Sustainability report

Pittini Group

2022

Sustainability report
Pittini Group
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Letter from the President to Stakeholders

Dear Stakeholders,

As is customary, this year also we are publishing our Sustainability Report, now in its third edition, and in reporting what happened in 2022 we must consider what has taken place in 2023 during drafting of the document. The commitment undertaken by our Group in virtuously reconciling business objectives and the goals achieved in the social and environmental sphere are reported in this document.

During 2022, and in particular in 2023, climate change manifested itself with increasingly extreme and frequent episodes with consequent damage and inconvenience for the population. The containment of climate-altering gas emissions into the atmosphere is an increasingly important objective of our activity. There are several investments underway aimed at improving the energy efficiency of production processes with the consequent reduction in energy consumption, the main cause of CO_2 emissions into the atmosphere; at the same time we are progressively increasing the internal production of electricity from renewable sources with the installation of photovoltaic parks within our production plants.

Our attention remains firmly fixed on health and safety at work, essential aspects to protect the collaborators and partners who operate within our factories. Confirming the importance of people for our Group is the continuous activity of the Corporate School Officina Pittini per la Formazione which, with its training projects also intended for our collaborators, contributes to increasing that intangible heritage which is knowledge and without which every investment could not be implemented. There is also the valuable activity in the area of the Pittini Group Foundation to support the community. The mission of the Foundation is to contribute to the development of communities with the skills to connect territory, solidarity and training, creating new ideas that look to the future.

We continued to invest in our industrial plan, oriented towards useful innovation, with an Industry 4.0 perspective. Our goal remains to consolidate our presence among the international leaders in the steel sector, anticipating the standards of industrial excellence through technological innovation.

Enjoy the read.

Federico Pittini
Pittini Group chairman

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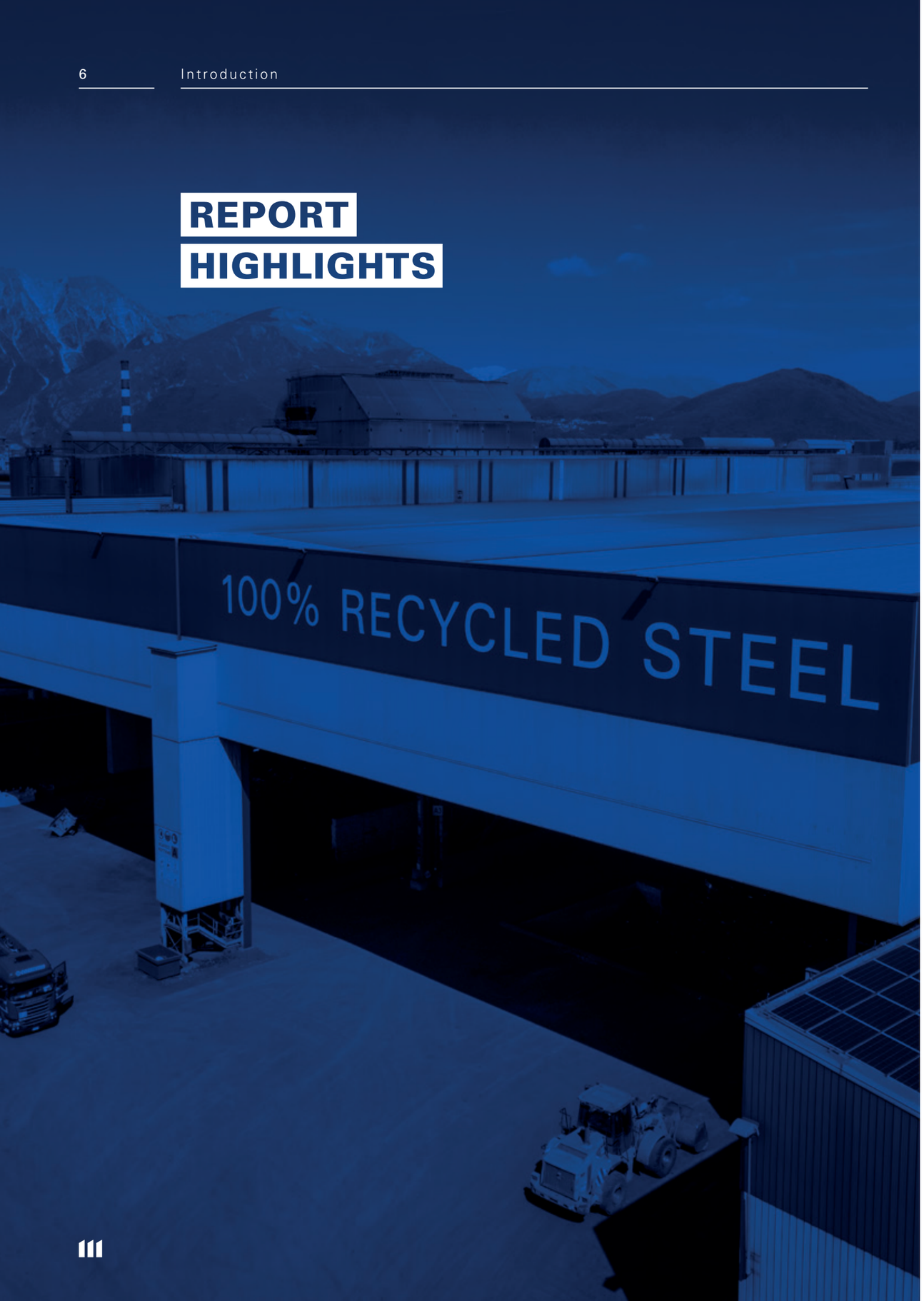
REPORT HIGHLIGHTS



Pittini Group tells us about itself

We are producers of steel for the construction and mechanical sectors.
Our aim is to be at the forefront of sustainable steel production.
We want to be a reliable partner for all our Stakeholders and build a better future.

THE GROUP TODAY

Data referring to 2022 for Compagnia Siderurgica Italiana S.p.A. (sub-holding of the Pittini Group).

- **1°** — **Italy's leading** steel producer in the **long steel sector**
- **3** mln — **tonnes** of steel produced **every year**
- **5** — types of **product**
- **65** — **Countries** worldwide where our products are sold
- **15** — different **customer** categories

The **Group** consists of:
- **12** companies
- **21** production plants
- **4** sales and logistics service facilities

ECONOMIC PERFORMANCE

Data referring to 2022 and relating to the Italian companies of Compagnia Siderurgica Italiana S.p.A. (sub-holding of the Pittini Group).

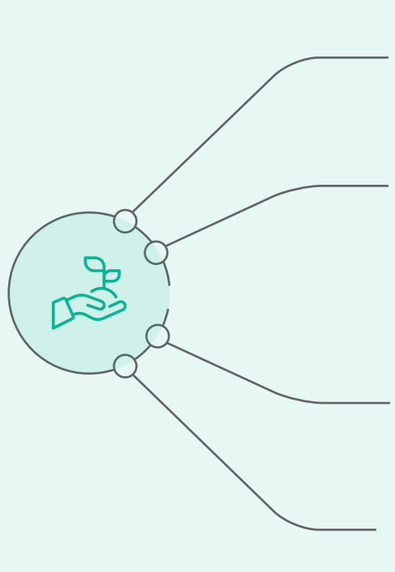
- **€2,748 milion*** Turnover
- **€68.2 milioni*** Investments
- **€3,191 milioni** Economic value generated, of which **97%** was distributed

- **72%** of total sales are exported abroad

** Figures for Compagnia Siderurgica Italiana S.p.A.; investments for the reporting companies amount to €64.9 million.*

ENVIRONMENTAL PROTECTION

Data referring to 2022 and relating to the Italian companies of Compagnia Siderurgica Italiana S.p.A. (sub-holding of the Pittini Group).



-11.1% reduction in **energy consumption** compared to 2021

-3.1% **water consumption** compared to 2021

85.2% of the total **waste produced** is **sent for recovery/recycling**, an increase of 10.8% compared to 2021

-8.9% direct CO_{2eq} **emissions** compared to 2021

Steel: a circular economy

100%
steel is completely **recyclable**

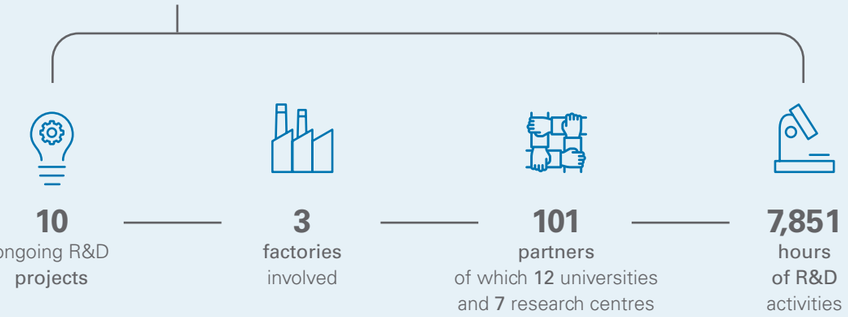
100%
steel can be **recycled infinitely** without losing its properties

0 WASTE
the policy of turning **potential residues into productsi**

534,000
tonnes of **potential residues** turned into **resources**

RESEARCH AND INNOVATION

Data referring to 2022 and relating to the Italian companies of Compagnia Siderurgica Italiana S.p.A. (sub-holding of the Pittini Group).



10 ongoing R&D **projects**

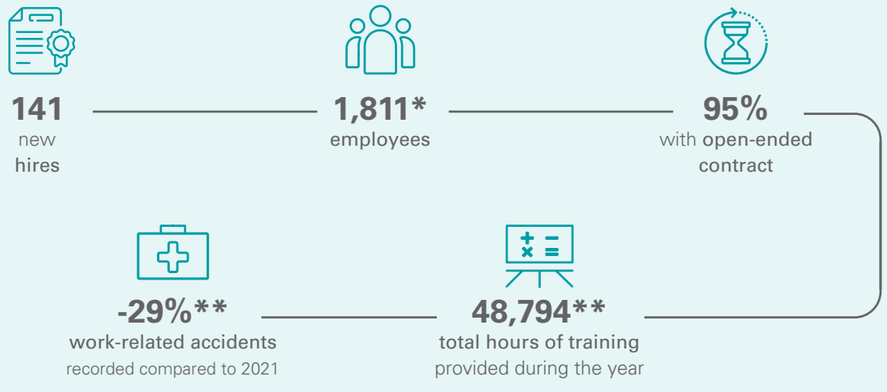
3 **factories** involved

101 **partners** of which **12** universities and **7** research centres

7,851 **hours of R&D** activities

OUR PEOPLE

Data relating to Compagnia Siderurgica Italiana S.r.l. (sub-holding of the Pittini Group).



141 new **hires**

1,811* **employees**

95% with **open-ended contract**

-29%** work-related accidents recorded compared to 2021

48,794** total hours of training provided during the year

**The number of collaborators of the companies being reported is equal to 1,634.*

***Data relating to the companies subject to reporting.*

1 PITTINI GROUP

1.1 Company profile

The Pittini Group, with its main headquarters in Osoppo (Udine), is a steel group with a strong international vocation that bases its production processes on the electric furnace. With approximately 3 million tons of steel produced, it is the leading Italian producer of long steels for construction and mechanics (in the terminology of the steel industry, long products refer to steel products, including wire, wire rod and bars, as well as types of sections and structural steel beams; the distinction compared to flat steels is due to their geometric conformation), equal to **12% of the entire national production and 28% of the production of long steels**.[1]
The Group, with the recent acquisition of SteelAg GmbH, now consists of 12 companies and 21 production plants as well as 4 commercial and logistics structures for the distribution of products. This composition is updated at the time of drafting of this financial statement. Ferriere Nord, Siderpotenza and Acciaierie di Verona are the most representative companies and are based in Italy.
The data presented in this sustainability report reports the activities of the Italian companies of the Pittini Group.

Meltshops and Rolling mills

Ferriere Nord
Osoppo (UD), Italy
- Meltshop with electric arc furnace
- Wire rod rolling mill
- Rebar rolling mill

Acciaierie di Verona
Verona, Italy
- Meltshop with electric arc furnace
- Wire rod rolling mill

Siderpotenza
Potenza, Italy
- Meltshop with electric arc furnace
- Rebar rolling mill

Aggregate production plants

Ferriere Nord
Osoppo (UD), Italy
- Granella® plant

Siderpotenza
Potenza, Italy
- Granella® plant

Cold steel processing

Ferriere Nord
Osoppo (UD), Italy
- Electro-welding wire mesh plant and recoiling plant

Acciaierie di Verona[2]
Verona, Italy
- Recoiling plant

Ferriere Nord
Nave (BS), Italy
- Electro-welding wire mesh plant

La Veneta Reti
Loreggia (PD), Italy
- Electro-welding wire mesh plant and recoiling plant

BSTG
Linz, Austria
- Electro-welding wire mesh plant

BSTG
Graz, Austria
- Electro-welding wire mesh plant

Kovinar
Jesenice, Slovenia
- Electro-welding wire mesh plant

SIAT
Gemona del Friuli (UD), Italy
- Cold drawn wire and flat production

Pittarc Divisione di Siat
Osoppo (UD), Italy
- Welding wires production plant

STEELAG
Kralupy, Repubblica Ceca
- Cold steel processing

STEELAG
Bánovce, Slovacchia
- Electro-welding wire mesh plant

Drat Pro
Kralupy, Repubblica Ceca
- Cold drawn wire and flat production

Sales offices and distribution centres

Siderpotenza
Ceprano (FR), Italy
- Distribution centre

Pittini Stahl
Aichach, Germania
- Sales office

Pittini Siderprodukte
Geroldswil, Svizzera
- Sales office

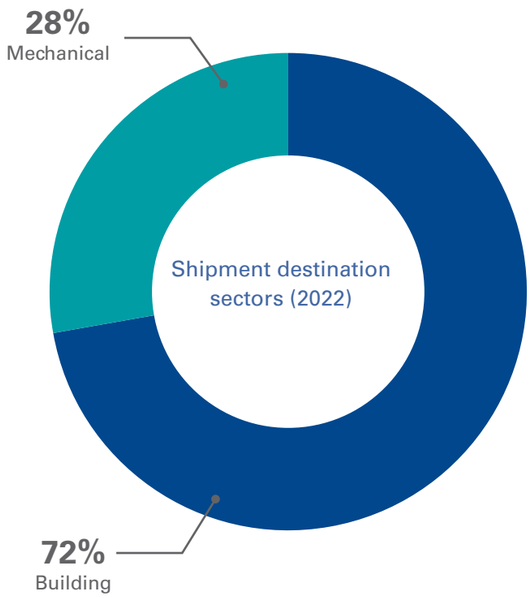
STEELAG
Aichach, Germania
- Sales office

1 Percentages calculated based on the 2021 steel economic situation published by Federacciai.
2 From 1 January 2023 the cold processing plant previously part of Ferriere Nord S.p.A. is now acquired by Acciaierie di Verona S.p.A.

The Group produces **nearly 3 million tonnes of steel every year**, with constant growth based on three fundamental pillars:

- the pursuit of an increasingly solid production **verticalisation**;
- **continuous investments** in product and process innovation also aimed at environmental protection;
- a strong **dedication to people**.

Construction, infrastructure and the mechanical industry are the main target markets for the Group's products, for which steel is specifically designed and manufactured. As proof of this, the Group's production shares are equal to 33% of all the wire rod produced in Italy and 41% of the national production of reinforcing bars.[3]
The range of steel solutions offered by the Pittini Group is one of the most complete found on the market and can meet every need.

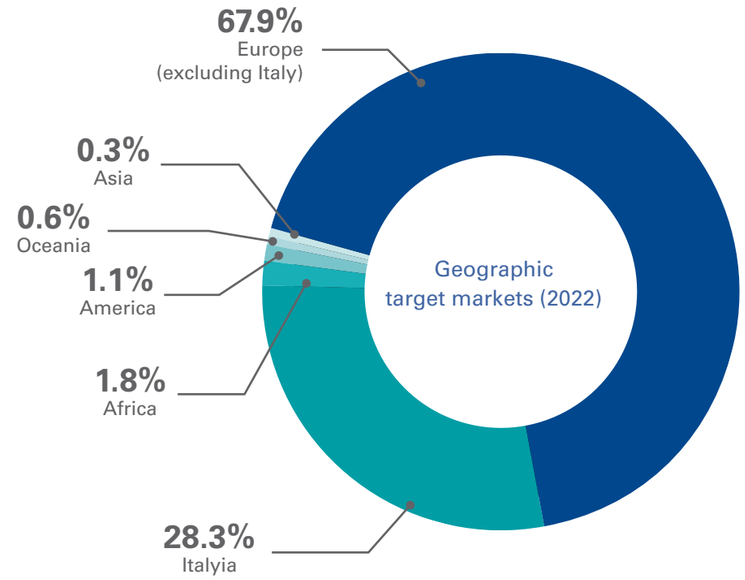


The size of the Group and the unique know-how it has developed over the years allow it to offer a wide and specialised range of products, which are marketed under different **brands**:

- **PITTINI** → Wire rod and Concrete reinforcing steel produced by Ferriere Nord, Siderpotenza, Acciaierie di Verona, La Veneta Reti
- **BSTG** → Electro-welded mesh for the Austrian market
- **KOVINAR** → Electro-welded mesh for the Balkan market
- **SIAT** → Cold-drawn and cold-rolled steels
- **PITTARC** → Welding wire
- **STEELAG** → Electro-welded mesh and drawn steel for Eastern Europe

3 Percentages calculated based on the 2022 Steel Economy published by Federacciai.

The reference **market** of the Pittini Group, given the type of product and the high transport costs, is the **European** market where approximately **96%** of sales are concentrated.



