 Carolyn Steele
 Nicola Greer (appointed 5 September 2023)

EXECUTIVE TEAM

Rhys Jones – Managing Director and Chief Executive Officer
 Adrian Casey – Chief Operating Officer
 Kar Yue Yeo – Chief Financial Officer

REGISTERED OFFICE

New Zealand

29 Neales Road
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 Telephone: +64 9 273 7214

Australia

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ADMINISTRATIVE OFFICE

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116 Harris Road
 East Tamaki
 Auckland 2013
 Telephone: +64 9 272 7495

Australia

72–86 Nathan Road
 Dandenong South
 VIC 3175
 Telephone: +61 3 8792 9699

SHARE REGISTRY

Vulcan's register of securities is maintained by MUFG Corporate Markets (a division of MUFG Pension & Market Services, which was previously Link Market Services Limited), and is held at the following addresses:

In Australia:

Level 12, 680 George Street
 Sydney, NSW 2000
 Telephone: +61 1300 554 474

in New Zealand:

Level 30, PwC Tower
 15 Customs Street West
 Auckland 1010
 Telephone: +64 9 375 5998

AUDITORS

Deloitte Limited

COMPANY NUMBERS

New Zealand company number: 68137
 New Zealand business number: 9429038466052
 Australian registered business number: 652 996 015

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