SUSTAINABLE LOGISTICS

- 61,060 trucks
that did not travel by road, thanks to the expansion of **rail transport**

(Hypothesis: 40 ton truck, 28 net tons of goods, 70% load factor)

38,561 ton
carbon dioxide not emitted thanks to the use of rail transport


This is green.
DB Cargo
Carbon Footprint
Acciaierie di Verona S.p.A.
4,346 tons of CO_2e

1,709,672 ton
of goods transported by rail in 2022

-90%
reduction in CO_2 emitted thanks to the choice of transporting goods by rail


MERCITALIA RAIL
EcoTransIT
Gentile Cliente,
Il Libro Bianco sui trasporti formulato dalla Commissione Europea prevede obiettivi ambiziosi in termini di **riduzione dell'impatto ambientale dei trasporti**.
Entro il 2030, il 30% dei traffici merci stradali superiori a 300 km dovranno passare ad altre modalità (tra cui la ferrovia), il 50% entro il 2050.
Nel 2022, molte tonnellate di CO2 sono state risparmiate all'ambiente anche grazie all'**entità rilevante dei vostri traffici ferroviari**, dei quali vi trasmettiamo il **calcolo di impatto ambientale**.
Molto ancora si può fare. **Mercitalia Rail** è al vostro fianco per studiare **soluzioni a basso impatto ambientale,** che diano ampio **respiro al vostro business** e il giusto **spazio all'ambiente**.
Cordiali saluti,
Enrico Melloni

Source: Mercitalia Rail & DB, data referring to the Pittini Group, 2022.

1.2 Business sectors

MECHANICAL

Pittini is a reference in the market for the production of quality **wire rod** with low, medium and high **carbon** content. The wire rod produced by the Osoppo and Verona plants is used in the mechanical industry where it is then turned into a wide variety of products and components for everyday use.
The wire rod produced has obtained the **EPD - Environmental Product Declaration certification**.

STEEL FOR BUILDING

The Group stands out for its innovations in this sector:

- contribution to the industrialisation of reinforcements in the ‘60s, with the introduction of **lattice girder** and **electro-welded mesh**;
- in 2002, the Group was the first producer in the world to make **hot-rolled coils**, creating a new reference point in the sector with **Jumbo®**, the rebar in coils that, since 2015, is also available in a 5 tonne version to better meet the logistical and production needs of the Group’s partners;
- introduction, in the late ’90s, of the **HD brand**: high-ductility steel developed for earthquake-resistant constructions.
- The reinforced concrete steels produced in the Osoppo plant have obtained the **EPD - Environmental Product Declaration certification**.

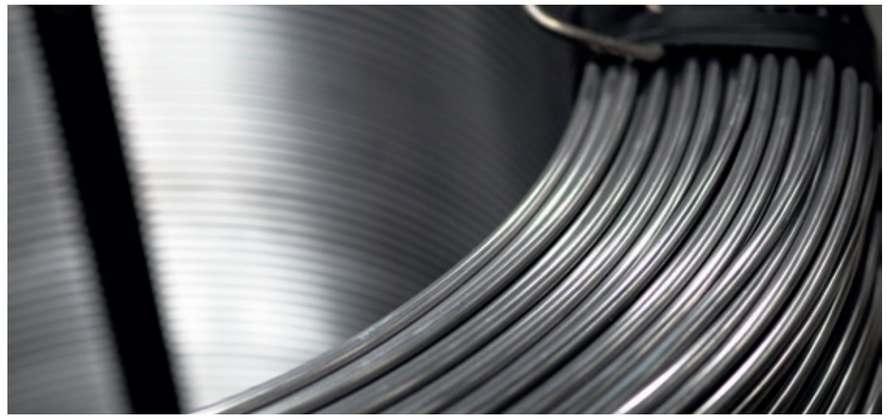
ROAD PAVING SOLUTIONS

The Group provides a series of solutions for the construction of roads and viaducts that stand out for their sustainability, innovation and ease of laying. In particular, Pittini is one of the first steel producers to reinterpret the production cycle with a view to the **Circular Economy**, also involving potential industrial residues to use them in new ways. Electric furnace slag has been the subject of continuous analysis and research, which has led to it being appreciated as an actual product for which the **Granella®** brand was registered in 2009. Granella® is used as an aggregate when making bituminous coverings, cement mixes and concrete mixes (for more information, see Section 2 "The circular economy and raw material recycling"), allowing it to replace valuable aggregates of natural origin such as basalt, diabase and porphyry. In this way, millions of tonnes of slag, otherwise headed for disposal, have become a valuable component in many new projects, with a positive environmental impact.

Granella® was the first aggregate deriving from steel mill slag with a **certified environmental product declaration**.

COLD DRAWN AND COLD ROLLED PRODUCTS

The Group's verticalisation process aimed to expand its offer with a wide range of **cold-drawn and cold-rolled steel products**.
These SIAT-branded products are made for the window and door, household appliance, automotive and construction industries. Their versatility is such that rolled plate is used in the production of enamelled grids for hobs as well as for the reinforcement and protection of off-shore submarine cables.



WELDING WIRE

Thanks to almost 50 years of experience, the **PITTARC division** has developed technologies, plants and production processes that make it a leader in the welding wire sector, using wire rod from the Pittini Group's steel mills.
The welding wires are made for the mechanical, pressure vessel, piping (in particular Oil&Gas), energy and heavy and light carpentry industries.

1.3 Production process

Steel, a ferrous alloy essentially made of iron and carbon, is the basis of a country's industrial activity, and the level of its production helps define its degree of industrialisation.

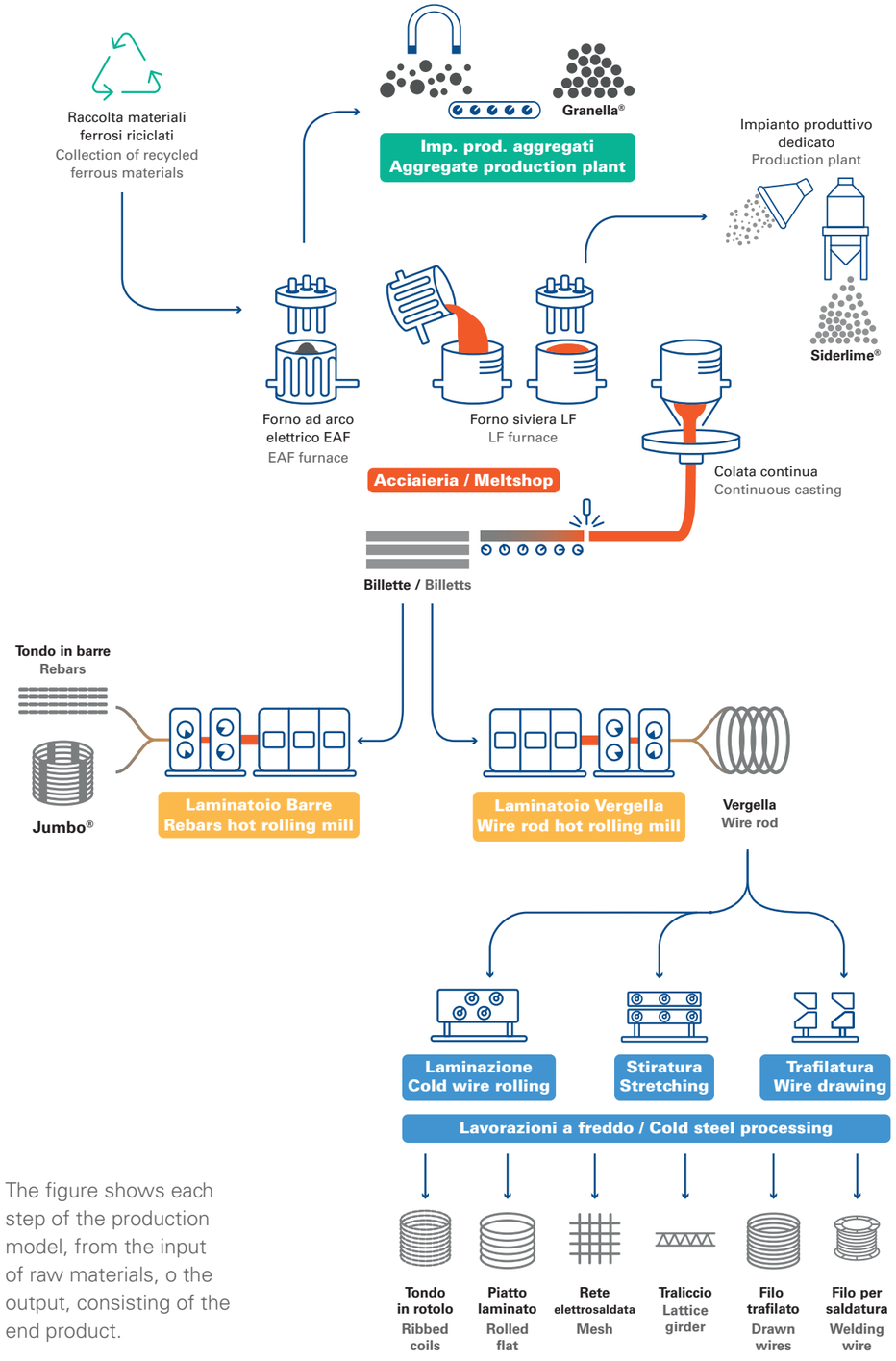
The most important distinction in the steel production process is made between blast furnace (LD) production and **electric arc furnace (EAF)** production. In the blast furnace, cast iron is produced from iron ore and carbon coke, which is then turned into steel in the converters. The EAF produces steel from **recycled ferrous material**. It is the most sustainable and environmentally friendly technology for this type of production, because it ensures better energy management and reduced emissions compared to the blast furnace, and it is also an example of circular economy. Thanks to the **complete control of the production cycle**, the Group is able to pursue and work according to a "circular" development model and offer a wide range of products that meet high quality standards.

The Pittini Group, which started from an artisan approach where human contribution was essential to ensure correct machine performance, has pursued a continuous technological evolution at plant level that has allowed, starting from the first casting in 1975, to reach high levels of automation. Today, the operators are supervisors and bring added value to the plant, thus increasing productivity, the efficiency of the system and the quality of the finished products.

Steel mills, hot processing plants (rolling mills), cold processing plants (production of electro-welded mesh, rewound reels and rolled/drawn products) and aggregate production plants are being constantly modernised and upgraded both to continuously improve safety standards and work environments and to prepare the entire production structure for the digital transformation of the manufacturing industry.

This approach has resulted in the Osoppo steel plant being recognised as one of those with the highest productivity in relation to the installed power on a single furnace, and in the new rolling plant built at the Acciaierie di Verona site being considered an application model of **Industry 4.0**.

> "Steel is a material that can be **100% and infinitely recycled** without losing its properties.



The figure shows each step of the production model, from the input of raw materials, o the output, consisting of the end product.

1.4 Values and Code of Ethics

For the Pittini Group, the continuous improvement of its processes, the protection of health at the workplace, the protection of the environment and respect for the local area, are fundamental principles that are at the root of the three principles that guide its activities:

- **reliability:** which allows for objectives to be achieved by guaranteeing professionalism and quality, meeting the expectations of all Stakeholders;
- **innovation:** which means evolving constantly, in production methods, processes and organisation in order to anticipate and be ready for the challenges that the future holds;
- **people:** which means feeling part of the organisation, developing one's full potential and doing one's best to help achieve the company's results.

Ferriere Nord S.p.A. has made its Code of Ethics public and has approved the organisation, management and control model pursuant to Italian Legislative Decree 231/2001. The other companies subject to reporting will undertake the same path.

- The corporate **Code of Ethics** of Ferriere Nord S.p.A. intends to disseminate the values that distinguish the Company's activity and which its employees, collaborators and partners constantly draw inspiration from.
- The **organisation, management and control model** adopted by Ferriere Nord S.p.A. aims to prevent committing of the crimes provided for by Italian **Legislative Decree 231/2001** and to raise awareness of all subjects who, in various capacities, collaborate with the Company.

MEMBERSHIP OF ASSOCIATIONS

The companies of the Pittini Group are associated with the territorial **Confindustrie** as well as with **Federacciai**, the federation of Italian steel companies.
The Group also adheres to the activities of **Ingegneria Sismica Italiana** to encourage and contribute to the growth of design and construction culture in the structural and seismic field.
It is also associated with **ACIMAF**, an association with the aim of promoting the image of Italian technology in the sector of machines and products for the ferrous and non-ferrous metal wire and cable industry.
The Pittini Group is part of **SITEB**, Strade Italiane e Bitume, a non-profit association that brings together the main operators in the road and waterproofing membrane sector across the board.
We join **INFRASTRUTTURE SOSTENIBILI**: a technical-scientific association whose objective is to encourage the diffusion of a broad and qualified culture of sustainability and an ever-increasing awareness of the social and economic value of having sustainable infrastructures.

RESPECT FOR HUMAN RIGHTS

The Group undertakes to respect the rights of all people employed and involved in the business activities of the Group companies. It is also committed to ensuring that its collaborators and stakeholders protect the human rights of all people involved in the value chain within which its strategic business is inserted, promoting and protecting human rights as declared by the **United Nations Human Rights Council**.
This policy is extended and disseminated to all people involved through formal and informal meetings, internal and external communications campaigns written in various languages. To ensure that all collaborators act with respect for human rights, the management committee and company managers monitor this. Companies do not deem it necessary to provide training on these issues because they are policies that are widely disseminated and consolidated by all company collaborators.

1.5 The Governance

On 5 April 2023, Compagnia Siderurgica Italiana S.p.A.,[4] as part of the Group's growth path, completed the acquisition of the entire share capital of the German company STEELAG Deutschland GmbH, parent company of the Czech company STEELAG Praha S.r.o. which, in turn, holds 99.98% of the Slovak company STEELAG Bánovce S.r.o. and 63.25% of the Czech company Drat Pro S.r.o. Acquisition of the companies of the STEELAG group is considered strategic in order to continue the internationalisation process of the Pittini Group through consolidation of the commercial and production presence in the markets of Central and Eastern Europe.

The Group, with a production capacity of approximately **3 million tons per year**, is a reference producer in the manufacture of long steels. It serves its customers in **65 countries**, exporting more than **70%** of its production abroad.

The Pittini Group consists of **12 companies** with **production and logistics service structures** located in **Italy and Central Europe**. It employs over **2,000 collaborators**. The companies of the Pittini Group produce steels for the construction and mechanical industries starting from recycled ferrous materials, subjected to strict controls before becoming the raw material, up to the production of steels for the construction industry, drawn products and welding wires.

- **Ferriere Nord S.p.A.**

Home to the Group's headquarters, the Osoppo (UD) plant is a complex of international importance in the production of long steels.

- **Acciaierie di Verona S.p.A.**

An industrial enterprise with a long iron and steel tradition, part of the Pittini Group since 2015, in recent years it has been involved in a profound modernisation of all the systems.

- **Siderpotenza S.p.A.**

Part of the Pittini Group since 2002, the production site includes an innovative steel mill and a bar rolling mill serving the Mediterranean market.

- **La Veneta Reti S.r.l.**

Historic factory specialised in the production of electro-welded mesh based on specific customer designs, it has made flexibility its strong point.

- **Kovinar D.o.o.**

Welded mesh production plant, a point of reference in Slovenia and for the Balkan market.

- **BSTG GmbH**

The production plants in Linz and Graz are a point of reference for the production and marketing of building steels in the Austrian market.

- **S.I.A.T. S.p.A.**

Leading company in the production of drawn and polished rolled steels for the mechanical industry. Equipped with important cutting-edge lines, it is a reference in the market.

- **Pittarc** - Divisione di S.I.A.T. S.p.A.

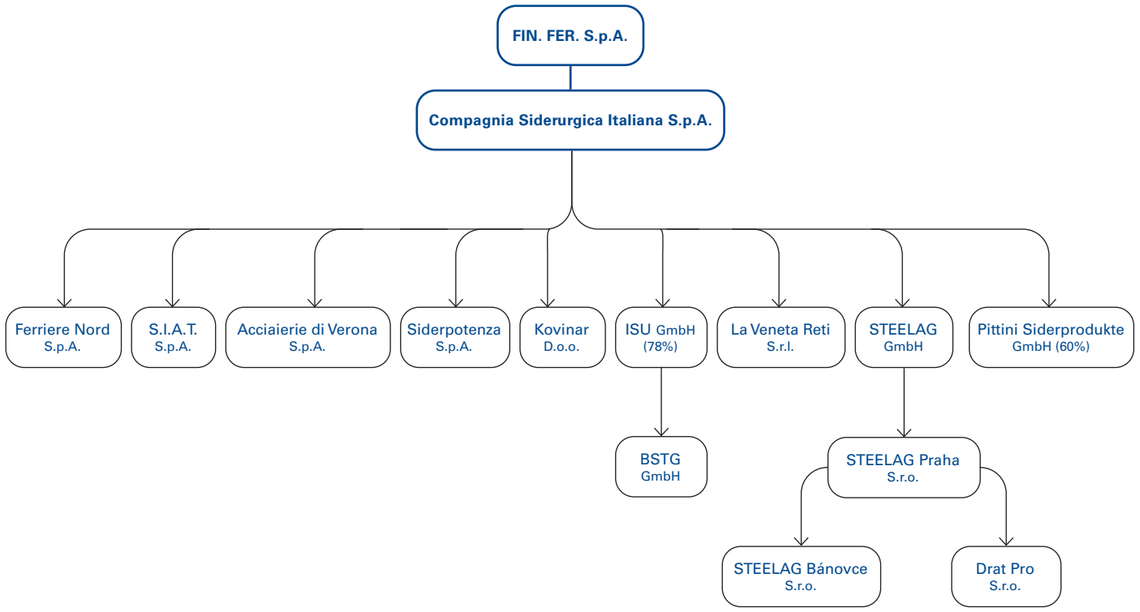
Brand specialised in welding with over 40 years of experience in the production and marketing of gas-protected and submerged arc welding wires.

- **STEELAG GmbH**

Group acquired in April 2023 specialised in the production of electrowelded elements dedicated to construction and drawn steels intended for mechanics. It consists of three companies located in the Czech Republic and in the Slovak Republic.

4 It should be noted that in February 2023 the Company changed its legal form to a joint-stock company and increased the share capital from €80 million to €100 million through the use of equity reserves.

Pittini Group organization



The governance structure

The Pittini Group has launched a revision process of its governance system to support the overall strategic development of its many diverse manufacturing entities. More specifically, the reorganisation process has been developed in two directions: the revision of the governance mechanisms in the Parent Company and in the subsidiaries, as well as the redefinition of the organisational model, with a specific focus on information systems. The corporate reorganisation of the Group had the objective of implementing policies geared towards achieving a more advanced integration of the supply chain and increased organic specialisation in terms of production.
The first stage of the reorganisation involved the creation of the sub-holding company named Compagnia Siderurgica Italiana S.p.A., which was assigned the management and coordination of all the subsidiaries, simplifying the decision-making processes and administrative activities of the Group. The management boards of each individual operating company report to the Corporate structure and perform their functions in line with the strategic guidelines defined by the senior management of the Group. In addition, to ensure an overall view of the Group dynamics, an "Organisational" department was established under the direct supervision of the executive management team of Compagnia Siderurgica Italiana. The new department coordinates the IT area and will provide the development of specific skills for the analysis and improvement of the business processes of the Group.
The presidents of the boards of directors of the companies being reported are not employees of the companies and therefore do not have operational roles within them.

The management systems

In relation to the quality of its processes and activities, the Pittini Group has chosen to certify its Management Systems in accordance with the applicable Standards described below for the companies indicated.

Environment Sector	UNI EN ISO 14001:2015	• Ferriere Nord S.p.A. (Osoppo) • Acciaierie di Verona S.p.A. • Siderpotenza S.p.A. • S.I.A.T. S.p.A. • La Veneta Reti S.r.l.
	Reg. CE 1221/2009 (EMAS)	• Ferriere Nord S.p.A. (Osoppo) • Acciaierie di Verona S.p.A.
	UNI EN ISO 14021:2016 Environmental assertions on the percentage of recycled material in finished products	• Ferriere Nord S.p.A. • Acciaierie di Verona S.p.A. • Siderpotenza S.p.A.
	Reg. 333/11	• Ferriere Nord S.p.A. (Osoppo) • Acciaierie di Verona S.p.A. • Siderpotenza S.p.A.
Energy Sector	Energy UNI CEI EN ISO 50001:2018	• Ferriere Nord S.p.A. (Osoppo)
Quality Management Systems	UNI EN ISO 9001:2015	• All Group's companies
Occupational Health and Safety Management Systems	ISO 45001:2018	• Ferriere Nord S.p.A. (Osoppo) • Ferriere Nord S.p.A. (Nave) • Acciaierie di Verona S.p.A.
	UNI10617	• Ferriere Nord S.p.A. (Osoppo)
Competence of testing and calibration laboratories	ACCREDIA accreditation according to Standard UNI CEI EN ISO IEC 17025:2005	• Ferriere Nord S.p.A. (Osoppo) • Siderpotenza S.p.A.

2. SUSTAINABILITY FOR THE PITTINI GROUP

2030 is the goal set by the United Nations Global Agenda for achieving of the **17 sustainable development goals (SDGs)**, which range from the fight against climate change to the defeat of poverty, from health to quality education, from clean and accessible energy to gender equality, from water protection to decent work.

At the end of 2019, the European Commission launched the "**EU Green Deal**", a program that aims to "transform the European economy towards a sustainable future" and whose main objectives include:

- **accelerating** of the reduction of greenhouse gas emissions by 2030 to achieve climate neutrality by 2050;
- **mobilising** industry for a clean and circular economy;
- **guaranteeing** the supply of clean, economical and safe energy;
- **building and renovating** according to energy and resource efficiency principles;
- **preserving** the environment and ecosystems;
- **promoting** sustainable and intelligent mobility.

All this will be achieved also through a strong stimulus to research and innovation and by financing the ecological transition.

2.1 Dialogue with Stakeholders

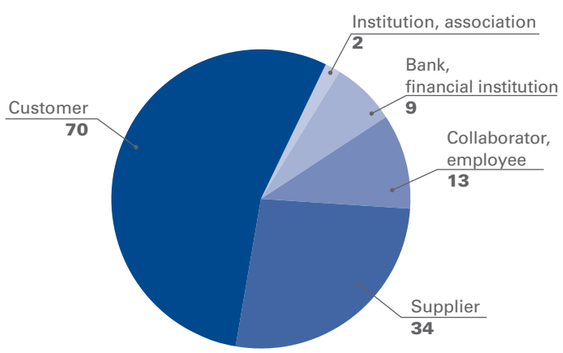
The Pittini Group considers its relationship with stakeholders important and special. Through the website it is possible to find all the useful information, also in relation to Sustainability. Also through the website it is possible to send e-mails, access the Group's newsletter, register for webinars on various topics and use technical applications. Customer satisfaction surveys are performed continuously by the Group companies, whose management system complies with the **ISO 9001** standard. This year, on the occasion of the publication of the third Sustainability Report, the Group has chosen to involve a sample of significant stakeholders in relation to sustainability issues. Each type of stakeholder assessed is interested in the Group's operations from a particular perspective.

Initially, an in-depth **benchmark analysis** was performed in which a number of companies in the Pittini Group sector were taken into consideration with their respective stakeholders and the main themes that emerged from the analysis were analysed and considered for the purposes of this reporting. Therefore, a questionnaire was drawn up to understand what issues were relevant to them in relation to the ESG issues.

The stakeholders consulted were:

- a significant sample of collaborators;
- customers of the various Group companies and belonging to different markets;
- a relevant sample of Italian and foreign suppliers;
- financial operators who operate with the group;
- sector operators such as bodies and associations;
- institution and local communities.

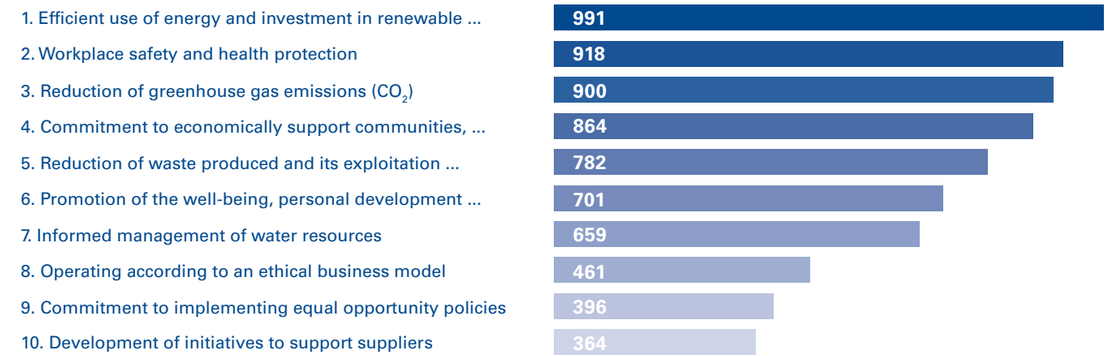
128 responses to the questionnaire were received, 82% of which were in Italian and 18% in English. Below is the breakdown by type of stakeholder:



Specifically, the **material topics** for the Group's stakeholders, classified by importance, are:

1. efficient use of energy and investment in renewable energy;
2. workplace safety and health protection;
3. reduction of greenhouse gas emissions (CO_2);
4. commitment to economically support communities, collaborators and local suppliers (value distributed across the territory);
5. reduction of waste produced and its exploitation (Circular Economy);
6. promotion of the well-being, personal development and professional growth of employees;
7. informed management of water resources;
8. operating according to an ethical business model;
9. commitment to implementing equal opportunity policies;
10. development of initiatives to support suppliers.

The Group's commitment is highly concentrated so that future actions and choices can be made with a view to satisfying the needs of internal and external stakeholders, consolidating existing relationships and expanding, year after year, the range of participation and discussion, establishing continuous dialogue and sharing.
With the publication of its Sustainability Report, the Pittini Group certifies and formalises its commitment to measuring the results achieved and to pursuing the objectives to aim for on the sustainability front.



TYPES OF STAKEHOLDER

Stakeholders are the people who are actually or potentially significantly affected by the Group's activities and expect the Group to evaluate its decisions also in consideration of their needs.
The Pittini Group has engaged in a series of activities to identify its Stakeholders and the sustainability issues they are interested in.
Six types of Stakeholders and ten topics (important both for the Pittini Group and for the Stakeholders) have been identified.

The Pittini Group has identified the **topics subject**[5] to reporting, which are listed below divided by area:

ENVIRONMENT

- **MANAGEMENT OF RAW MATERIALS**
- **PROTECTION OF WATER**
- **ENERGY SAVING AND EMISSION CONTROL**
- **WASTE MANAGEMENT**

SOCIAL ASPECTS

- **OCCUPATIONAL HEALTH AND SAFETY**
- **TALENT MANAGEMENT**
- **SKILLS ENHANCEMENT**

ECONOMIC AND GOVERNANCE ASPECTS

- **RESPECT FOR ETHICAL PRINCIPLES**
- **INVESTMENTS IN INNOVATION**
- **VALUE DISTRIBUTED ACROSS THE TERRITORY**

5 There were no significant deviations from the previous reporting period with regard to relevant thematic issues

3.2 Agenda 2030 targets for the Pittini Group

For many years, the Pittini Group has been oriented towards identifying increasingly innovative and high-performance pathways and processes and is ready to take up the challenge that lies ahead in the near future. Environmental awareness and care is reflected in all company decisions and in all activities and processes, from the importance given to training and occupational health and safety, to fairness in relationships and compliance with regulations.
The Pittini Group has assessed how it can contribute to sustainable development with reference to the 17 goals. It then selected 9 objectives and specified the focus areas.

THEMES	GOAL	ACTIONS AND OBJECTIVES
	Ensuring a healthy life, promoting the well-being of all	Pittini is constantly committed to ensuring optimal working conditions by enhancing the culture of safety and organizational well-being.
	Ensuring inclusive and equitable quality education and promote lifelong learning opportunities for all	Pittini created a genuine school called Pittini Training Workshop. The Workshop supports not only all Group companies, but also the local area. Since 2004, the Workshop has also been accredited by the FVG Region and promotes projects and training courses. Training and updating are considered decisive factors for the development of the company and its people.
	Promoting gender equality and other levels of diversity (age, culture, training)	Pittini guarantees gender equality, as required by current legislation and according to the principles of the company, although the activity carried out requires, mainly, male labour, the company is careful to accept and evaluate in a fair and equal manner all requests that come to its attention.
	Ensuring availability of affordable, reliable, sustainable and modern energy services for all	The company ensures that its activities are managed in full compliance with current regulations and, although the company is clearly energy intensive, it constantly strives to find solutions to limit consumption as far as possible.
	Promoting lasting and sustainable economic growth, employment development and meaningful work for all	Pittini has always been committed to ensuring the economic advancement of the people involved in its activities, and carries out ongoing communication activities in the region even by means of the 'Pittini Foundation', which promotes and implements projects specifically dedicated to the region, solidarity and training.
	Encouraging innovation and the promotion of a sustainable level of industrialisation	The Company's commitment to pushing towards increasingly modern, innovative and sustainable systems is one of the main focuses in the company's strategy. In order to continually improve, Pittini invests in research and innovation in steel production processes, which has an impact on economic, social and environmental performance. Pittini prides itself on continually evolving technologies.
	Making cities and human settlements inclusive, safe, resilient and sustainable	The Company's activity is aimed at pursuing the improvement of the quality of life in cities and communities by operating and implementing research and innovation activities that place it at the cutting edge of technological evolution.
	Ensuring sustainable consumption and production patterns	Pittini closely monitors developments in market and socio-cultural contexts with regard to sustainability, designing solutions that meet the needs and demands of its partners.
	Take urgent action to combat climate change and its consequences	The company is firmly committed to the protection of the environment and contributes to the struggle against climate change and its consequences by creating new steel products, reducing the use of raw materials of natural origin, together with recovery and recycling of residual products in internal processes. Steel can be completely recycled and reused.

2.3 Strategic guidelines for the sustainability of the Pittini Group

The sustainability strategy of the Pittini Group is characterised by continuity with the actions carried out in the past and is attentive, in particular with regard to environmental aspects, to the evolution of the global situation, with attention to the vision developed at national and European level by industry bodies such as ESTEP (European Steel Technology Platform) which has developed the Clean Steel Partnership Road Map.

For an industry characterised by high energy and material consumption such as that of the Pittini Group, the focus is on four areas: Energy, Circular Economy, CO2 Emissions, Water Resource Use. They are closely related and synergic with each other. Much work has been done in the past, often with cutting-edge aspects in the sector, but they still need to receive attention, also by means of the computerisation and increased automation of the industrial processes and by implementing industrial symbiosis principles.

Circular Economy

- The pursuit of research activities on materials, dissemination, technological development and promotion for an increasingly technically appropriate use of steel slag processing products.
- Maximisation of the reintegration of its residues into the same or different production cycles.

Energy

- The pursuit of the minimisation of specific energy consumption.
- Recovery of energy from thermal processes, allowing it to be reused inside or outside the process and the plant.

Reduction of CO_2 emissions

- Plant development allowing for the maximisation of energy efficiency, resulting in less use of fossil fuels, or allowing for the partial or total replacement of the energies used, preferring renewable ones.
- Replacement of methane of fossil origin with biomethane.
- Research, design and development of technological applications in the production process by replacing conventional fuels based on the oxidation of carbon-based materials.
- Replacement of fossil carbons used in the EAF process with carbon-based materials derived from the processing of plant biomass.
- Preferential choice in the supply of energy and materials that allow for lower CO_2 emissions in an overall product life cycle analysis.

Use of the water resource

- Automation and computerisation of qualitative and quantitative monitoring methods and development of tools for analysing consumption and discharge data in order to ensure the continuous and adequate use of the resource.
- Increased efficiency of the water resource by integrating the circuits of the different sections of the same plant, transfer of water to circuits with progressively less restrictive requirements, treatment/purification systems capable of restoring water quality to process requirements, pursue of a high degree of recirculation in the same circuit.

Enhancement of the local area and communities

- The company is committed to building partnerships and positively integrating its plants within the local area, respecting and enhancing its special features. This is with the aim of strategically positioning itself and, above all, representing an element of value for the community and for the entire supply chain, ensuring economic solidity, qualified jobs, skills development, well-being and safety for all collaborators.

Value of people

- The responsible and transparent management of collaborators, together with the internal enhancement of their skills, are essential elements for the growth and development of the entire organisation.

Skills management and talent development

- The company focuses on the growth of its people, considering training an essential lever of development for the individual collaborator and for the entire organisation.

Safety

- The promotion of a safe and secure workplace for all the Group's workers with constant attention to accidents at work.

Economic value

- The creation of value for the communities in which the industrial plants are integrated, with particular attention to its supply chain, supporting suppliers, especially local ones, with financial support actions.
- Continuous innovation to improve product quality and the energy efficiency of the plants, with a view to Industry 4.0.

3 ENVIRONMENTAL PERFORMANCE

Steel production processes have a **non-negligible impact** on the environment: the most significant aspects are energy consumption, atmospheric emissions, production waste management and water resource management.

Investors are now particularly attentive to sustainability assessments and have started to use specific indicator systems to access the actions taken by organisations and to make predictions about the risks deriving from incipient environmental and socio-economic changes.

In the context of steel production and processing activities, **reconciling industrial development with environmental protection** is a challenge that has always continuously stimulated all the people who have worked for the Group and those who still work for it today.

The **BATs** (Best Available Techniques) are the reference for environmental authorisations issued by the authorities and they represent the prerequisite to be able to operate. In the Group's plants, the continuous effort is not only to implement the BATs, but also to seek the possibility of exceeding them by anticipating regulatory indications.
Some examples of work carried out or in progress in some plants are the following:
• the installation of "ultra low NOx" burners in reheating furnaces;
• the installation of activated carbon systems to abate organic micropollutants and control process parameters;
• the continuous revamping of steel mill extraction systems;
• the installation of continuous scrap feeding technology at the steel mill's melting furnace to reduce the potential for fugitive emissions;
• the transfer of billets from continuous casting to the pre-heating furnace of the wire rod rolling mill to obtain the energy savings associated with hot loading.

Over the years, the containment of emissions in any environmental compartment (air, water, soil, noise, waste), the rational use of resources, the sustainable management of plants and their positive relationship with the local area, have been a constant and ever-growing priority addressed thanks to research on plants, processes and materials.

The Group, determined to improve its environmental performance over time, achieve high objectives and continuously monitor the results achieved as well as its own performance, wanted its Companies to adopt an Environmental Management System (EMS) complying with Standard UNI EN ISO 14001, which has been implemented at various levels in all plants.

The management of environmental protection and the related protection of the area in which the Group operates is developed in line with the specific legislative provisions and regulations defined at a European, national and regional level. In fact, the activities of plants equipped with Steel Mills and Rolling Mills are subject to the Integrated Environmental Authorisation (IEA) issued by the authorities in accordance with the best technologies available for each type of production in Europe (BAT).

A further step towards transparency and sustainability was the decision to adhere to the Eco-Management and Audit Scheme (EMAS)9 in the Verona (2020) and Osoppo (2021) plants, with the registration of the relative sites and publication of the respective statements.

6 The Eco-Management and Audit Scheme (EMAS) is a voluntary instrument created by the European Community and regulated by Regulation (EC) no.1221/2009 and subsequent amendments and integrations, to which organisations (companies, public bodies, etc.) can voluntarily adhere in order to assess and improve their environmental performance and provide the public and other interested parties with information on their environmental management.

The Group's approach to preventing potential impacts from production activities has translated into significant investments in environmental protection, as well as worker safety and product quality. In this regard, one example is the recent three-year investment plan called "Green Steel" dedicated to the Potenza plant.

For the Group's activities, there are essentially two applicable BREFs:
- **BREF for Iron and Steel production** (IS) for steel meltshops.
- **BREF for the Ferrous Metals Processing industry** (FMP) for rolling mills.

From an organisational point of view involving environmental aspects, the Group is structured with a **strategic HSE Manager** at Corporate level and Environmental Managers appointed for each plant.

The application of the Deming cycle for continuous improvement (Plan-Do-Check-Act) provides for the involvement of Top Management, which, during specific meetings, checks the progress of the objectives set and, once they have been achieved, sets new ones. In this way, the PDCA model takes the form of a virtuous spiral which, by repeating improvement, reaches increasingly higher levels.
The Group's policies are made known to all its collaborators. Moreover, dedicated training sessions, in which the Group's collaborators are invited to participate in order to strengthen their behaviour and consequent professional practices, are also essential for their effective implementation

3.1 Materials

Steel is a **permanent material**; this means that it maintains its resistance, ductility and formability intact over time.

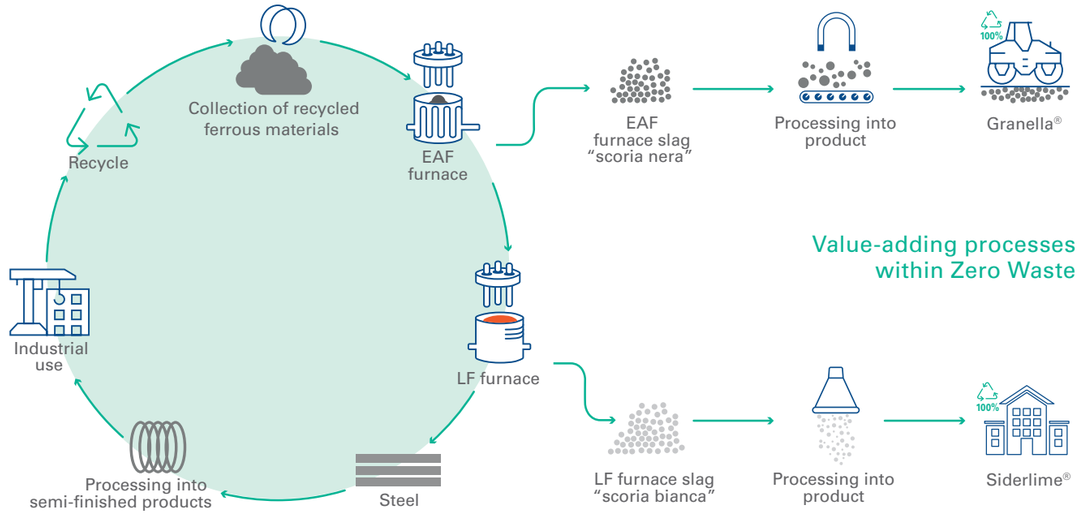
In general, steel is considered to have an overall recovery rate of over 78%; 100% of the derived products can be recycled.

In the creation of new steel products, the continuous reduction in the use of raw materials of natural origin (in favour of ferrous scrap), together with recovery/recycling activities of residual products in internal processes and "industrial symbiosis" practices, constitute a specific objective for the company; this translates into the economic opportunities that stem from it and the aspects related to the reduction of environmental impacts.

"**Industrial symbiosis** is a form of intermediation to facilitate innovative collaboration between companies, so that the waste produced by one of them is exploited as raw materials for another. The word 'symbiosis' is usually associated with relationships in nature, in which two or more species exchange materials, energy or information in a mutually beneficial way.
Local or broader collaboration in the context of industrial symbiosis can reduce the need for virgin raw materials and waste disposal, thus closing the material cycle – a fundamental characteristic in the field of Circular Economy and a driver for sustainable growth and eco-innovative solutions. It can also reduce emissions and energy consumption and create new profitable flows.

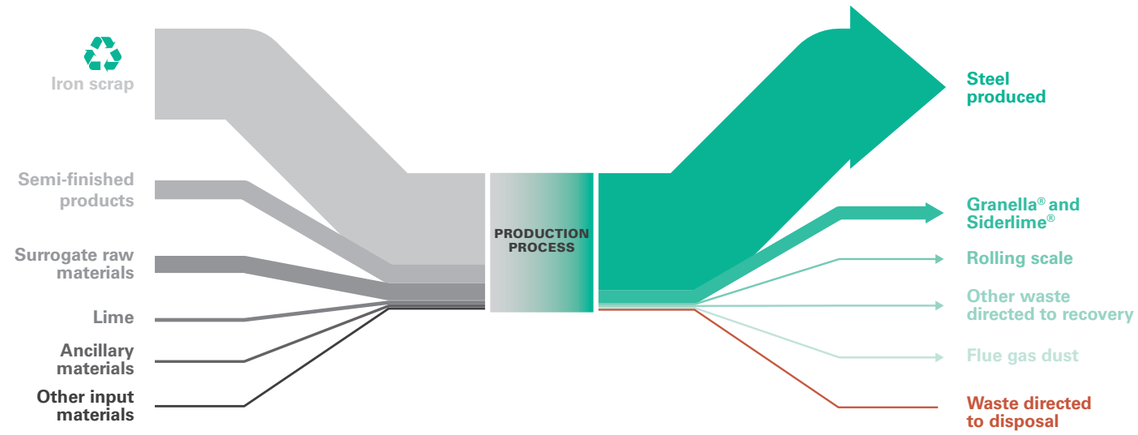
3.2 Circular economy and raw material recycling

When creating new steel products, the continuous reduction in the use of raw materials of natural origin, together with the recovery/recycling of residual products in internal processes and "industrial symbiosis" practices, are a real objective for companies in this sector, both for the economic opportunities that derive from them and for the aspects related to the reduction of the environmental impact.
It should be pointed out that, once produced, steel can be recycled and reused due to the fact that it is a **permanent material**, i.e. capable of maintaining its strength, ductility and formability intact over time. Steel is considered to have an overall recovery rate of **more than 78% and 100% of its by-products are suitable for recycling.**[7] It is a perfect example of circular economy.
The materials used in the EAF production process are mainly and essentially made up of ferrous scrap (material classified as "end of waste"[8] according to EU Regulation 333/2011), cast iron and pre-shredded steel, as well as some additives.
The "**Zero waste**" initiative, which started in the mid-90s at the Osoppo site and later extended to other Group production sites and continued to evolve over the years until today, aims at minimising waste by continuously enhancing its positive qualities, resorting to a specific innovation of processes, plants and materials.
Zero Waste mainly focuses on the most important materials in terms of quantity, such as electric furnace slag, ladle furnace slag, fume abatement dust, scale and refractories. Secondary materials that today, thanks to the results of the project, are appreciated within and outside the production cycle, as they can be used to replace other raw materials such as basalt, porphyry, limestone, iron ore and zinc ore.



As a result, **the portion of material entering** the production process, mainly ferrous scrap from recycling, that **does not become finished steel product**:

- becomes **Granella®**, or **Siderlime®**, two new construction products,
- remains within the production cycle (such as ladle furnace slag fed back into the EAF instead of lime),
- is recovered by third parties with the aim of industrial symbiosis,
- **only a small part cannot be recovered** and is sent for disposal.



Qualitative representation of the flow of materials into and out of the production process of the 3 plants in question. The thickness of the arrows is proportional to the total weight.

Only **15%** of production waste is sent for **disposal**

81,7% of the raw materials used in processes in meltshops **comes from recycling**

76,4% of the semi-finished products used in rolling mills comes **from recycled material**

For Pittini, recovery and recycling activities are made possible thanks to a production process mainly focused on electric furnace technology based on scrap recovery.
The entire melting and refining process in the steelworks used, during 2022, a total quantity of more than 3,110,000 tons of raw materials and related materials, of which 81.7% came from a recycling process (down from 83.6% in 2021).
The raw steel produced by the steel mills (billets) constitutes the raw material (semi-finished product) for the Group's rolling mills to produce wire rod, reinforcing bars in bars and Jumbo® coils, using hot rolling processes.

In 2022 **the production of hot rolled products in the Group was achieved with semi-finished products 74.6% came from recycled material** down from 78.3% in 2021).
The hot-rolled steel, in the form of wire rod or reinforcing rod, is both marketed as is and transferred to the Group's cold processing, where it is transformed into electro-welded mesh, electro-welded lattice, drawn wire, re-coiled wire and from wire from welding.
In 2022, the Group's Cold Processing processed 703,834 tons of incoming steel, of which 74.6% came from recycled material.

7 According to the White Book of Steel published by the World Steel Association, the steel recovery rate identifies the percentage ratio between the amount of scrap recovered and the amount of scrap available.
8 EU Regulation 333/2011 sets the criteria - such as scrap quality, waste used as material in the recovery operation, and treatment processes and techniques - according to which certain types of scrap iron, steel, aluminium and aluminium alloys cease to be waste and are therefore defined as "end of waste".

Below are the main results achieved from recovery processes in the logic of the circular economy:

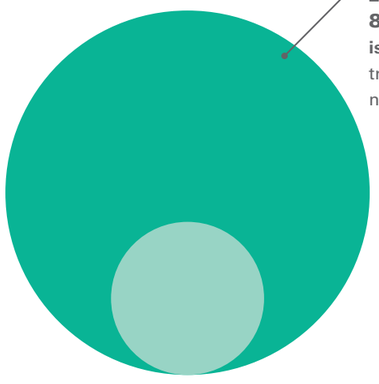
• **EAF slag**: 371,582 tonnes of Granella® were used instead of natural materials that would otherwise have to be extracted from quarries.
The use of **Granella®** in long-lasting water draining pavements also led to the appreciation of the new material and consolidated a positive relationship with the local area. Another advantage is that an equal amount of material was not sent to landfills.

• **Ladle slag and refractories**: these materials are also used within the cycle in quantities over 64,700 tonnes in 2022, otherwise they would be destined for disposal.

• **Siderlime®:** the creation of a new product derived from the recovery of ladle slag and intended for cement factories as aggregate began in 2022. Production for 2022 amounted to 3,292 tons

• **Steel mill fume abatement dust** (50,568 tonnes in 2022) is sent for recovery at third parties for the extraction of zinc and other materials, reducing the use of ore and other metals.

• **Scale**: 43,260 tonnes in 2022 are sent for recovery at third parties, saving materials from mining sites.



THE 2022 RESULTS OF THE ZERO WASTE PROJECT

375k tonnes
of **Granella®** and **Siderlime®** produced

65k tonnes
of **ladle slag** and **refractories** reused in the production cycle

51k tonnes
of steel mill **fume abatement dust** recovered

43k tonnes
of **scale** recovered

534k tonnes
of natural materials saved from extraction

SIDERLIME®

SIDERLIME®, thanks to its high CaO content, is used in the cement production cycle as a partial replacement of natural raw materials (typically marl and/or limestone) in the preparation of the raw mixture fed to the portland cement clinker kiln; thanks to its hydraulic properties, it is the basic constituent of all types of cements and hydraulic binders.
Thanks to its already decarbonated calcium oxide content, SIDERLIME®, contributes to the **reduction of process CO_2 emissions** resulting from clinker burning.

GRANELLA®

With a view to extending its knowledge of the impacts associated with the manufacture of its products throughout their entire life, the Group has, since 2018, launched a Life-Cycle Assessment progressively intended to be extended to the entire production of all plants. Thanks to this activity, it is possible to derive environmental statements such as carbon footprint, water footprint and the Environmental Product Declaration (EPD) according to Standard UNI EN ISO 14025 on environmental product performance.

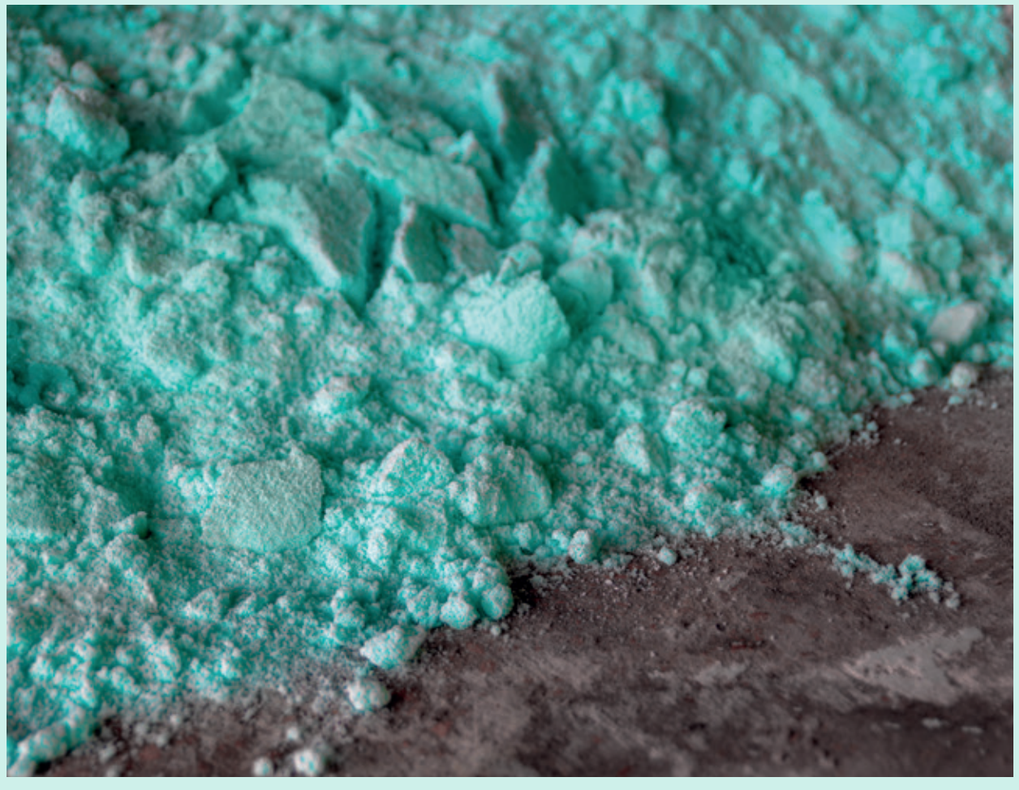
GRANELLA® Pittini
Already bearing the CE mark, in accordance with EU Regulation 305/2011 and Standards UNI EN 13043, UNI EN 12620 and UNI EN 13242 (relating to aggregates for bituminous and cement mixes and for use in civil engineering works and road surface construction), in 2018 Granella® obtained

the Environmental Product Declaration (EPD) and became the **first aggregate derived from steel mill slag with a certified environmental product declaration**.

FERROUS SULPHATE

SIAT operates a process of **regeneration of the used acids**. Instead of disposing of them, it obtains ferrous sulphate: a product that becomes a high quality raw material in the cement production chain and in agriculture.

The SIAT processes are mainly characterised by the consumption of dangerous chemical substances: first and foremost sulphuric acid. It is through the use of sulphuric acid diluted in dedicated tanks that chemical pickling of the wire rod takes place. Once used, the sulphuric acid is sent to the sulphuric acid plants which, through cooling and liquid/solid separation systems, creates two "new" products: **regenerated sulphuric acid** and **iron sulphate crystals**. The first destined again for the chemical pickling of wire rod, the second raw material available for the fertiliser market. This process is a clear example of sustainability which leads to a reduction in the consumption of raw materials in favour of recovery and subsequent reuse, with the advantage of **avoiding the production of processing residues** and instead creating a raw material available for others markets.



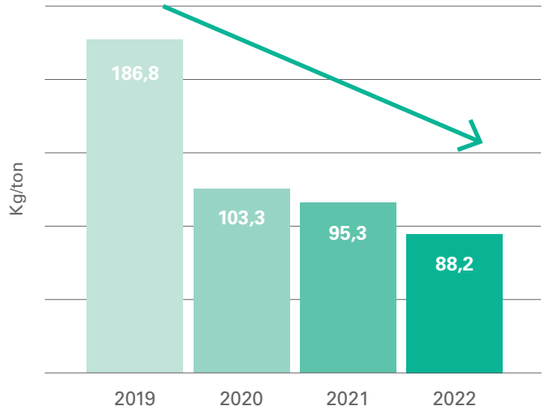
3.3 Waste treatment

Steel production with an electric arc furnace is normally associated with a significant production of residues, the main ones being slag, fume abatement dust, rolling mill scale and refractories.
In Europe, steel mills with electric arc furnaces produce between 80 and 400 kg/tonne of specific waste.[9] The Italian steel sector is characterised by an average residue production of about 150 kg per tonne of steel.[10]

At the Pittini Group, the "**Zero Waste"** initiative has made it possible to exploit the waste generated in greater quantities, transforming it into new products or recycling it within the process, with a view to the **Circular Economy**. As a result, the specific quantity of waste corresponds to the minimum values of the European steelworks panorama and to almost a third compared to the national sector average.
In fact, in 2022, the total waste generated was equal to 59.7 kg per ton of processed steel.

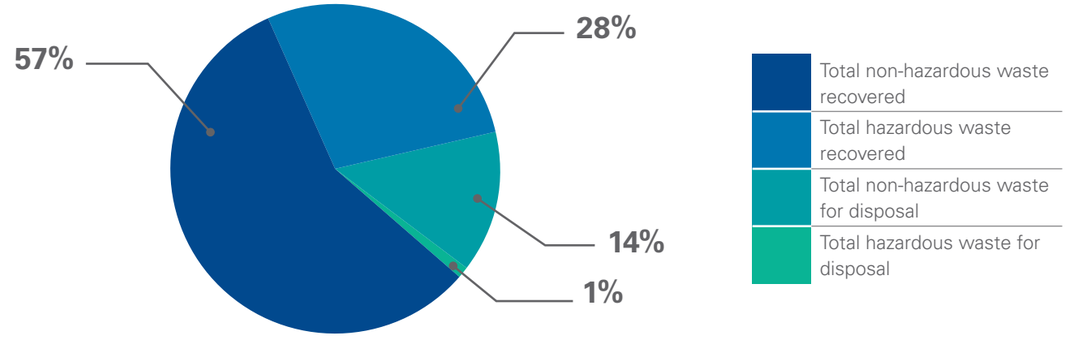
This important reduction is the result of the transformation, at the Osoppo plant, of part of Acciaierie di Verona's slag into Granella®. This activity, which started in 2019, will continue and will be increased over the coming years, with the aim of using all possible slag as product.

Specific indicator of waste generated at Acciaierie di Verona



In the graph, relating to the Acciaierie di Verona plant, it can be seen that the amount of waste produced during the three-year period 2019-2021 has decreased significantly.
Another consequence of the Zero Waste initiative was the attempt to recover most of the remaining waste through forms of industrial "symbiosis". Fume abatement dust and mill scale are sent to third parties that recover and enhance the substances they contain.

ITALIAN GROUP'S COMPANIES WASTE DESTINATION, 2022



9 The BREF for steel production reports the following specific waste production values: furnace slag 60-270 kg/tonne, ladle furnace slag 10-80 kg/tonne, fume abatement dust 10-30 kg/tonne, spent refractories 1.6-22.8 kg/tonne.

10 Source: Sustainability Report 2021 published by Federacciai for the entire Italian steel industry, including the full-cycle steel industry.

3.4 Energy management

The steel production and transformation process is characterised by particularly high energy consumption, which makes the environmental issue a priority for the Pittini Group.
The Energy Office is always committed to continuously improving energy performance and reducing consumption, always aiming for maximum efficiency of the Group's systems and infrastructures.

THE ENERGY PRODUCED FROM FOSSIL FUELS IS COMPLETELY "NON-RENEWABLE".

Steel is vital to modern economies, and so the global demand for steel is expected to grow in the coming decades to meet the growing needs for social and economic well-being.
Meeting this demand presents challenges for the steel sector such as trying to follow a more sustainable path while remaining competitive. The sector is currently responsible for around 8% of the global final energy demand and **7% of the energy sector's CO2 emissions** (including process emissions).[11]
However, through innovation, the use of low CO_2 emission technologies (EAF) and an efficient use of resources, the steel industry has the opportunity to reduce energy consumption and greenhouse gas emissions, develop more sustainable products and improve its competitiveness.

Steel production and processing activities are highly energy-intensive and impactful in terms of environmental and economic impacts. In 2021, the Electrical Energy requirements of the entire national steel industry amounted to 7% of the total E.E. Requirements in Italy.[12]


One of the photovoltaic systems installed in Osoppo

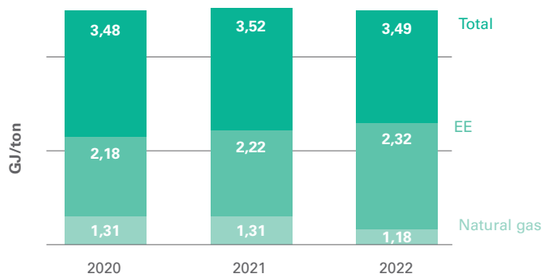
Starting from the end of 2019, with the entry into force of the Integrated National Energy and Climate Plan 2030 (NECP) and from the beginning of 2020 with the approval of the European Green Deal, the implementation of an industrial decarbonisation process is considered increasingly urgent: for this reason, companies with high energy consumption must move towards new, increasingly efficient and sustainable consumption models.

Consumption conversions from MWh (for electricity) and Sm^3 (for methane- CH4) to GJ are made using the factors in the annual report 'UK Government GHG conversion factors for company reporting'.

For this purpose, the "**Zero Waste Energy**" project – launched in 2010 - has led to the census of all energy sources and consumption, resulting in the largest company of the Pittini Group, Ferriere Nord, implementing an Energy Management System (EMS) – in accordance with Standard UNI EN ISO 50001 – and adopting the relative Energy Policy.
Energy consumption is basically made up of electricity, mainly absorbed by the electric arc furnaces in the steel mills, and natural gas, used mainly in the pre-heating furnaces in the rolling mills to heat the billets before the rolling process.
The consumption of electricity per tonne of rolled product (this ratio is called energy intensity) during 2022 was 2.32 GJ/t.
Projects to improve plant efficiency and to install LED lamps have been implemented at the Pittini Group over the years. Another contribution was made by a **photovoltaic system** installed at the Ferriere Nord site in Osoppo, which generated 1,603 GJ of self-produced electricity in 2022 (more panels are planned to be installed). On the basis of an agreement with the municipal company AGSM, Acciaierie di Verona built a **district heating plant** for the benefit of the urban context of Verona, which produced 43,191 GJ of energy in 2022.

Average energy intensity of Electrical Energy and natural gas

This graph refers to the energy intensities of hot working.



As for the use of **natural gas**, mainly used in the rolling mills, **1.18 GJ per tonne of rolled product was used in 2022**. Savings on natural gas consumption are possible thanks to heat recovery and the loading of still hot billets into the pre-heating furnace (hot loading). Heat from the melting process is recovered through district heating towards company buildings (in Osoppo) or to the benefit of the "city of Verona" and through the production of cool air for the process (in Verona).
The energy intensity data for natural gas, described by production site and over the three years considered, shows a value lower than the national average, which for the iron and steel sector stands at 2.86 GJ/tonne.[13]

In 2022, electricity and natural gas saving interventions were carried out, resulting in a **reduction of the total energy consumption at our plants of 764,386 GJ equal to 7.9% of the total consumption.**

The following graph refers to the trend in overall energy intensity (electricity, natural gas) net of the above mentioned savings during the three years under review (for reasons of consistency, the energy intensities have all been related to tonnes of rolled product), which is **33% lower** than the sector data for scrap-fuelled EAF production.[14]
This result places Pittini Group's plants among the **most energy-efficient in the world**.

Each year, the average natural gas energy intensity of Pittini Group's plants is **59% lower** than the national average for the steel industry.[13]

11 Data for 2021 according to IEA in the "Iron and Steel Technology Roadmap" report.

12 Source: Terna Statistica Yearbook referring to 2020.

13 Source: Sustainability Report 2021 published by Federacciai.

14 The World Steel Association report gives a value of 5.2 GJ/tonne.

3.5 Emissions

The atmospheric emission of CO_{2eq}, related to steel production, is related to both **direct emissions (scope 1)** influenced by the carbon content of the materials used, in particular coal, natural gas, scrap/cast iron/direct reduced carbon and electrodes, and **indirect emissions (scope 2**) stemming from the use of electricity.

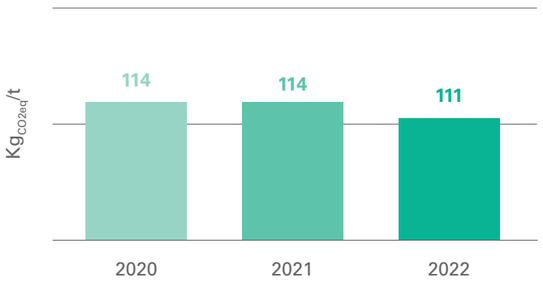
In 2022, the CO_2 emissions - direct (scope 1) and indirect (scope 2) - amounted to **283 kg of CO_{2eq}** per ton produced (referring to the rolled products produced), in line with previous years.
Furthermore, this figure is lower than the average CO2 emissions recorded for EAF electric furnace steel producers powered by scrap such as the Pittini Group. In particular, consumption is 6% lower than the figure of 0.3 tCO2eq/ t according to the findings of the World Steel Association and the International Energy Agency (IEA).[15]

For **direct emissions** (scope 1 only), the average Value for 2022 was **111 kg CO_{2eq} emitted per tonne of hot-rolled steel produced**, with a slightly decreasing trend over the three-year period under review, which corresponds to approximately one quarter of the emissions compared to the national reference average for the sector (0.4 tCO_{2eq}/t_{steel}).[16]

Specific emissions of CO_{2eq}/t (scope 1 e 2)

CO_{2eq} total emissions decreased by 9%
in 2022 compared to 2021

Intensity of emissions of CO_{2eq} (scope 1)



CO_{2eq} 39.454 tons avoided in 2022

15 Data according to IEA in the "Iron and Steel Technology Roadmap" report.

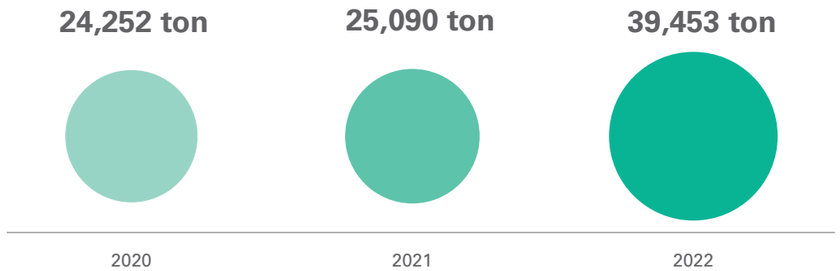
16 Source: Sustainability Report 2021 published by Federacciai for the entire Italian steel industry, including the full-cycle steel industry.

3.6 Reduction of energy consumption and GHG

Constant efforts to improve the efficiency and innovation of production plants and organisational interventions aimed at energy optimisation have made it possible to avoid the emission of significant quantities of **direct and indirect greenhouse gases** over the years.

During 2022, considering only the emissions due to plant activities (scope 1) and energy savings (scope 2), almost **39,453 tonnes of Co_{2eq}** were avoided, whereas, when considering the entire three-year period 2020-2022 under review, the avoided emission amounts to more than **88,7960 tonnes of CO_{2eq}**.

TONNES OF CO_2 NOT EMITTED INTO THE ATMOSPHERE




Acciaierie di Verona

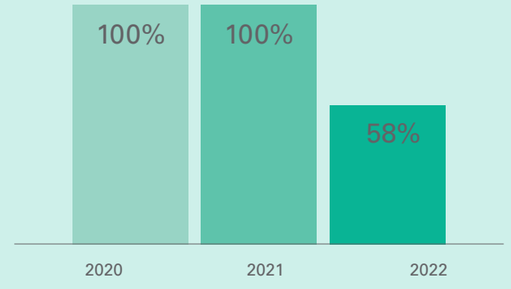
Dedusting plant system in Acciaierie di Verona

The development program for environmental protection Sustainable Steel in Verona

The project aims to contribute to reducing the environmental impact of the production plant located in Verona through a number of interventions aimed at minimising the pollutants released into the atmosphere in the various phases of the production cycle and at reducing its energy consumption. The investment program started in 2020 will end by 2023.
Over the last few years, the Verona production unit has undergone an important modernisation of the systems, both in the steelworks department and at the rolling mill, called "Masterplan". The activities performed to date have led to a modern and efficient plant from a production point of view.
What we now intend to pursue with the Susteel – Sustainable Steel program is an equally important increase in environmental sustainability.
There are three projects planned. The first two, aimed at improving environmental performances beyond the levels required by sector regulations, are the following:

- **Covering of the scrap yard**. The investment project for expansion of the covered scrap yard involves extending the current covered surface area. The new structure will allow the material to be stored in a protected area, preventing possible dust emissions and reducing the noise produced towards the outside. Furthermore, the construction of a railway connection is planned to serve the new covered surface area which will allow reduction of the movement of material by road instead preferring an increase in the use of railway wagons, with a positive impact on the management of vehicle traffic and on city road system.
- **Enhancement of the flue gas system**. Investment project to enhance the extraction capacity of the fume system serving the steelworks, aimed at reducing emissions into the atmosphere.
In addition to improving the filtering capacity with the consequent reduction of dust emissions into the surrounding environment, the investment will allow the reduction of energy consumption and the acoustic impact of the system.
- The third project that composes the development program is the **direct billet transfer system** which aims to introduce significant energy savings in the context of the production cycle.
- In particular, the hot billets exiting the steelworks department, which will be subjected to the subsequent rolling process, are currently cooled and stored in an intermediate warehouse. For the subsequent rolling process, the billet must then be heated in a dedicated preheating oven. The creation of an intermediate system that allows the transfer of hot billets from the steelworks to the rolling mill will allow energy savings equal to the quantity of natural gas that must be used to preheat the billet.
The new underground automatic roller track will allow further benefits related to the decommissioning of diesel handling vehicles, and in particular the reduction of emissions relating to their exhaust fumes and an increase in the safety levels of operations.

The interventions envisaged in the context of the program are essentially aimed at achieving environmental protection objectives which will allow the production site to reduce its impact, in particular on the surrounding city context.



Graph relating to the reduction of diffuse dust following the afore-mentioned interventions.

3.7 The water resource

The water supply by the Group companies takes place both through the supply of the **aqueduct** and through **withdrawal from the company wells**.
The use of water from the aqueduct mainly occurs for civil uses and constitutes a quantitatively low consumption compared to the total.
In order to reduce water withdrawal and discharge as far as possible, the "**Zero Waste Water**" project was implemented in the Osoppo plant in 2012. The objective was to reduce as far as possible all the discharges and purges of the cooling circuits of the steelworks and rolling mills, maximising recycling within the production processes.
The project continues to bring considerable water savings, both in terms of quantities withdrawn from the aquifer and of volumes discharged.
Also at the Osoppo plant, a complete renovation project of the water treatment plant was launched in 2020 and was completed at the end of 2021, allowing use of the water resource to be further rationalised.

The activity of steel mills involves the **use of water** mainly for **cooling of the systems** and for the **treatment of semi-finished and finished products**.
The impacts related to the use of water resources mainly concern the withdrawal of groundwater and the discharge into sewers of water with lower quality characteristics than the original ones.
A very important portion evaporates following the system cooling processes.
All the plants transmit to the competent bodies the results of monitoring of the quantity of water withdrawn and discharged and its quality. The Osoppo and Verona plants draw water to serve the industrial systems from the underground aquifer via wells, while the Siderpotenza plant receives water from third parties (Lucano Aqueduct). In these factories the cooling water is recovered, treated and recirculated in the circuits and is therefore partially reintegrated.

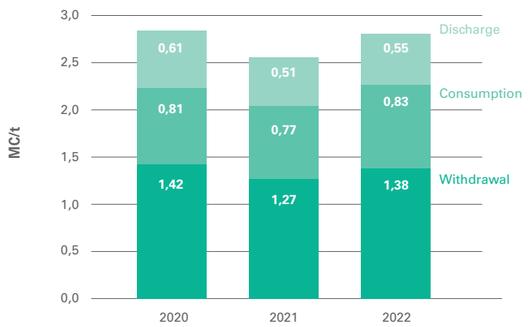
A quantity of **wastewater**, after adequate treatment, is discharged into consortium sewerage networks or, in the case of Verona, into surface waters. Chemical-physical analyses are performed periodically to control the quality of the water discharged in relation to the limits set by the individual authorisations and to the applicable legal provisions. The minimum standards for the discharge of water for industrial use are set by national and local regulations and are reported in the Integrated Environmental Authorisations.
The **industrial wastewaters** of Osoppo and Potenza are managed by a consortium for the industrial area, while the wastewaters of Verona are managed by a company purifier which introduces wastewater into the surface body

Water for human consumption is taken, for all plants, from private or public aqueduct services present in the area.
The **rainwater**, collected in the storage yards of ferrous scrap and finished products, is appropriately collected, treated and sent for drainage.

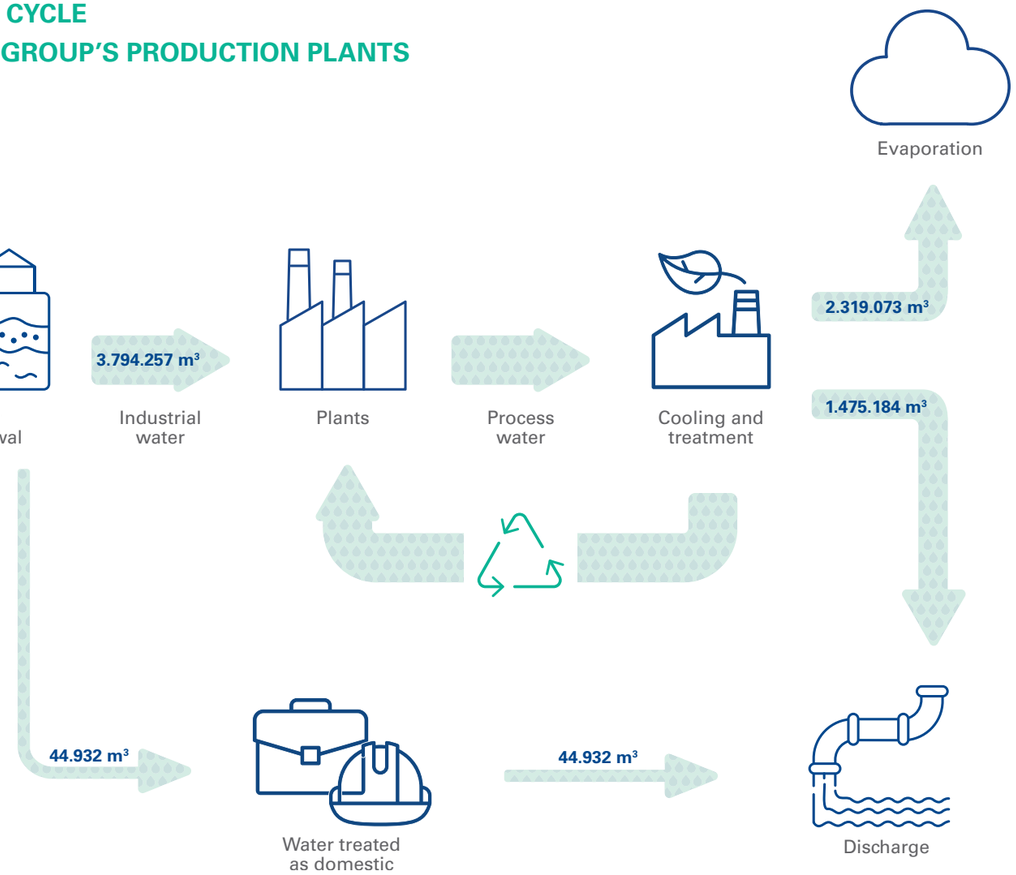
Regarding the use of water in **cold processing plants**, it is mainly water intended for sanitary and industrial use.

Use of the water resource

Dati riferiti alle lavorazioni a caldo del Gruppo



WATER CYCLE
IN THE GROUP'S PRODUCTION PLANTS



Water consumption decreased by **3,1%** in 2022 compared to 2021

Water withdrawal decreased by **3,0%** in 2022 compared to 2021

4 SOCIAL PERFORMANCE

Positive integration with the territories in which we operate is fundamental and represents a crucial element in respecting our values in defining our actions. The principles that guide us are **reliability** towards customers and stakeholders, constant **innovation** in terms of organisation and processes, and **attention to people**, understood as care for their well-being and development of their skills. These principles are not only the basis of our corporate culture but also outline the style and collaborative approach with which we relate to local communities, institutions and to the reference supply chain. Furthermore, they constitute the guidelines for selecting which initiatives with strong social value to support and promote. The Pittini Group's commitment moves in the direction of generating income for the local areas in which it is present and in building valuable partnerships that benefit the community, respecting diversity and enhancing the peculiarities that characterise each community. The strategic positioning of the company is also an important lever in terms of economic solidity and allows us to offer qualified jobs, promote the development of skills, guarantee the well-being of all our collaborators and be a relevant player for the entire supply chain.

People are our most important resource and making each collaborator aware of their contribution is an objective that the company pursues on a daily basis. For this reason, each phase of our work places the human element at the centre and the functions responsible for managing and developing internal staff operate at Group level, supporting the business and acting as a point of reference for all the associated companies. The **management of human resources** in fact involves a vast range of guaranteed and recognisable activities in all offices, conducted in order to disseminate a shared internal culture, to guarantee the same quality standards to everyone and to promote equal opportunities for growth and development. **Internal communication** is also a function of responsibility of the Human Resources area in order to improve the flow of information within the organisation and to allow a better understanding of company strategies and objectives, thus strengthening mutual trust between staff and company in achieving common objectives.
"**People**" identifies one of the three founding pillars of the Pittini Group, fundamental in the continuous innovation path undertaken by the organisation, and the same attention dedicated to people within the organisation can also be seen in external relations with customers, suppliers, stakeholders and potential talents.

The Group has defined strategic objectives that focus on a balanced **combination of business activities and Corporate Social Responsibility**. This strategy is aimed at generating a positive impact on society, taking on both economic and ethical-social commitments to contribute to general well-being.
In pursuit of this solidarity approach and with a view to returning part of the benefits received to the community, the **Pittini Group Foundation** was set up in June 2019. The activity undertaken by the new non-profit organisation represents a significant passing of the baton between the company and its foundation of the same name, highlighting and confirming the solid commitment towards people and the territory and intervening for the benefit of the local communities of reference, especially those in specific vulnerable situations.

Aware that training is an important key to competitiveness, we act to set an example also from the point of view of investing in internal skills and developing professionalism. The Group's Corporate School, Officina Pittini per la Formazione, plays an essential role in terms of the **growth of internal staff,** the training offer aimed at the territory and the close relationship with the world of education. This takes place through training programs dedicated to both individuals and companies, highly specific professional refresher courses and regional funded training initiatives. We have launched **orientation and experience projects** in the company aimed at students of secondary schools, universities and higher technical institutes (ITS). Furthermore, we actively collaborate with other companies in our sector and with category representatives at local and national level. These partnerships allow us to grow together with the communities in which we operate and contribute positively to society as a whole.

The Group's collaborators are the first beneficiaries of the **company's commitment to social sustainability**. Managing our collaborators responsibly and transparently, as well as developing their internal skills, represents a crucial element for the growth and development of the entire organisation. In particular, the ability to attract new talents with different skills and professionalism, and to cultivate their potential over time, constitutes a fundamental strategic lever for building of the future of the Pittini Group.

Initiatives aimed at **attracting candidates and positioning the company** as a place to work are based on the principles of fairness and respect for individuality, taking into consideration the different personal, cultural and demographic characteristics of the company population.

The hiring process includes various phases and activities aimed at ensuring the positive integration of everyone within the Group. The entire **selection process is managed internally**, which ensures future collaborators a professional, transparent and clear approach from the first contact with the Human Resources specialists.
At the same time, to ensure a positive start to their experience and career in the company, we are committed to ensuring that each individual feels welcomed from their very first day. The support of

FONDAZIONE GRUPPO PITTINI

The Pittini Group Foundation was set up in 2020 with the intention and commitment of the Pittini Group to create value and to concretely express its social responsibility towards the communities through a strong rooting with the territory and recognising itself in its claim, "Embrace the Future", this spotlight always aimed at tomorrow, on the future and at the new generations.
The Foundation is a point of reference for all the Group's corporate entities. It operates in social, philanthropic, cultural and artistic areas and always pays attention to the Group's collaborators and to enhancing the quality training of the new generations. The activities are not limited solely to the national territory, but also extend abroad, giving priority to the areas in which the Group is present with its companies. The Pittini Group Foundation is an organisation that conducts numerous projects, social and cultural activities on its own. Over the years, scholarships have been awarded, such as those intended for students who won the national student Olympics. Socially relevant initiatives have been promoted and social, sporting and artistic-cultural activities have been supported to enhance human resources and to connect the territory, solidarity and training, in order to build cohesive communities ready to face the challenges of tomorrow. The noteworthy initiatives in the artistic field include the now multi-year support for temporary exhibitions, organised by the San Floriano Committee in the Carnic village of Illegio (UD) and at Casa Cavazzini, home of the new Museum of Modern and Contemporary Art of Udine. Particularly eagerly awaited events that allow art masterpieces, often unpublished, to be brought closer to the general public.
The "Pittini Challenge" project was set up in 2020, a project created and conceived in collaboration with Officina Pittini per la Formazione, which represents an interconnection between the company and the world of work and encourages students to become involved to think, create and devise an innovative project linked to an actual business case. The Project, thanks to the originality of the chosen method, the high degree of innovation and creativity and the activity performed in support of quality technical-professional training, was awarded the Special Mention at the "Dual Excellence Award 2021": recognition which highlights the excellence in the dual system active in Italy and promoted by the Italian-German Chamber of Commerce (AHK Italien) with the support of the German Ministry of Education and Research (BMBF) and of the German Office for international Cooperation in Vocational Education and Training (GOVET). At the end of the third edition of the "Pittini Challenge" project, the Pittini Group Foundation awarded an individual scholarship to students who excelled for the quality of the work presented. Furthermore, the Foundation has always been close to the Group's collaborators and their families, especially at the most important times of their lives: every year, since the birth of the "Garden of the Future" project, a tree is donated to each new born, certain that the future is built through the values that we will be able to transmit to the new generations.
Furthermore, since 2020 the Foundation has recognised a great personal and working value in motherhood and fatherhood and promotes becoming and being parents with financial support. Finally, the Foundation looks at the entire value chain, dedicating individual thanks to collaborators who have retired after more than 30 years of work. Demonstration of how much the Foundation seeks to recognise the great value in terms of passion and professionalism dedicated to the Group, transferred by example to the new generations.

new hires continues even after their placement, in particular through **adequate initial training and specific instruction sessions** for those who work in the technical and operational fields in the production departments. Furthermore, during the first period in the company, individual monitoring meetings are scheduled to evaluate the progress of the work experience from the collaborator's point of view

The organization promotes the **personal and professional growth of people within the Group**, recognising potential and working to make everyone aware of their importance as an individual, even before results or business objectives. Up to five generations coexist within the Pittini Group with different and equally considered needs and expectations. We actively promote intergenerational exchange, the **transfer of skills between colleagues and mutual mentoring**: activities that represent an element of enrichment on both a personal and professional level and are robustly supported by the Group.
Mobility in the internal labour market is also promoted through the tools of job rotation and in particular job posting, which allow individual collaborators to become involved in new roles and to take further steps in their career path.
These are long-term investments for the company, which manage to generate immediate impacts for the employee in terms of their motivation and operational performance. In the context of creating a solid link between objectives, skills management and employee involvement, we have implemented a performance evaluation process. The process is based on clear expectations, shared indicators and alignment between individual and company objectives. Furthermore, it encourages dialogue between the collaborator and their manager through specific communication opportunities.

The involvement of collaborators is also a priority.
The corporate culture is strong and recognised and finds expression in approaches and initiatives that seek to encourage the involvement and active participation of collaborators, listening to their proposals and exploiting their creative potential to improve processes, products and services. This has a significant impact on the long-term sustainability of the company and its competitiveness, fueling a sense of belonging, encouraging innovation and improving the organisation's performance. An idea management project is active in the Group, launched as a pilot in the Verona plant and expanded to five other Group locations in 2022, which goes precisely in the direction of **encouraging the sharing of ideas**, proposals and suggestions on any theme and corporate area, contributing to improvement of the company. In this sense, the objectives of the initiative are, on the one hand, to make people feel listened to, involved and valued as individuals and, on the other, to foster a **more inclusive working environment** characterised by open and transparent communication.
Again in the direction of involving people, in the reporting year the onboarding process was also reviewed and perfected, paying particular attention to the first few days of hiring, which are crucial for **correct integration into the new working environment**. For the Group it is essential to welcome each new hire and immediately transmit all the information useful for their complete adjustment, both at an organisational and value level. In particular, to strengthen the sense of belonging, in 2022 we developed a welcome kit which is delivered to everyone on the first day and which contains various objects capable of symbolically transmitting the company philosophy and which includes training, Corporate Responsibility and sustainability.

We also place particular importance on **people's well-being**, ensuring a balanced relationship between work and private life and building positive relationships based on mutual trust between the collaborator and the company. From this perspective, we have adopted smart working as a way of working, a choice that required a change of mentality rather than an instrumental one. This initiative entailed investments in infrastructure and in the training of interested collaborators but contributed to making the management of teams and physical company spaces more flexible.

In the reporting year, the Pittini Group employed **a total of 1,811 personnel**, of which 1,634 were operating in the reported companies. With specific reference to the companies examined, the **staff hired with full-time permanent contracts stands at 95%**, in line with previous years. The **total turnover rate is 6%**.

SKILLS ASSESSMENT

In 2021 the Pittini Group began using a skills and performance evaluation model called "INSIDE".

"INSIDE is a skills and performance evaluation process useful for understanding how much people contribute to company results and to enhance and maximise the performance of the individual."

The company's desire is to define a structured and shared process for the assessing of skills and performance that is effective and useful for involving and motivating people and for enhancing their skills. We started with a pilot project that involved a part of the company population and the future intent is to increase its adoption through an agile approach.

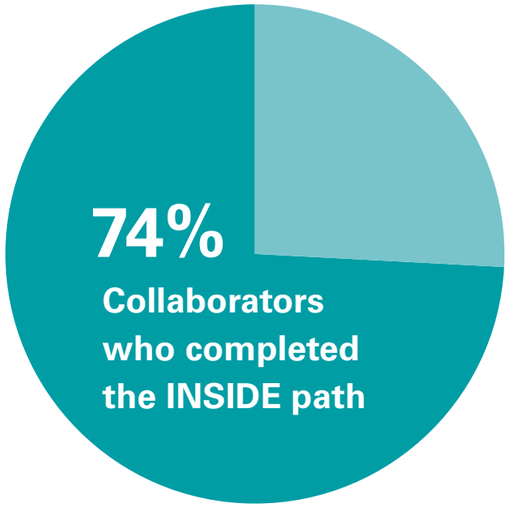
With INSIDE, each collaborator has the opportunity to define and share objectives and expectations with their manager and increase awareness of their role and related individual contribution. We also aim to improve the quality and frequency of feedback through formal events of exchange and discussion.

Skills and performances become observable and measurable: the model is characterised by **Objectives, Soft skills** and **Hard skills**.
The objectives are shared and defined between manager and collaborator from year to year, are specific to the role and have indicators that make them measurable. They can be characterising for the role or evolutionary and define the "why, what and how I do it" attributing meaning and value to the role.
The **soft skills** were defined corporately starting from the values of the Pittini Group: Reliability, Innovation and People. The company values have been translated into measurable and assessable skills through the observation of behaviours.
Hard skills, on the other hand, are technical skills specific to some function.

The INSIDE process develops throughout the year in the manager-collaborator relationship.

In summary, the evaluation process adopted allows the clarification of expectations, objectives and goals, to give structured mutual feedback, to analyse the results and to define the areas of improvement and/or potential on which to intervene, for example with training.

Management of the process is facilitated by a specific management software that allows sharing of the evaluations made during the collaborator-manager meetings.
The choice of a flexible and customisable tool such as **SAP SuccessFactors** proved successful in defining a tailor-made process, made easily accessible thanks to the application of shared "best practices" which raised the level of receptivity to change.



4.1 Training

For Pittini, investment in training plays a strategic role and this is why, to guarantee high quality standards, in 2003 it decided to found a Corporate School serving the Group's collaborators, **Officina Pittini per la Formazione**.
The school is responsible for the training projects for all the Group's offices, based on specific training needs and on the budget defined annually, focussing on the development of people as well as on the **growth of technical and transversal know-how** and guaranteeing, at the same time, the growth of the organisation as a whole.
Upskilling and reskilling are key factors to ensure the competitiveness of the Group. In fact, they are opportunities that the Group offers to all collaborators in order to continue along the path of innovation and changeof systems and processes but also to make the individual responsible for personally directing their own career path.
To facilitate participation in the courses, to guarantee the quality of the sessions and to positively involve people, the training is provided in varying and complementary ways: classroom courses, practical tests in specific company areas and, last but not least, in online mode via the **MyOPF** platform, activated in 2020 and still in use for synchronous courses and **e-learning**.

DISSEMINATION OF POLICIES ON ENVIRONMENTAL SUSTAINABILITY

With the reporting of the first sustainability report, an internal promotion campaign was launched regarding the Group's ESG activities with a series of dedicated meetings, informative newsletters and a dedicated "Green@pittini" column within the company magazine. In particular, the governance bodies participated in town halls on the topic of sustainable development. These activities were not counted as training activities given the choice of tools used.

The choice to **train internally also has positive repercussions on personnel research and selection activities**: not only in terms of reducing turnover but also as a facilitator in the inclusion of difficult-to-find professional figures. This last aspect, characterised by the lack of technical profiles with specific skills available with respect to the needs of the production departments, is filled both by the highly specialised internal training provided by the Corporate School through work-training courses aimed at recent graduates and new engineers and thanks to the Pittini Group's constant commitment to enhancing the education of new generations through dedicated projects. The professionalism and structuring of the proposed paths have allowed two associated companies of the Group to obtain important recognition from Confindustria: since 2018 **Ferriere Nord Osoppo** has boasted the **BAQ - Quality Alternation Seal** and the **BITS - Business Seal in ITS**, while **Acciaierie di Verona** received the **BITS** starting from the year 2020. These awards were also reconfirmed in 2022.

To confirm what has been described, the 2022 data can be analysed for the companies subject to reporting, in which a total of **48,794 hours of training** were provided: an increase of 17% compared to the previous year, with an average of 30.21 hours per collaborator. To confirm this commitment, the **investment in training** also **increased by 56% compared to 2020** for a total amount of **€780,000**.

The BITS (Technical Institute stamp) and BAQ (Quality Alternation stamp) certifications were obtained and maintained in recent years.

OFFICINA PITTINI PER LA FORMAZIONE

Officina Pittini per la Formazione is a Corporate School **founded in 2003** as an integral part of the Pittini Group. Thanks to the constant attention to the quality of the training and to the participants themselves, it obtained **accreditation from the Training Directorate of the Friuli-Venezia Giulia Region** already in 2004.

48,794
hours of training

780,000€
invested in training

The school has a clear mission: development of the Group's collaborators. Officina Pittini per la Formazione is responsible for mapping, organising and managing training courses for all the associated companies.
Its commitment is focused on crucial issues such as innovation, safety, digitalisation and process sustainability. The range of courses is extremely wide, ranging from safety to the technical details of the systems, and including modules dedicated to Industry 4.0 and to keeping up with the latest trends in the sector. Furthermore, Officina Pittini per la Formazione dedicates significant space to the development of linguistic and transversal skills, thus contributing to the personal progress of each individual.

Over the years, OPF has expanded its range of action even outside the Pittini Group, becoming a **professional learning laboratory** accessible to everyone, from companies to local users. Its presence is crucial in promoting an entrepreneurial culture oriented towards innovation, seeking to bridge the gap between the educational and working environments.

In 2021, Officina Pittini per la Formazione received two important awards. The **National Council of Engineers (CNI)** awarded the title of authorised provider for the organisation of non-formal, frontal and distance learning activities, valid for the updating of professional skills. The Italian Association of Workplace Safety Trainers instead accredited OPF as an **AIFOS Training Centre (CFA)** to issue certifications on health and safety in the workplace in compliance with Italian Legislative Decree. 81/2008. Both awards were confirmed in the year 2022.
Last but not least, quality is a central element for Officina Pittini per la Formazione. To guarantee a high standard, the organisation has chosen to implement a **Quality Management System (QMS)**, certified according to the internationally recognised **ISO 9001** standard.

MANAGEMENT 4 STEEL

In 2019, the Pittini Group, in collaboration with Aso, Duferco and Feralpi, launched a **high-level training project** with the support of Officina Pittini per la Formazione: the creation of a Steel Academy. This initiative aims to enhance the internal talents of the companies involved and to prepare them for important managerial roles.
"**Management 4 Steel**" is the name of this training program. Its main objective is the training of high potential collaborators from each of the promoting companies. The focus of the training is twofold: on the one hand, it aims to acquire technical and management skills oriented towards **Industry 4.0**; on the other hand, the aim is to strengthen **soft skills**, which are fundamental in the corporate world.
Another motivation behind this initiative is the creation of a mutual exchange network between the main companies in the steel sector. This network aims to make collaboration between companies a strategic asset in the current industrial landscape, allowing the **exchange of knowledge and best practices between important companies in the same sector**.
The second edition of this project concluded in 2022 with a final event organised at the Institute for the Blind in Milan. It was an important event for several reasons. From an educational point of view, the event was central to the reflection and strengthening of soft skills, already part of the program; from a social point of view, it contributed to bringing the world of disability closer to that of the company, overcoming physical, cognitive and personal barriers. Finally, it was an opportunity for celebration of the efforts made by the participants during the journey itself.

STEEL ENGINEER

The Pittini Group has recently introduced an innovative professional growth path, called "**Steel Engineer**", dedicated to **recent graduates in Engineering**. This initiative involves selection through an assessment centre and direct permanent hiring within the company.
The Steel Engineer training experience aims to enrich the skills of the participants, including steelmaking knowledge, specialist, management and transversal techniques. This path integrates synergistically with the academic experience of new engineers, providing a 360-degree vision of the processes and company organisation.
During the twelve months of training, participants have the opportunity to alternate practical activities in the various production departments, periods of coaching in the corporate areas involved and advanced theoretical training sessions. The second edition of the project was launched in 2022, which involved **298 hours of classroom training** and **1,440 hours of on-the-job training**.
This project, conceived to respond to actual needs that emerged within the organisation, represents only the latest initiative conducted within the Pittini Group. It was designed by management with the support of the corporate school Officina Pittini per la Formazione. This second edition of the project saw the integration into the Pittini Group of seven engineers specialised in steel processes. They were assigned to specific company functions based on needs and on their personal aptitudes, thus demonstrating the success of the program.

STEEL TRAINING

In 2019, in collaboration with the Bearzi Salesian Institute of Udine, an annual **training-work project** aimed at **recent technical graduates** called "**Steel Training**" was launched.
In the reporting year, there were seven participants in the project, selected through the assessment centre and hired by the Pittini Group on a permanent contract. The training plan was characterised by an in-depth study of both technical skills and soft skills, obtained through a balanced alternation of theoretical classroom training (600 hours) and direct work experience in the various company departments (1,216 hours of practical activity). During the course, the participants acquired the skills necessary to be technicians specialised in the operation and maintenance of automated systems and, at the end of the training program, they were integrated into the production departments of the various Pittini Group factories.
In 2022 Steel Training **won** the "**Learning" category at the Best HR Team Certification** promoted by the HRC Community, an annual competition that rewards the best company projects undertaken in the Human Resources field.

4.3 Employee's health and safety as essential elements

The Group's primary objective is the protection of health and safety at work. For this reason, it has developed a detailed activity plan on the basis of which to plan the most appropriate measures to guarantee the health and safety of people inside the factories and who live in the surrounding areas.

To create and disseminate the culture of health and safety, the Pittini Group makes use of the Corporate School Officina Pittini per la Formazione, which provides all collaborators with specific programs aimed at increasing awareness of both the risks associated with work and how they can be managed and prevented effectively. Furthermore, on the initiative of the Pittini Group, the general **Safety for Workers training course** was developed and activated in 2022 in e-learning mode, further facilitating access to training and the dissemination of correct behaviours and practices.

The Group has voluntarily chosen to equip itself, in every production plant where the safety risk makes it appropriate, with a **voluntary Health and Safety Management System** (SGS) according to the ISO 45001:2018 standard, to support the Prevention and Protection and within the scope of the activities envisaged by Italian Legislative Decree 81/08. All employees, workers of contracting companies, visitors, the related activities (according to the responsibilities defined by Italian Legislative Decree 81/08) and the workplaces in which they take place are covered by the SGS. The process of identifying dangers in the workplace, performed according to specific plant procedures and to methods open to proposals from the workers themselves, allows the subsequent risk assessment to be conducted on the basis of the probability of occurrence of the accident event and of its severity.
The hierarchy of measures in order to eliminate dangers and to reduce risks to an acceptable level is that defined by the art. 15 of Italian Legislative Decree 81/08. The outcomes of the evaluation process are reported in the **Risk Assessment Document** (DVF001) in the context of which the improvement plan is also developed. The quality of the process, with particular attention to those workers who could be more exposed to the risk of accidents or occupational diseases, is guaranteed by a system of periodic and systematic internal and third-party audits of the system, on the basis of which corrective or ameliorative measures can be introduced. The result is the ability to plan improvement objectives and goals.

The companies in the Group measure performance related to occupational health and safety according to the indices outlined below:

- The **frequency index** is calculated in the same way both according to the GRI Standards and in accordance with the **ISO 7249-2007 Standard** (used by INAIL in Italy) and refers to recordable injuries excluding deaths that have occurred. Commuting accidents are excluded from the count as they are not managed by the Organisation. The calculation involves the following formula: number of injuries / hours worked x 1,000,000.
- The **severity index**, in accordance with **Standard ISO 7249-2007** (used by INAIL in Italy), relates the days not worked due to injury to the number of hours worked. The calculation involves the following formula: number of days not worked due to injury / hours worked x 1,000.

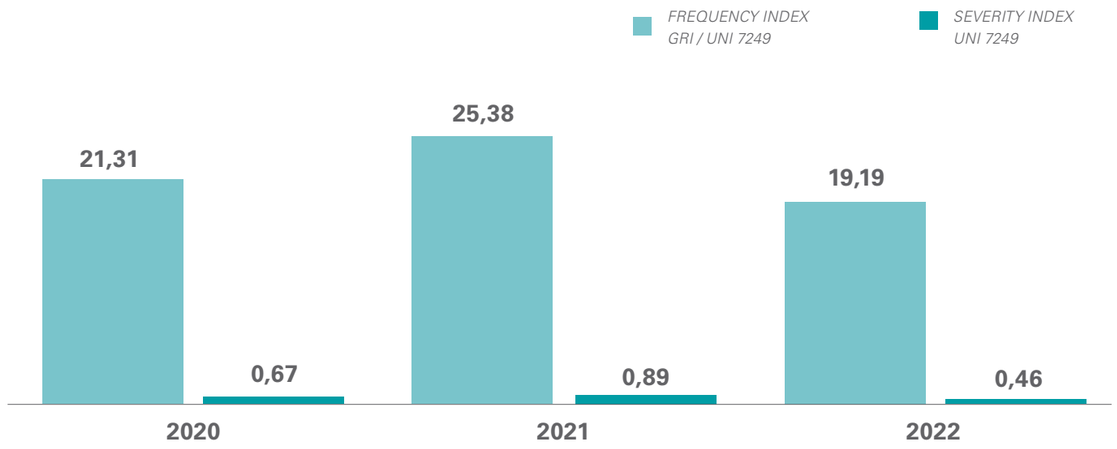
No forms of occupational diseases were reported or diagnosed.

IN DETAIL

The risks to which operators are exposed are often intrinsic to the type of activities carried out and the characteristics of the steel sector: however, although they cannot be completely eliminated, they must be the subject of intense activity aimed at reducing them as much as possible.
The Group has developed ad hoc projects to emphasise how important it is to protect its employees and bring the issue of safety to everyone's attention. To increase awareness of the most critical activities and processes in terms of health and safety, an area dedicated to training in work at heights and confined spaces has been equipped. In this way, it is possible to experiment and simulate, in a protected environment and in a practical way, the various rescue intervention situations.

With regard to the companies under review, in 2022, **50 accidents** were recorded **(down 29% compared to 2021)**; the **frequency index was 19.19**, whereas the **severity**

CALCULATION OF FREQUENCY AND SEVERITY INDEXES



6 ECONOMIC PERFORMANCE

5.1 The Group's commitment and the creation of economic value

The **steel industry** represents one of the main production sectors on which the national economy of a country is based. This is due to the fact that steel products are basic elements widely used in various production fields, almost irreplaceable in many economic sectors, including construction, mechanics, automotive, the production of household appliances, shipbuilding, energy and transport services.
During the 2022 financial year, the Group, thanks to the strong integration and verticalisation of the companies and the consolidated presence in international markets, managed to take advantage of the effects of the favourable economic recovery context. In particular, implementation of the strategic choices formulated and of the important investment programs performed in the last five years have made it possible to recover and surpass the production and sales volumes prior to the pandemic and to achieve interesting economic and financial results.

A distinction is made between:
- The **Generated Economic Value** achieved through the activities of the Company (sales, the increase in the Value of fixed assets for internal works and other income);
- The **Distributed Economic Value**, which is a "cost" item that includes the expenses for raw materials, services, rentals, leases, hires, operating management charges, financial burdens, payments to the Public Administration and donations to charities;
- **Retained Value**, which is the difference between Economic Value Generated and Distributed Economic Value.

During the 2021 financial year, the Group, thanks to the strong integration and verticalisation of the companies and the consolidated presence in international markets, managed to take advantage of the effects of the favourable economic recovery context. In particular, implementation of the strategic choices formulated and of the important investment programs performed in the last five years have made it possible to recover and surpass the production and sales volumes prior to the pandemic and to achieve **interesting economic and financial results.**

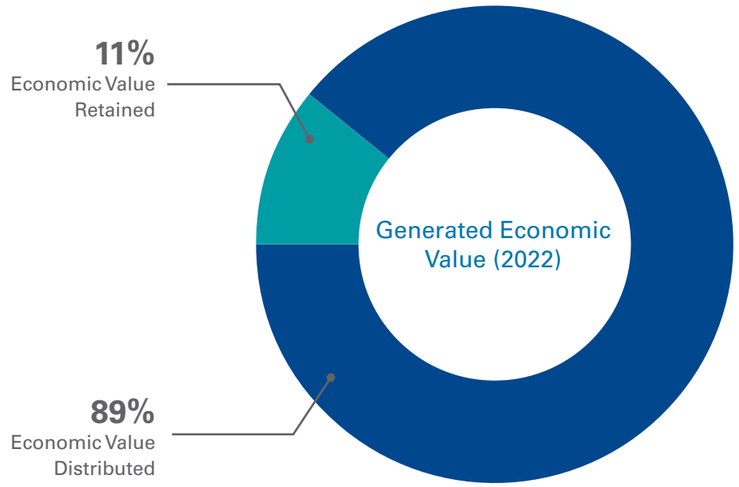
	2020	2021	2022
Turnover in billions of Euro	1.33	2.29	2.75
of which % Export	66%	70%	72%

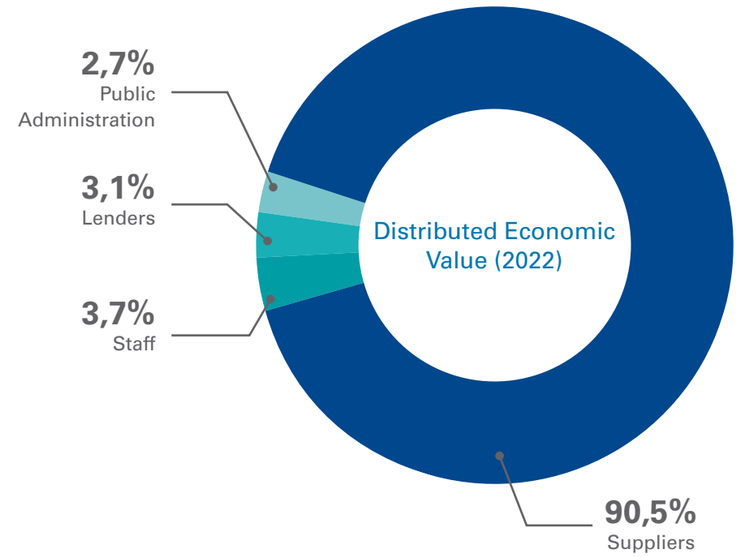
In relation to the 3 companies covered by this report, the data relating to the creation of economic value are reported:

Directly generated economic value	2020	2021	2022
Directly generated economic value corresponds to the wealth produced	1,551,936,179	2,744,930,797	3,191,075,940
Distributed economic value			
These are the operating costs: personnel, financial charges...	1,505,266,327	2,658,506,875	2,829,643,065
Retained economic value			
It is the value generated minus the value distributed	46,669,852	86,423,922	361,432,875

The largest share of the economic value distributed is **paid to suppliers** to purchase raw materials, consumables, goods, services (mainly for energy and transport services) and to hire machinery and equipment.
The second largest share goes to employees to pay wages, salaries and other costs associated with staff management; a smaller share goes to lenders (for financial expenses and dividend distribution).
Then there are **payments to the public administration** (in terms of current taxes and management tax charges). Investments for the development of the local area and for local communities were made by the Fondazione Gruppo Pittini.

103.8 mio €
paid to all people employed by 5 Group's companies subject to reporting.





The graphs refer to the companies covered by this report.

5.2 Suppliers and value of supplies

Suppliers represent a **crucial link in the value chain** in which the companies of the Pittini Group are integrated; in fact, 91% of the economic value distributed is destined to them.

In supplier and supply value reports, it is clear that suppliers in the local area where the plants are located are privileged. As many as **64% of suppliers** in 2022 **were** in fact **local** (i.e. related to the regions where the plant's legal and operational headquarters are located), compared to 89% of domestic suppliers and 11% of foreign suppliers.[19]

Over the years, projects have been launched to support the supply chain, including the **Discounting Project** with the aim of supporting its supplier base and therefore the entire supply chain.
This new service allows suppliers to collect their invoices in advance, opening a facilitated liquidity channel. This means strengthening the relationship between the Pittini Group and its suppliers, simplifying processes, allowing liquidity to circulate faster and thus allowing everyone to focus on strategic activities for business growth.

A concrete step towards building an increasingly solid relationship based on trust between the companies of the Group and the supply chain of which each supplier is an essential link.

Partners are selected on the basis of an evaluation process that considers their commitment to ESG issues (supplier qualification questionnaire).


Bureau Veritas Certification

DICHIARAZIONE DI VERIFICA
Rilasciata a:

COMPAGNIA SIDERURGICA ITALIANA
Zona Industriale Rivoli, snc - 33010 OSOPPO (UD)

Sede oggetto di certificazione:
Zona Industriale Rivoli, snc - 33010 OSOPPO (UD)

Bureau Veritas Italia S.p.A. (organismo di verifica di terza parte) dichiara che:

L'ethical Claim "Ferriere Nord, Acciaierie di Verona, Siderpotenza si impegnano a sostenere finanziariamente almeno la metà dei fornitori PMI ricorrenti, rendendo disponibili al pagamento anticipato le fatture da questi emesse, a tassi di sconto inferiori rispetto alla media di mercato" – dal 09/11/2022 al 09/11/2023

è stato creato e gestito nel rispetto dei requisiti della Technical Specification

ISO/TS 17033:2019

in accordo a quanto definito nel disciplinare di proprietà dell'azienda:

DISCIPLINARE
PER LA VALIDAZIONE/VERIFICA DI CLAIMS ETICI del 13/05/2020 rev. 1 –

FINDYNAMIC S.R.L. – Contratto F 9431511

Le attività di verifica sono state eseguite nel rispetto dello standard ISO/IEC 17029 e del seguente regolamento di Bureau Veritas Italia: CER-REG-01_DAM Rev.2 del 2-5-17

I dati dai quali è stato ricavato il claim sono: dati storici, proiezioni ecc

Data di rilascio della presente dichiarazione **09 novembre 2022**

N° Dichiarazione - Revisione: IT298197/003 - 1 **del: 09 novembre 2022**

GIORGIO LANZAFAME – Local Technical Manager

Indirizzo dell'organismo di certificazione:
Bureau Veritas Italia S.p.A., Viale Monza, 347 - 20126 Milano, Italia

La validità del presente certificato è subordinata a sorveglianza periodica ed è consultabile sul sito: www. bureauveritas.it. Ulteriori chiarimenti riguardanti lo scopo di questo certificato e l'applicabilità del sistema di gestione possono essere acquisiti contattando l'organizzazione

Ferriere Nord, Acciaierie di Verona and Siderpotenza undertake to financially support at least half of the recurring SME territories, making invoices issued by them available for advance payment, at discount rates lower than the market average.

19 The supplier count does not include suppliers of raw materials and energy, as they are strategic suppliers and it is not possible to choose to support local players.

5.3 Research and Development assets

In 2022, the Group Companies performed numerous research and development activities. Particular attention was given to the issues that contribute to the achievement of **climate neutrality**, using digitalisation to promote and pursue a circular and environmentally compatible economy model. Also for the financial year in question, participation in initiatives that are predominantly international in scope is confirmed, with a particular focus on projects with an environmental focus and linked to the theme of decarbonisation.
The topics covered have a close correlation with the objectives of the European Green Deal, with the climate targets set for 2030 ("Fit for 55") and with the Treaty of Paris, in reference to which the proposals were evaluated.
The projects that the Group pursues are often transversal to different production sectors, involving the most significant areas of the European economy, demonstrating the expected impact of these issues on the future competitiveness of the entire economic system.
Through the corporate structure for coordinating of the Group's research activities, the Company has consolidated its support to its subsidiaries, supporting them in a number of initiatives financed by European funds. Compagnia Siderurgica Italiana S.p.A. has developed research topics of common interest for the subsidiaries, in order to encourage the transfer of knowledge and the sharing of technologies used at the Group's industrial plants.
The Company has directly contributed to the creation of three initiatives that relate to the issues of circularity with the ultimate aim of promoting the **recycling and reuse** of materials that allow the quality of the product to be improved in a logic of constant integration and compatibility with the environment.

Furthermore, Ferriere Nord S.p.A. and Compagnia Siderurgica Italiana S.p.A. are just some of the partners of the European **project "SPIRE-SAIS"**, launched in 2020 and involving a large number of stakeholders, such as sector associations, training bodies, research organisations and institutes, and companies and institutions to enable and accelerate the adoption of industrial symbiosis and energy efficiency. The main objective of the project is to create a European agenda and strategy for energy-intensive industries by the end of 2023 to proactively address the skills needs related to **industrial symbiosis and energy efficiency**.

Overall, at Group level, there are **10 active research and development projects** involving **101 partners** from **13 countries**, including **14 universities** and **6 research centres**. During the year, the Group invested **7,851 hours in research and development** activities.

During 2022 Ferriere Nord S.p.A. continued the collaborative research and development activities at an international level already started previously.
These are projects that present an innovation profile at a European level, whose technological areas under investigation are mainly attributable to environmental protection issues, specifically:

- energy recovery from the production process;
- process water management;
- technological transition through the use of robotic inspection systems capable of supporting humans, helping to improve the safety of operations;
- decarbonisation of the production process and the use of hydrogen as an energy vector;
- innovative applications of the product for reinforced concrete with particular reference to those in seismic areas.

In 2022 Acciaierie di Verona S.p.A. completed the prototyping and testing activities of the project "**RELOAD** - REsilient LOgistics and supply chain Design: design of a resilient supply chain and logistics", aimed at introducing innovative technologies into the logistics and supply chain management process.

Research and development activities will also continue in 2023. We are confident that the positive outcome of these innovations can increase company competitiveness with positive implications on economic results.

Research and Innovation Projects

We have always innovated processes and products to be at the forefront of the steel sector.
Investments in Research and Innovation activities are a central element of protecting and promoting the competitiveness of our companies in the medium and long term, with favourable effects on economic, environmental and social performance. Among the objectives of continuous technological evolution at plant level arethe achievement of ever greater productivity and the improvement of the quality of the finished products.
Our Research & Development department collaborates with universities and research centres in Italy and abroad. It continuously conducts experimental activities aimed at increasing the quality of products, the technological improvement of the factories with a view to Industry 4.0 and the efficiency of production processes, with a particular focus on the synergies that can be developed in the context of the reduction of environmental impacts, the circular economy and health and safety in the workplace.
Below we report some of the research projects demonstrating the Pittini Group's commitment in these terms.

POLYNSPIRE

This European project aims to use plastic waste to replace coal in steel melting in the electric arc furnace.

PolynSPIRE is a European project supported by the HORIZON2020 framework program for research and innovation with the aim of identifying new cheaper and more sustainable chemical and mechanical recycling processes of **plastics from urban and industrial waste.** 22 partners including European companies and research centres are participating in the project, who are studying new processes for the reuse of plastic to send it for recycling through depolymerisation activities, obtaining basic monomers and creating new products.

DevH2forEAF

Since 2021, the Pittini Group has been participating in the European project DevH2forEAF which has the long-term objective of **using hydrogen in steel production processes using an electric arc furnace**. The result of this work will represent a fundamental stage for the use of hydrogen in the steelworks and the first step towards decarbonisation of the steel industry.

The main aim of the companies participating in the project is to develop and create burners capable of using hydrogen, to replace natural gas, in the combustion during the melting phase of steel in EAF furnaces. Hydrogen is a low-polluting fuel with a high calorific value which makes it particularly efficient.
The burner prototypes are made and tested at the Ferriere Nord factories in Osoppo (Udine). Experimental tests analyse the performance of the burner which must ensure mechanical and thermal resistance to the operating conditions of the electric arc furnace.

RETROFEED

The Retrofeed project aims to solve problems of raw material supply and increasing energy costs. In fact, research activities focus on testing various potential wastes from the recycling industry to evaluate their performance in the EAF electric arc furnace. The results of these analyses are used to identify which **waste** destined for disposal can instead be used to **replace fossil fuels and natural gases**, normally used in the production of steel. This leads to a double advantage in environmental terms: on the one hand it allows the saving of precious resources and on the other it helps reduce the materials sent to landfill. The favourite candidates, in addition to plastic, are biochar (i.e. derived from biomass) and granular products derived from used tyres.

The Retrofeed project, in which the Group participates, is developing flexible injectors and burners for alternative materials in order to use products from recycling in the EAF furnace instead of fossil fuels.

In particular, in the control circuit of the steel melting system, Machine Learning technologies are used to measure the performance of the alternative materials used as fuels in the process. Thanks to the Digital Twin of the EAF furnace, operators can evaluate these performances in real time and predict the

6. External assurance

The assurance refers to the full document "Sustainability Report" available for all stakeholders on request by sending an email to: pittinigroup@pittini.it.

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Al Consiglio di Amministrazione
Gruppo Pittini
33010 Osoppo (UD)

Rif. 23F1305

Relazione dell'organismo indipendente di assurance sul Bilancio di Sostenibilità Gruppo Pittini - Anno di rendicontazione 2022

Siamo stati incaricati di effettuare la verifica del Bilancio di Sostenibilità – Anno di rendicontazione 2022 (di seguito "Bilancio di Sostenibilità") del Gruppo Pittini (di seguito "Gruppo") con un livello di garanzia limitato ("*limited assurance engagement*").

L'ambito del nostro incarico ha riguardato esclusivamente l'anno solare 2022 ed è stato circoscritto alle *disclosures* dettagliate nella tabella di cui al Capitolo 10. "*Indice dei riferimenti GRI*" del Bilancio di Sostenibilità (di seguito "Tabella") ed alle seguenti ragioni sociali e siti produttivi del Gruppo:

- Ferriere Nord Spa: sito di Osoppo (UD) e di Nave (BS)
- Siderpotenza Spa: sito di Potenza (PZ) e Ceprano (FR)
- Acciaierie di Verona Spa: sito di Verona (VR)
- La Veneta Reti Srl a Socio Unico: sito di Loreggia (PD)
- S.I.A.T. Spa: sito di Gemona (UD) e divisione Pittarc di Osoppo (UD)

Associazione riconosciuta
D.M. 25/6/92 Min. Industria
Trib. MI 1362/54
C.F. e P.IVA 07871590159
REA MI 1432780

Organismo Notificato CE 1608

Obiettivo del nostro incarico è stato di verificare che i dati rendicontati e le informazioni riportate di cui alle suddette *disclosures* soddisfacessero i pertinenti criteri definiti nei "*Global Reporting Initiative Sustainability Reporting Standards*" (di seguito "*GRI-Standards*") e non contenessero inesattezze materiali.

L'incarico non ha incluso la valutazione dei processi e dei sistemi implementati dal Gruppo per la determinazione e la rapportazione dei dati e delle informazioni oggetto di *disclosure*, così come l'analisi dei processi messi in atto per il controllo di qualità dei dati e la definizione dei temi materiali (*material topics*) da rendicontare.

Responsabilità del Consiglio di Amministrazione

Gli Amministratori del Gruppo Pittini sono responsabili per la redazione del Bilancio di Sostenibilità in accordo ai criteri dei *GRI-standard*, o parte di essi, definiti nella Tabella.

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Gli Amministratori sono altresì responsabili per l'individuazione e l'applicazione di metodi appropriati per redigere il Bilancio di Sostenibilità, così come di fare ipotesi e stime ragionevoli relative alle singole *disclosures*.

Inoltre, gli Amministratori sono responsabili dei controlli interni ritenuti da loro necessari per consentire la preparazione di un Bilancio di Sostenibilità che non contenga inesattezze materiali, sia che siano dovute a frodi o a comportamenti o eventi non intenzionali.

Indipendenza dell'organismo di assurance e Controllo della Qualità

Siamo indipendenti in quanto operiamo con un sistema di procedure documentate finalizzato a salvaguardare i principi di imparzialità, competenza, responsabilità, trasparenza e riservatezza richiesti dalla norma ISO 17021-1 "*Requisiti per gli organismi che forniscono audit e certificazione di sistemi di gestione*" e ISO 17029 "*Valutazione della conformità – Principi e requisiti generali per gli organismi di validazione e verifica*". Il nostro organismo di certificazione e verifica è accreditato dall'ente Accredia in accordo alle suddette norme.

Responsabilità dell'organismo di assurance

È nostra responsabilità esprimere, in base alle attività di verifica condotte, una conclusione circa la conformità del Bilancio di Sostenibilità rispetto alle parti dei *GRI-Standard* definiti nella Tabella.

Abbiamo eseguito l'incarico in accordo ai principi ed alle indicazioni contenute nel documento ISO 14016:2020 "*Environmental management – Guidelines for the Assurance of environmental reports*", per quanto applicabile, emanato dall'International Standard Organization.

Lo svolgimento del nostro incarico ha richiesto l'applicazione di un processo di verifica tale da acquisire un livello di garanzia limitato ("*limited assurance engagement*") che il Bilancio di Sostenibilità non contenesse inesattezze materiali. Ciò ha comportato che l'estensione del nostro lavoro fosse inferiore a quella necessaria per ottenere un livello di garanzia ragionevole ("*reasonable assurance engagement*") e, di conseguenza, non abbiamo la sicurezza di essere venuti a conoscenza di tutti i fatti e le circostanze significativi che potrebbero essere identificati considerando un tale livello di garanzia.

Attività condotte

Le attività di verifica condotte sul Bilancio di Sostenibilità si basano sul nostro giudizio professionale ed hanno compreso, in relazione alle *disclosures* identificate nella Tabella ed all'ambito del nostro incarico sopra descritto:

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- comprensione dei processi implementati dal Gruppo per la raccolta, il trattamento e la gestione dei dati quantitativi e delle informazioni qualitative riportati nel Bilancio di Sostenibilità;
- interviste con il personale di Gruppo preposto all'acquisizione, analisi, consolidamento ed elaborazione dei dati ed alla stesura del Bilancio di Sostenibilità;
- controllo di fonti di dati esterne, qualora pertinenti per le *disclosures* oggetto di verifica;
- verifica per campionamento dei dati quantitativi e delle informazioni risalendo, qualora necessario, alle registrazioni dei dati primari;
- riesame di documenti e loro coerenza con le informazioni di tipo qualitativo;
- riesame di registrazioni, ricalcoli e verifica della correttezza delle elaborazioni sottese ai dati quantitativi rendicontati;
- verifica della corretta trasposizione dei dati e delle informazioni verificate nel Bilancio di Sostenibilità.

Conclusioni

Sulla base delle attività svolte non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il Bilancio di Sostenibilità del Gruppo non sia stato redatto in conformità ai *GRI-Standard* per quanto attiene alle *disclosures* elencate nella Tabella e riferite all'ambito del nostro incarico.

Associazione riconosciuta
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Organismo Notificato CE 1608

Sesto San Giovanni, 09 novembre 2023

Per IGQ
Carlo Urbano
prof. ing. Carlo Urbano
(Presidente)

CISQ IQNET
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GRI index

The purpose of this Report is to disclose the Pittini Group's commitment and the information contained in the Sustainability Report.
The Sustainability Report is prepared, drafted and published on a regular annual basis. The period for the report is the year defined as the "calendar year".
This report refers to 2022 and to the companies Ferriere Nord S.p.A., Siderpotenza S.p.A., Acciaierie di Verona S.p.A., S.I.A.T. S.p.A. e La Veneta Reti S.r.l., unless otherwise specified.
Information concerning the individual production sites mentioned above and reported in accordance with selected and applicable parts of some GRI Topic-specific standards, according to GRI-referenced modalities, are available in the document: "Sustainability Report" that can be provided to Stakeholders on request by sending an email to: pittinigroup@pittini.it.
The same have been audited for assurance (GRI-referenced). GRI Topic-specific standards and the relative parts to which the Sustainability Report refers and according to which the information has been reported are specified in the following table.

Indicator description	Disclousure
FOUNDATION	1
GENERAL STATEMENTS	2
MANAGEMENT OF MATERIAL TOPICS	3

ENVIRONMENTAL PERFORMANCE

Indicator description	Disclousure
CONSUMPTION OF RAW MATERIALS/RECYCLING	301 – 1 / 2
ENERGY	302 – 1 a-e,g / 3 / 4 a,b
WATER	303 – 1 a / 3 a,b,c / 4 a,b,c / 5 a,b
A/C	305 – 1 a,b,d,e,g / 2 a,c,e,g / 4 / 5 a-d / 7
WASTE	306

SOCIAL PERFORMANCE

Indicator description	Disclousure
RELATIONS BETWEEN WORKERS AND MANAGEMENT	402
SAFETY AT WORK	403 – 1 / 2 / 3 / 4 a,b / 5 / 6 / 8 / 9 a,c,e / 10 a
TRAINING	404 – 1 / 2 a / 3
NON-DISCRIMINATION	406

FINANCIAL PERFORMANCE

Indicator description	Disclousure
FINANCIAL PERFORMANCE	201 – 1
SOURCING PRACTICES	204

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